

A photograph of a man with a beard, wearing a white cap and a white long-sleeved shirt, sitting on a blue plastic chair in a small, cluttered shop. The shop is filled with various goods, including large sacks of grain or flour in the foreground and shelves stocked with packaged snacks and other items in the background. The lighting is bright, and the overall atmosphere is that of a busy, everyday market stall.

Response to COVID-19 in Bangladesh

Knowledge, attitudes, and practices of low- and middle-income (LMI) people toward COVID-19, and its impact on their life

A community perspective from Bangladesh

December, 2020

About this report

- The year 2020 has been difficult for everyone. The scale of the COVID-19 pandemic has been unprecedented, at least in the past 100 years. The virus has claimed [1.71 million lives](#) (and counting) across the globe and [crippled the economy](#) of numerous countries. Restricted mobility, a constant fear of infection, loss of loved ones, and loss of income have characterized the year 2020 so far.
- We have been tracking the impact of the pandemic on [low- and middle-income \(LMI\) households](#), which have uncertain and irregular incomes. LMI households are those that earn between USD 0 and 12 each day.
- This report presents the impact of COVID-19 based on the second round of data collected in June-July 2020. We spoke to 97 LMI individuals in Bangladesh between 25th June to 22nd July, 2020. The sample size of the research is, clearly, too small to be representative and therefore the percentages reported throughout should be seen solely as indicative.
- The report of the first round is available here: [“Coping with COVID-19 in Bangladesh”](#)
- This report has four key parts of (i) knowledge-attitude-practice of LMI segments toward COVID-19, (ii) the economic impact of the pandemic, (iii) the impact of the pandemic on digital life, and (iv) the difference in terms of gender, if any. Each subsection provides data insights from the research and actionable recommendations for policymakers based on the data.
- Annex 1 presents two case studies from Bangladesh, and Annex 2 describes the study design and sample distribution of the second round of the Bangladesh study.
- Wherever possible, we have provided comparative data from April, 2020. All the data labeled as “April-2020” used in this report are from the first round. We also encourage you to visit the interactive data dashboard [here](#).

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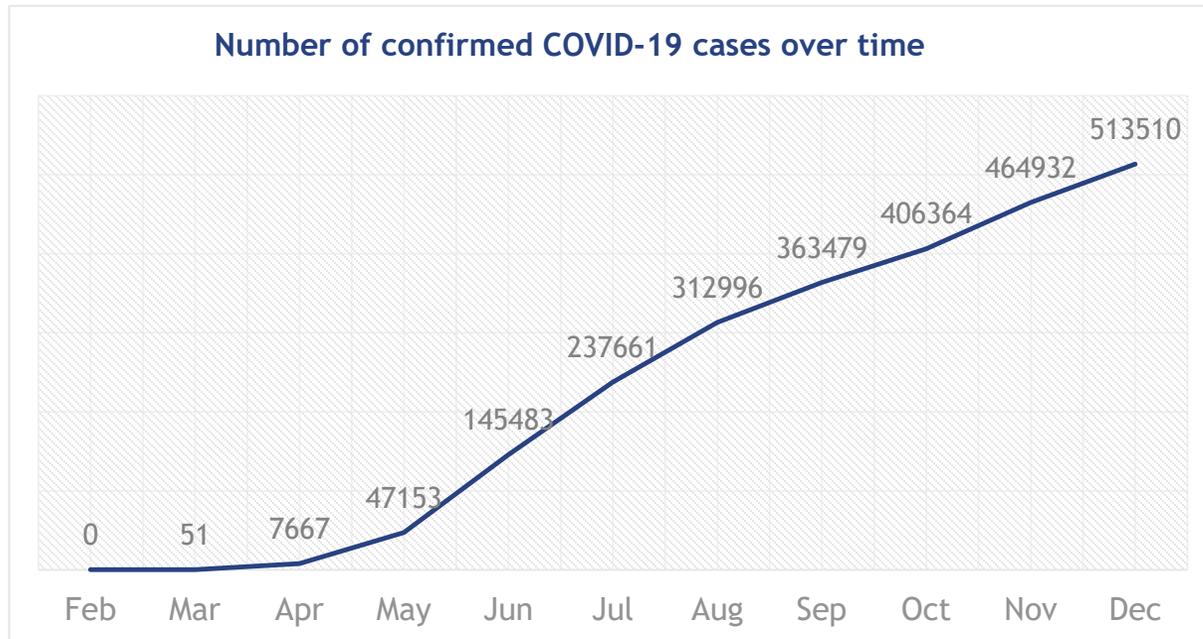
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How the pandemic situation has evolved in Bangladesh: Key highlights of the current situation and coping mechanisms employed



Country highlights are given below:

- Considering the total cases, Bangladesh is the 27th worst-affected country worldwide. The number of confirmed cases is 509,148 as of 28 December, 2020.
- The percentage of tests that has come out positive is high at about 17%.
- As of 28 December, 2020, 7452 confirmed deaths have been reported. The low fatality rate (~1.4%) maybe because of the stigma of reporting death due to COVID-19, and potentially because poor people living in unsanitary conditions have sturdier immunity.
- By October, 78% of Dhaka’s slum dwellers and 45% of the capital’s population had developed COVID-19 antibodies—often without experiencing symptomatic disease.

First reported case
 First reported fatality Shutdown announced
 The government announced a BDT 50-billion stimulus package.

March

April

The government announced a BDT 7.6-billion cash assistance for informal sector workers.

Nationwide lockdown removed

May

August

Night curfew extended.
All educational institutions shut till 3 October.

Lifted all restrictions on public movement and activities

September

October

The Department of Health issued health guidelines for the Durga Puja week.
Air travel to India resumes via 28 flights per week.

Bangladesh Bank extended the moratorium for loans and installments up to 31st December, 2020.

November

December

A stimulus package of DBT 20 billion announced for cottage, micro, and small enterprises

* The data from Novemberr and December is as of 9 Dec, 2020, and is subject to change.



Overall, LMI people are more aware now of COVID-19; social media has emerged as a predominant source of information

The awareness levels and details of information that people know has evolved over time



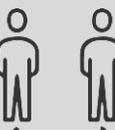
- **93% (men=86%, women=100%)** of respondents know of the two most common symptoms of COVID-19, that is, cough and fever



- **67% (men=80%, women=54%)** of respondents recognize that a COVID-19 patient can be asymptomatic too



- **72%** of respondents mentioned “contacting infected persons or objects” as a major reason for the spread of the disease
 - Contacting infected persons: April=66%, July=72%#
 - Touching infected objects: April=25%, July=11%#



- **97%** of respondents believe social distancing is mandatory because the virus is highly contagious, as compared to **91%** in April

The influence of social media has increased for updates on COVID-19

- Respondents reported a greater influence of social media to get updates about COVID-19; 48% (compared with 25% in April) of respondents received news on social media. However, there is a clear gender divide with 71% of male respondents and 25% women respondents using social media to access information/news.
- 37% of respondents got updates about COVID-19 from neighbors, local shops, friends, or relatives, as compared to 46% in April
- 81% of respondents mentioned television as the most common source for information on COVID-19 (July 2020)

On COVID-19 precautions, a female respondent who is a homemaker has claimed that “Owing to the limited healthcare facility and testing fees, doctors are NOT attending to patients with minor coughs or fever or advising COVID-19 testing.”

Note: The sample size of the research is, clearly, too small to be representative, and therefore the percentages reported throughout should be seen solely as indicative.

In the data from April, multiple responses were allowed for this question. We changed these responses to single response question in the July data to make the responses more specific.

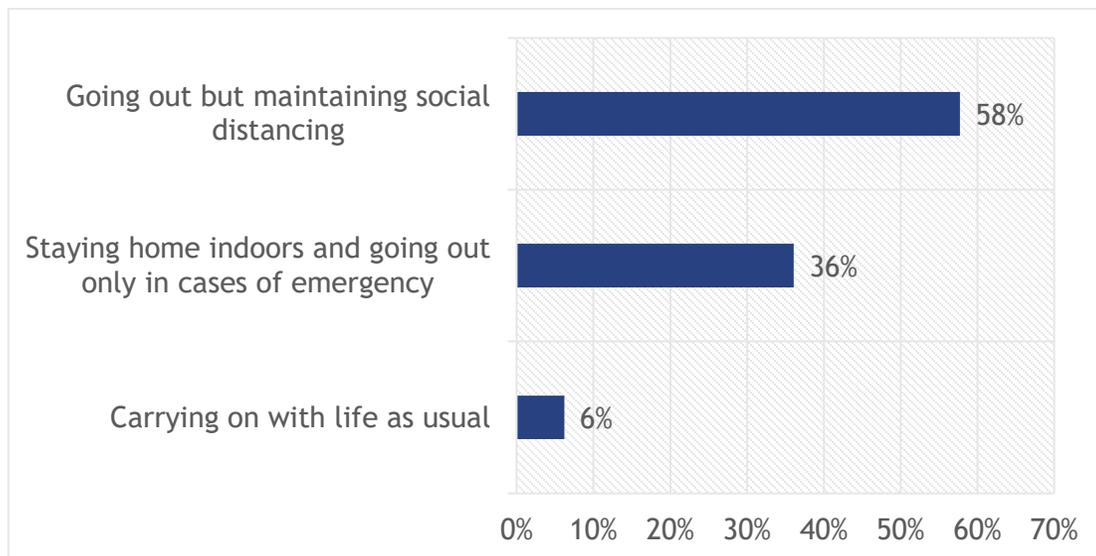
As of July, 68% of people have still not bought a face mask to prevent the spread of COVID-19—though the numbers improved compared to April (75%)**

74% of respondents have scored more than 5 out of 7 on the composite score developed to measure how many of them were following correct practices#

68% of respondents reported that they follow some form of social distancing—this is after containment measures were lifted. The percentage was 86% in April during the lockdown.

How are people socially distancing?

N=97



People have adopted hygienic practices and started going outside but with adequate precautions

Measures adopted by the respondents to prevent coronavirus infection include:

-  **82%** of respondents reported washing hands regularly (with most using soap to wash hands)
-  Practicing social distancing: **68%** of respondents (reduced from **86%** in April, mostly because the lockdown lifted)
-  Getting the house cleaned: **55%** of respondents (**44%** in April)
-  **76%** of respondents mentioned that whenever they went out they wore masks
-  **43%** avoid going out as much as possible, while the new normal has been adopted by people when they go out

Note on the composite score: We developed a composite scoring for “correct practices to be followed” where the possible score is between 0-7, with 7 representing following all correct practices; 86% of respondents scored >4; 74% scored either 6 or 7. More men (27%) than women (17%) scored 7 (the highest score). Practices used in scoring: social distancing, wearing masks, washing hands with soap, following coughing etiquette, using sanitizers

While practices to prevent COVID-19 are far from being up to the mark, the state of panic has subdued and people are returning to a new normal

With reduced fear of fatality and increased mobility, LMI people have become accustomed to the new normal

- Individuals noted that COVID-19 is mildly fatal (37% in July and 15% in April) and not highly fatal (55% in July, 81% in April) indicating that they are aware and that COVID-19 can be treated. This might be due to the low mortality rate.
- Only 36% (compared to 70% in April) of people have been staying indoors and going out only in case of emergency.
- Further, 58% (compared to 16% in April) of people have been going out but maintaining social distancing.
- 32% of respondents (25% in April) had bought masks for all family members as of July, while 76% reported that they wore a mask daily in the past week.

Recommendations:

Bangladesh seems to have accepted the “new normal” and a sense of normalcy have overtaken the fear or anxiety around the disease. Policymakers should build robust “new normal” communication strategies to build and sustain readiness among masses:

- Institutions, such as banks and offices have been trying to maintain hygiene and social distancing. PPEs are being provided to the essential service workers regularly. However, safety norms and precautions are not being followed satisfactorily—55% of people think “others are not following guidelines of COVID-19 prevention”. Some of this carelessness is attributable to diminished fear. This can be improved by devising creative and interactive ways to engage the masses. For example, [advisory or instructions presented in the form of comics](#) may increase the effectiveness of awareness-building efforts.
- Given the high population density in Bangladesh, a behavior change to mandate the wearing of masks is imperative. Timely mobile messages to wear a mask, campaigns like [#maskforce](#), pre-call ringtone-reminder by celebrities, and strategically located posters will help in this direction. However, investing in a [Social Behavioral Communication Change \(SBCC\) strategy](#) on mask-wearing that aligns to other essential behavior at the individual, family, community, and structural levels could turn the game around more effectively.

The LMI population has shown visible signs of economic recovery

Concerns about decreasing income and adverse impact among the LMI has improved over time

- There is an **18 percentage-points drop** (31% in April 2020 to 13% in July 2020) among respondents who reported that they have lost their jobs or stopped earning wages completely.
- 28%** of respondents also said that they started getting their salary again after a halt due to the pandemic situation.
- 91%** of respondents feel that the decrease in income is temporary.
- 58%** of respondents (compared to 30% in April) have reported that their incomes decreased due to the pandemic.

Coping mechanisms among the LMI segment

Building on financial resilience, LMI households have adopted coping strategies to deal with the economic impact in their life. Strategies adopted to survive the economic turndown:

Controlling expenses: **95%** of respondents

Increasing savings: **4%** of respondents

Borrowing items from shops: **36%** of respondents

Opting for a new source of income: **8%** of respondents

“If there is no lockdown then I do not need any subsidies since I can work, and I love earning by myself rather than taking subsidies from anyone at all,” says Ataus, an autorickshaw driver.

Recommendations:

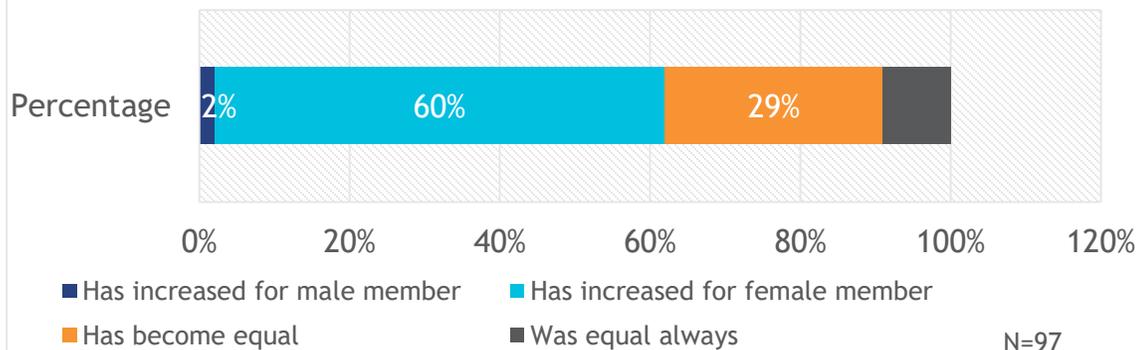
- Develop local economies (by arranging for working capital to start new businesses) and ecosystem, particularly for women; giving them platforms, such as [The Women Entrepreneurship Platform \(WEP\)](#), to utilize and hone their skills and earn a living for themselves and their families.
- Rebuilding strategy must focus on micro-businesses that have struggled to reopen or continue smooth business operation. A one-time cash transfer [to balance stocks and sales \(which is a primary bottleneck\)](#) can help this situation.
- While designing a revival strategy, policymakers must consider the possibility of a [second wave of COVID-19](#) as a major constraint, [as seen in Europe](#), which may set Bangladesh’s business recovery back sharply. While most restrictions have been relaxed in Bangladesh as of now, the second wave of COVID-19 [may reappear in full swing](#) given the unpredictable nature of the virus.

Economic hardship as well as household work has increased more for women as compared to men

The adversities around economic activities were more pronounced among female respondents

- **58%** of respondents mention their income has decreased. Adversities have affected the income of women more than men.
 - **60%** of women compared to **55%** of men said their income decreased
 - **10%** of women compared to **2%** of men said they lost their job
 - **78%** of women compared to **39%** of men responded that their employer has stopped working

The share of work in the house has increased for women



Recommendations:

Efforts toward economic revival need to be strengthened, with a greater focus on livelihood activities among women.

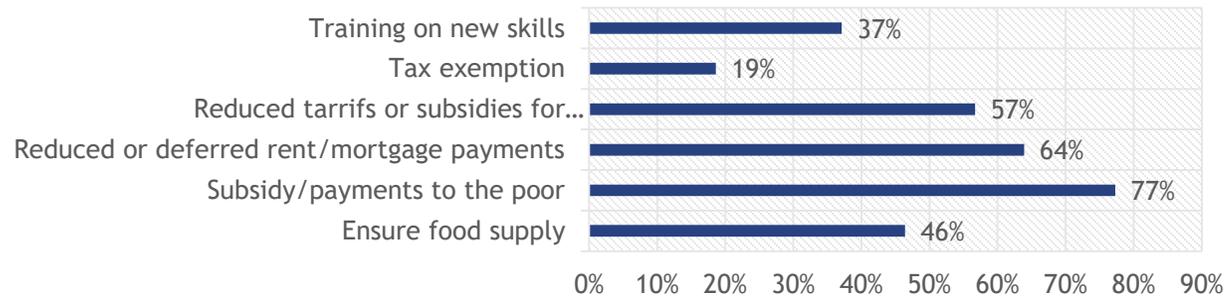
- Tech-based innovations, such as [ShopUp](#) and [F-Commerce](#) can potentially support women's economic empowerment, and must be encouraged. The government should consider aspects, such as [access to finance, literacy on mobile payments systems, absence of legal framework, and difficulties in logistics](#) to enable women to use these avenues.
- As of June 2020, providers disbursed only 5.42% of total credit through agent banking to women (3.35% by Bank Asia, and 1.06% by BRAC). The poor share of credit to women plagues both supply and demand sides.
- The SME Foundation and Women Chamber of Commerce (BWCCI) can play vital roles to provide training services and develop entrepreneurship. Further, providers must encourage programs, such as the [B-Lab, an initiative between Bank Asia and BIID](#), to arrange working capital for women. The B-Lab will help around 100,000 women entrepreneurs explore their business potential through incubation, training on financial literacy, and other online services.

Government support has been crucial to the survival of the LMI population in both coping and responding phases; however, the delivery of benefits needs to improve

Benefits received from the government in terms of food grains has helped survive the otherwise distressing times

- **Only 22% of respondents** mentioned that they received government benefits, which indicates high levels of exclusion (considering our respondents were all LMI people and are eligible for these benefits)
- **71% of respondents have received food grains** from the government.
- The primary demand of the respondents from the government is to **implement subsidy or other payment options (77%)**, followed by ensuring food supply (46%).

Recommendations for the government to help recover from the COVID-19 crisis*



Arif, a respondent, mentioned that “the government must hold mortgage payments, provide subsidy on house rent, electricity, and water bills with immediate effect. Our finances are really messed up right now!”

*multiple choice question

Recommendations:

- **Identify and control exclusion in the roll-out of government benefits:** Social cash transfer and food distribution programs exclude potential beneficiaries for various reasons. A considerable proportion of eligible beneficiaries in Bangladesh has not been able to avail the benefits because they remain unbanked.
- Instances of corruption have aggravated the situation further. These include cases of a single beneficiary using multiple phone numbers, stealing rice from ration shops, or using fake national identity card numbers. MSMEs have also been unable to receive government emergency loans as they are not linked with recommended banks. Although MSMEs in the country are in urgent need of a stimulus, only 28% received it as of September, 2020.
- More coordination and cohesion between levels of governance is imperative: Regional and municipal governments, which are at the frontline of recovery management, need to work in tandem with the national government more than ever “to minimize the risk of a fragmented crisis response.”

Though we can see a moderately increasing trend of digital adoption, the digital wave is yet to reach the masses

The digital wave is yet to reach and become the new normal for the masses

- As per data from July, 2020, the time spent on the phone has increased for more than one-third of people and the time on social media has also increased for more than one-fourth of people
- Yet 84% of the respondents reported not installing any new applications
- Only 12% reported an increased use of digital payment; but here, again, there is a clear gender divide with 14% men respondents and 10% women respondents reporting that they made digital payments
- 6% of new users of digital payments reported installing new digital payment applications. These people are susceptible to consumer protection issues like fraud. One of our respondents reported that instances of fraud, such as fraudsters seeking PINs over phone calls with lucrative offers have risen.
- As of July, the intensity of the use of channels for financial services, that is, ATM, bank branch, and DFS agent point has remained constant for most respondents. **2% of respondents mentioned an increase in use of DFS agent points and 3% of respondents mentioned an increase in use of digital payment applications.**
- However, this is in contrast to [the overall country-level trend](#). In Bangladesh, the number of average daily MFS transactions in September, 2020 was 2.03 million higher than in September, 2019, translating to a 28.6% increase. Further, there is a cumulative increase of 419% in monthly inward remittances in 2020 compared to the same period of 2019.
- The government's focus and incentive to go digital offers a huge scope to adopt DFS for the LMI population, for example, for [RMG factory workers](#) and recipients of DBT. The low penetration of DFS among the LMI segment may primarily be attributed to [limited cash flow, poor operational ability, deficiency of use-cases, and location](#).

Recommendations:

- Given the current circumstances, MFS providers can begin by adding features, such as eKYC to help onboard the LMI community quickly, deliver social safety net payments and stimulus packages, among other benefits. [Nano-savings](#) and [digital credit](#) products may also be designed. These LMI-tailored initiatives may increase use-cases, build trust, and increase usage of MFS.
- There is an immediate need to assess insights and the needs of customers—given that a large segment of Bangladesh's population is clearly not interested in the MFS they are being offered in its current form. Notably, [studies](#) indicate Bangladeshis feel that MFS is the cheapest form of account ownership. Moreover, 23% of those who have no accounts with banks or in agent banking use financial services through MFS wallets alone.



Annex 1: Case studies

Case study: Financial horror continues to challenge the LMI population: a caselet from our research

- Nasima worked in a readymade garment factory before the pandemic began. Her husband used to be a street vendor who set shop near the local police station and sold clothes. Nasima lost her tailoring job at the factory due to COVID-19. The factory she worked in has not reopened yet.
- For a while, her husband was the sole earner for their family of five members (three children). Eventually, her husband's business also suffered because even after the lockdowns were lifted, the police has not allowed him to set up shop at his previous location. His income halved because the advantage of the location was lost. Arranging for house rent (even through the lockdown months), electricity bills, and other expenses became difficult. The only help they received from the government was 5 kgs of rice in the four months, starting April.
- As the cost of living in the city became unbearable, Nasima and her family had to move in with their brother-in-law back to their native village. Right now, the family depends on savings and financial help from relatives. Nasima's husband visited the local political party office for donations or help but to no avail.
- Nasima and her family are worried and are not sure how they might recover financially.



Case study: The inflow of remittances has soared in Bangladesh: a case study from the Hrishipara diaries



- Rubi lives in the Gazipur district of Bangladesh with her husband (who cannot work due to disability), her daughter, and her son-in-law. Her married son lives in Singapore and works as a construction worker. He sends money back both his own and his wife's home every month through the *hawala* or *hundi* system.
- However, due to the COVID-19 pandemic, Rubi's son lost his employment, that is, he continued to receive food and accommodation but no salary. His monthly remittances stopped. This caused worried and embarrassed her because she was supposed to pay her share of money to the neighbor to buy a cow for sacrifice on Eid al Fitr.
- Thankfully, her son was re-employed only three days before Eid and he managed to send BDT 70,000 home. He used mobile-money service in place of *hawala* this time. Rubi paid her due amount of BDT 23,000 toward the cow's purchase, and the family celebrated a happy Eid.
- Rubi's case shows just how the inflow of remittances in July in Bangladesh has been a big surprise: 62% more than in July 2019, and 42% more than June 2020.
- The Hrishipara diaries also note that while salaried employees have been returning to their normal life, shopkeepers continue to face a tough time. This is primarily because their stocks are more than their sales. This stock-sale cycle has been disturbed severely by the pandemic.

Annex 2 : Study design and sample distribution



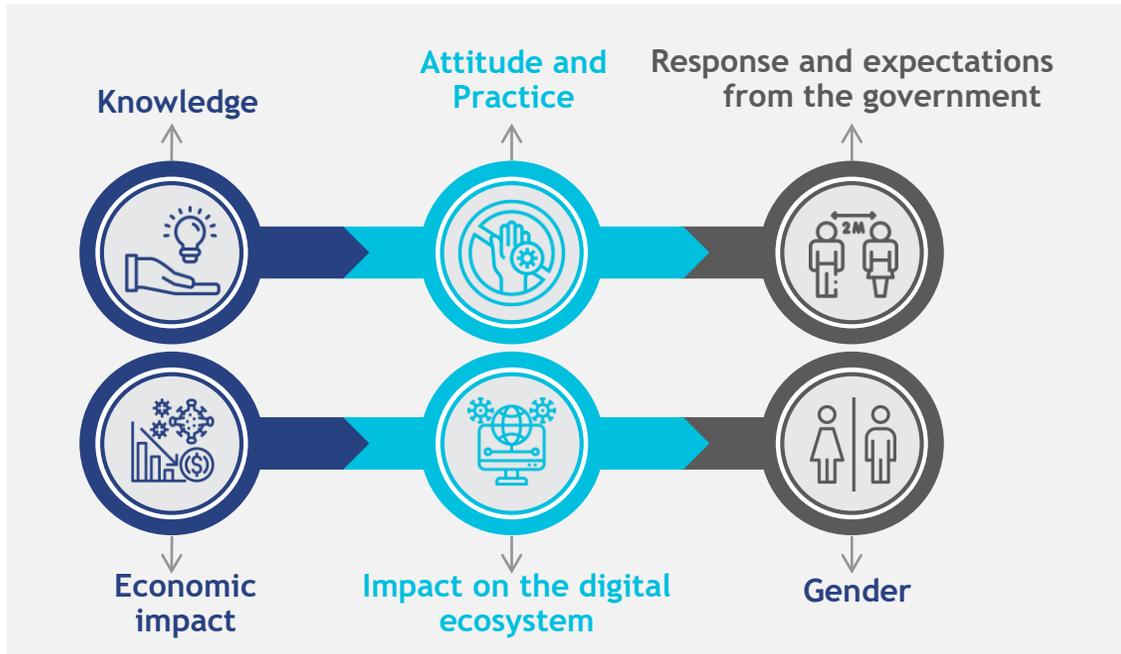
Study design



The objective of the research

The objective of the research was to assess the following:

- Knowledge, awareness, and attitude toward the COVID-19 virus
- Practices adopted to prevent COVID-19
- Impact on social behavior, gender roles, digital life, and household economics
- The government’s response: actual and expectation

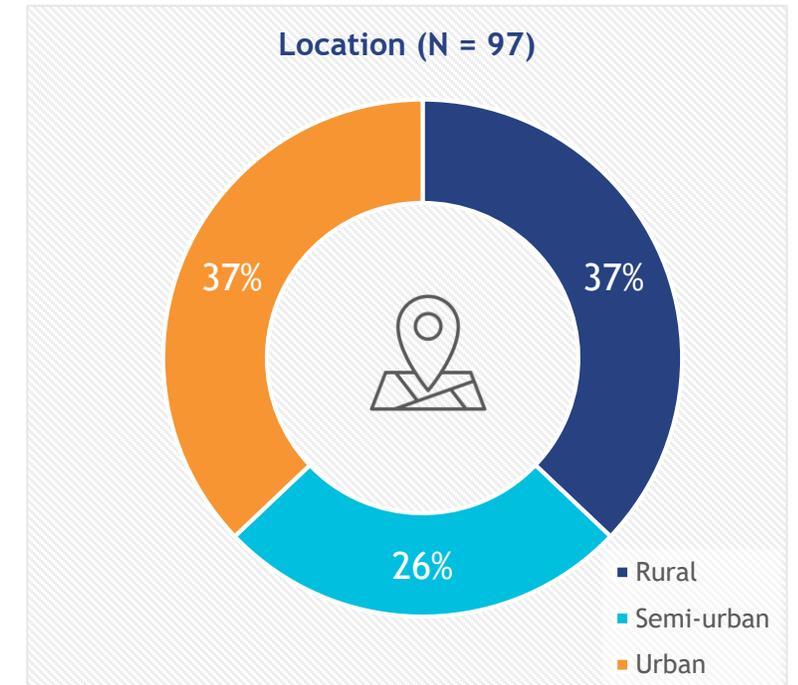
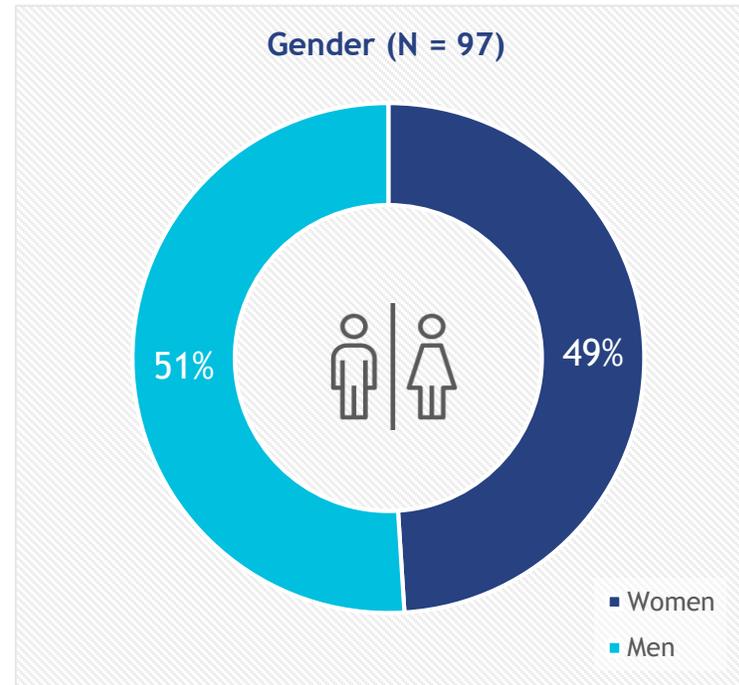
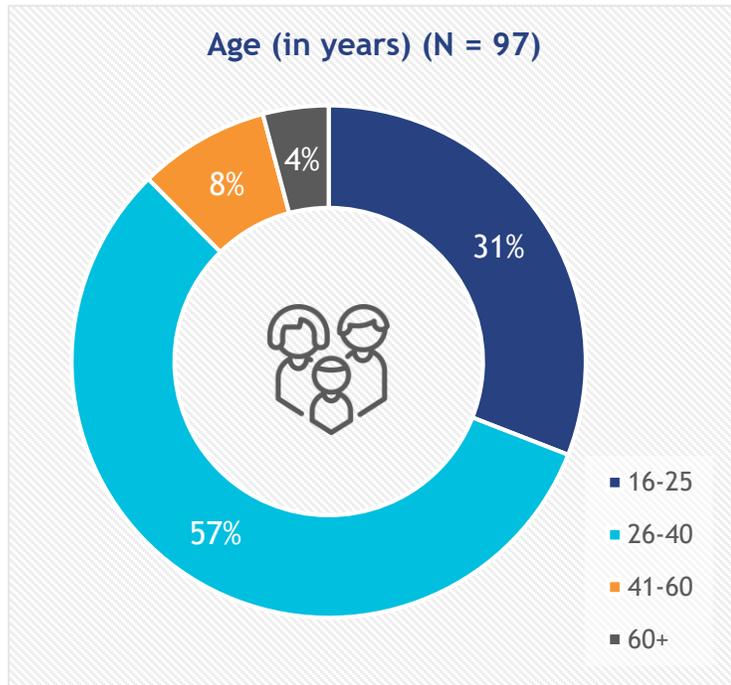


Study design

- **Countries:** Round 2 covered India, Bangladesh, Indonesia, and Kenya.
- **Location divide:** Rural, urban, and semi-urban areas
- The total sample size for Bangladesh was 97 for round 2
- Method: Telephonic survey (in both the rounds)
- Data collectors were trained in detail on how to ask questions, where to probe, how to record responses, etc.
- Data quality was assured through virtual spot checks, telephonic back checks, review of audio recordings, and concurrent checking of data
- Owing to the low and non-representative samples from each country, the findings are directional and indicative, and cannot be generalized.

Sample distribution

The sample of round 2 respondents in Bangladesh is mostly young to middle-aged. The sample had marginally more men than women. Location-wise, the sample has equal urban and rural representation.



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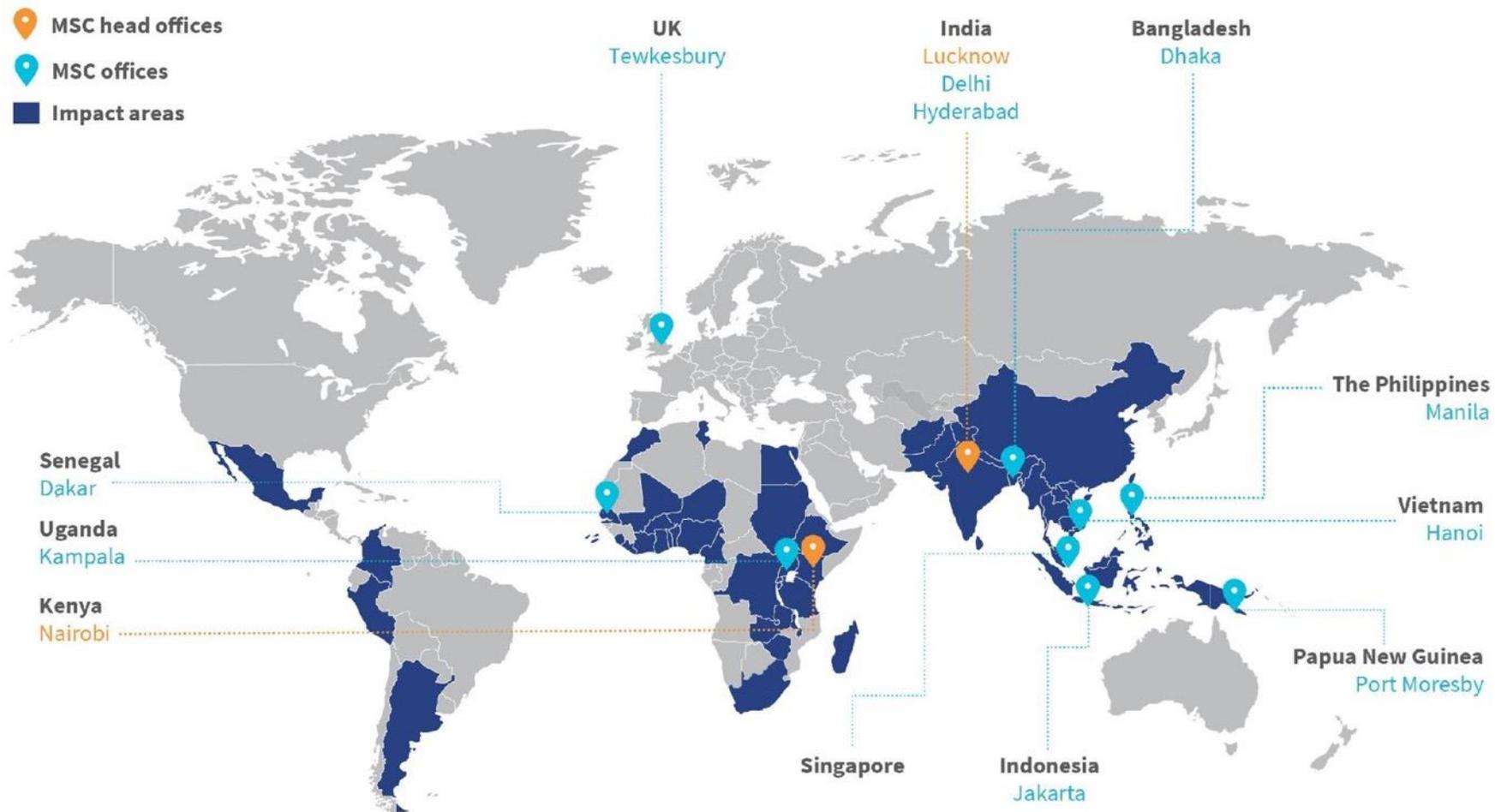
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