

# **COVID-19 and National Budget 2021:**

## **Rethinking Strategy for BoP Population**

A joint initiative of BRAC, DataSense and Unnayan Shamannay

# COVID-19: Global Impact



**Number of countries shutdown:**  
**80**  
[Congressional Research Service]



**Rise in Global Unemployment:**  
**25 million by the end of the year**  
[ILO]



**Infected: 6,185,927**  
**Death: 371,413**  
[WHO]



**Rise in Global Poor:**  
**420–580 million new people risk**  
**falling into extreme poverty**  
[UNU-WIDER]



**Expected fall in GDP this year:**  
**9 trillion dollars**  
[IMF]



**Children affected due to school closure:**  
**1.5 billion**  
[Congressional Research Service]

# COVID-19: Bangladesh Impact



**Employment Impact**  
63 percent with zero income [BIGD, PPRC]



**Remittance**  
Remittance slides 24.68% in April[BB]



**GDP Impact**  
Loss of 1.1 percent from GDP growth [ADB]



**Incidence of Poverty**  
Increased from 24% to 84% [BRAC ASC]



**Domestic Violence**  
300 incidences in 3 districts during the month of March [Manusher Jonno Foundation]



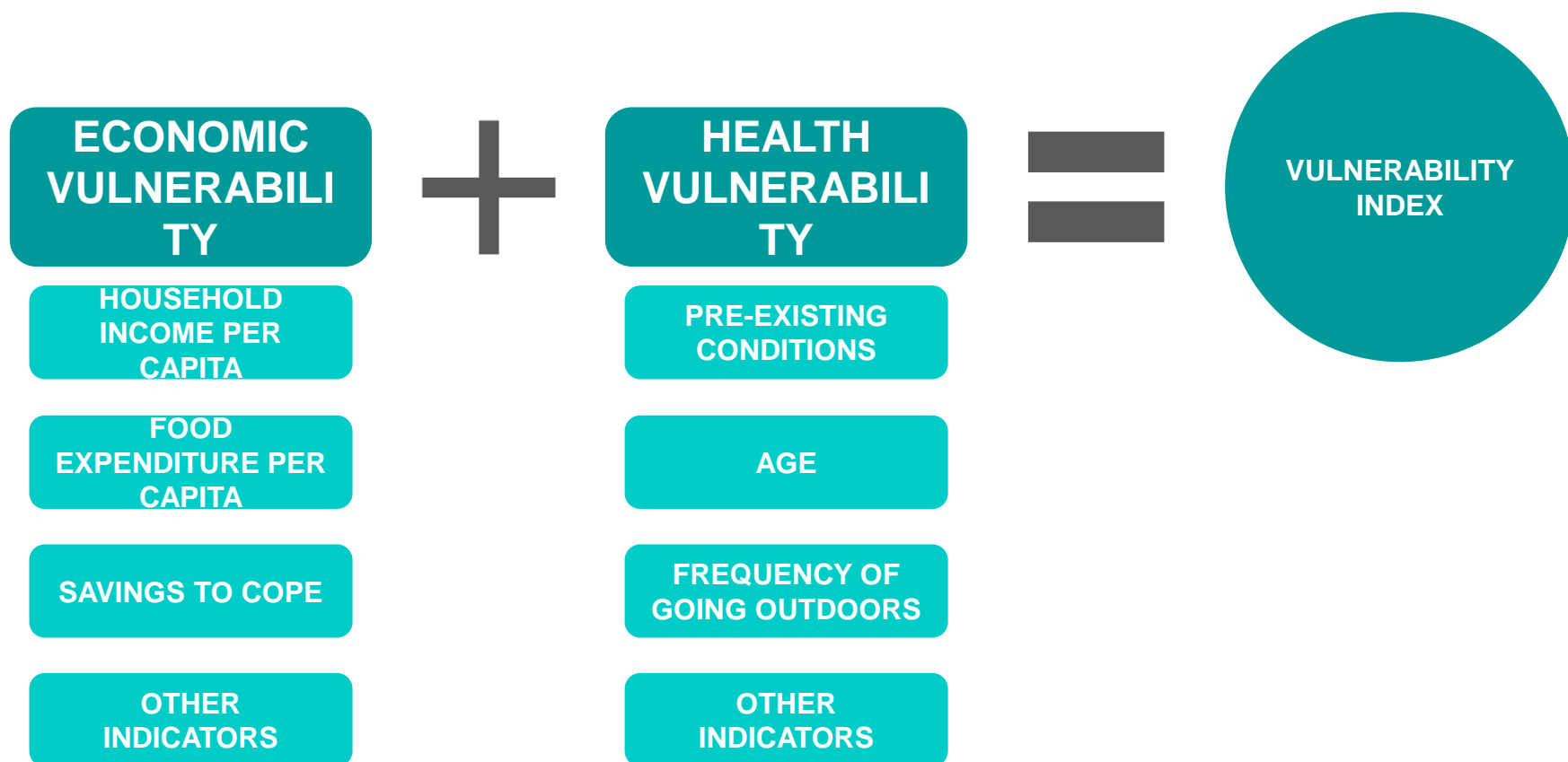
**Return of Migrants**  
4 lakh returned. Additional 10 lakh projected to return. [Needs Assessment Working Group Bangladesh]

# Framework for Rethinking BoP Strategy:

## Vulnerability Index

- The future is uncertain
- It may take from 2 years to 5 years to start living without fear of resurgence of COVID-19.
- The narrative of national strategy is not either economy or health, it is both health and economy, because without health economy will suffer for prolonged time, affecting production supply chain, export and investment.
- There is no design so far on how to live with the virus and keep economy running in its full strength.
- A vulnerability index and its regular update would help Bangladesh to dynamically address the challenges applying systems approach.

# Vulnerability as New Paradigm



# Use Cases of Vulnerability Index

- Targeting those in need of assistance
- Tracking BoP economic impact measurement
- Vulnerability density tracking
- Linking job loss with vulnerability
- Understanding disease spread by geography
- Finding out if the food aid was enough

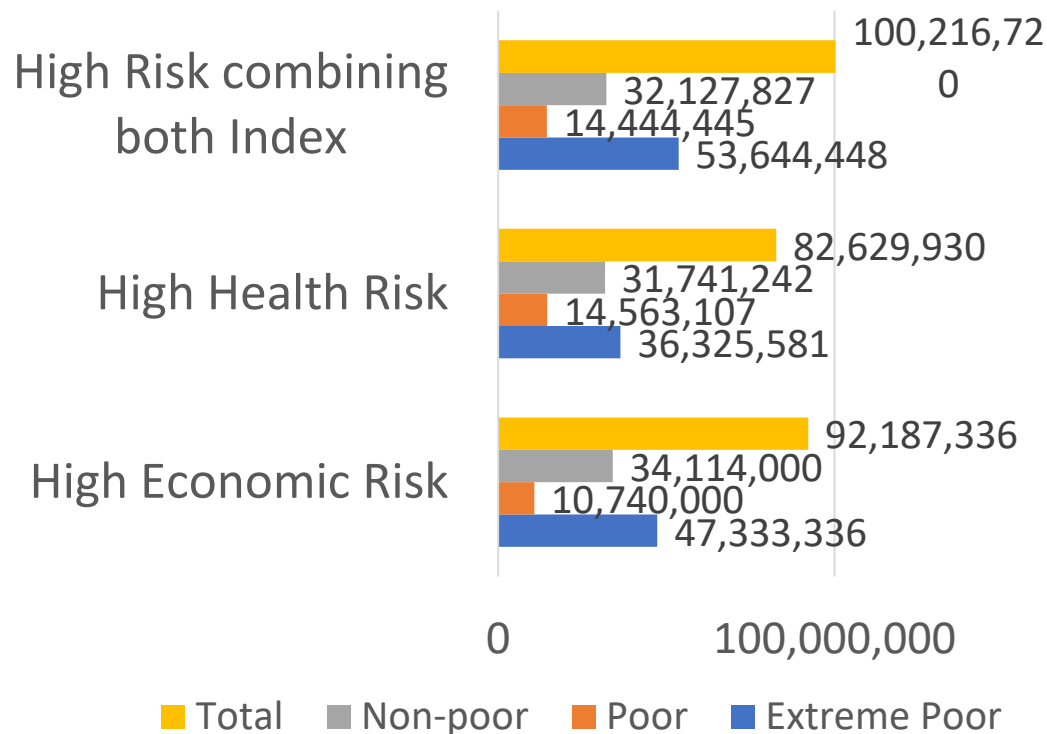
Vulnerability Mapping for Covid-19 Crisis in Bangladesh



(Survey in Progress) © DataSense, 2020

# Vulnerability Index: Baseline

## Magnitude of Vulnerability



- 100 Million Citizens at High Risk.
- 54 Million Extreme Poor [including new Poor] are at High Risk.
- Let's not forget about the non-poor, 34 million of 64 million non-poor are at high economic risk, and need support too.

# New Health and Wellbeing Divide: Big Picture

## Capacity of National Healthcare System

**Number of doctors:** 0.53 per 1000

**Number of hospital beds:** 127,000

**Number of ICUs:** 1169

- **Testing Capacity:** 10,000 per day
- **Testing Capacity Required:** 100,000 per day
- **Hospitalization Capacity:** 127,000\*
- **Hospitalization Capacity Required:** 1 million
- **Contact Tracing Capacity:** Unknown\*
- **Contact Tracing Capacity Required:** 100,000 per day\*



# New Health and Wellbeing Divide: BoP

## Elements of Cost Burden:

Cost and waiting time related to testing  
Cost and access to treatment facilities

## Structural Limitation:

No space available for isolation

## Knowledge and Practice:

Lack of knowledge on how to remain safe  
Feed of misinformation  
Superstition  
Belief in miracle

## Mental health at Peril:

83 percent reported experiencing  
mental stress  
[Needs Assessment Working Group]

## Health & Livelihood Nexus:

Income loss during treatment  
Loss of primary earner in case of death

## Community Healthcare Infrastructure:

Capacity  
Capability

# New Approach towards Healthcare System



- Investment in expanding capacity for testing, tracing and tracking
- Mobilizing public, private and NGO capability together across the country
- Mobilize Communities
- Cluster-based allocation of responsibilities [geographic cluster and sectoral cluster] for :
  - Testing
  - Tracing
  - Tracking

# Mitigating Impact of New Health and Wellbeing Divide for BoP

- Introduce cash transfers for COVID-19 positive patients for income losses
- Introduce one public isolation infrastructure in each Upazilla
- Introduce massive community –based and sector-based knowledge and BCC campaign for BoP population
- 3-year cash support if any income earner of BoP households dies due to COVID-19
- Investment in expanding telemedicine capability of private sector and NGOs



# COVID-19: New Economic Divide

- **50 million New Poor**
- **Job loss:**
  - **Overall:** Between 0.9 million and 2 million domestic jobs predicted to be lost [ADB and Needs Assessment Working Group]
  - **Migrant Labor:** 4 lakh returned. Additional 10 lakh projected to return. [Needs Assessment Working Group Bangladesh]
  - **Informal Sector:** 71% [BIGD & PPRC]
  - **Export (RMG):** 2.27 Million [BGMEA]
- **Income loss :** 74 Percent on average between February and May
- **Massive loss of revenue in businesses**
- **Surge in Cost of Living:** Food cost transport cost + COVID-19 safety cost

# Mitigating New Economic Divide

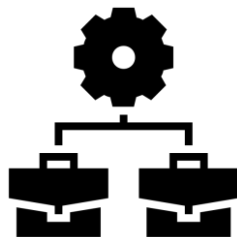
- Introduce universal unemployment benefit scheme starting with extreme poor by FY 2021 and for other unemployed groups from FY2022.
- Launch National Unemployment Benefit scheme
- Provide blanket two-month tax-relief to firms in industries worst hit by COVID-19
- Promote agricultural mechanization to support farmers affected by COVID-19, particularly through public-private partnerships
- Withdraw import duties on items contained within the consumption basket of the BoP, especially products that add nutrition



# Special programs for migrant labor at home and abroad



One-time cash transfer  
Compensating  
Income Loss



New Job Creation



Removing Debt Trap



Protection from  
Social Stigma

# 100% Inclusion of all Eligible Citizens with Special Needs into Social Protection Programs



**Ensuring 100% coverage  
of people with special  
needs in SSNP**



**Doubling the Amount of  
Benefits**



**Develop Accessibility  
Features in Remote  
Education Solutions**

# New Social Divide

- New stigmatization of the infected and returnee migrant workers.
- Cost burden: mask, gloves, hygiene for maintaining normal life and livelihood.
- Further marginalization of Women, children and adolescents: Nutrition, sexual and reproductive health.
- 83% reported experiencing mental stress and 45% reported that health facilities are inaccessible. (AIA)
- 45% do not know where to contact if they get infected. (BRAC)
- Manusher Jonno Foundation reported 300 incidences of domestic violence in 3 districts during March 2020 alone.
- Private hospitals are rejecting COVID-19 patients.
- More than 52% of the people have indicated that they have not received any support since lockdown/ movement restrictions (26 March 2020) were put in place.



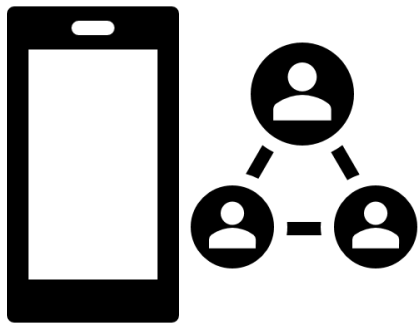
# New Social Divide: Mitigation Strategy

- Launch special cell combining law enforcement agencies and NGOs for an effort combining awareness building activities at community level and enforcing normal movement.
- Launch of a special media and community-based campaign for unity and cooperation.
- Launch special program for ensuring access to safety materials for the BoP population or launch a special monthly cash transfer program for safety materials.
- Launch community-based program in collaboration with NGOs for ensuring access to nutrition and services.
- Launch mental health support services country-wide. Allocate resources for enhancing institutional and human capacity for mental wellbeing support for all.
- Launch emergency shelter home in each Upazilla and reconciliation program for mitigating domestic violence against women.

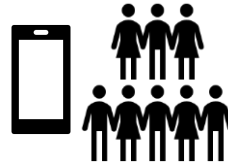
# New Digital Divide



- 'New Normal' suggests focusing on digital technology for accessing education, healthcare, livelihood opportunities, social protection, payment, mobility management.
- 66% households have no access to a smartphone.
- 46% households don't have access to a television.
- Only 67 million people have personal DFS accounts.[Bangladesh Bank]
- Digital literacy is inadequate for accessing the benefit by the poor.
- Thus:
  - Extreme poor can't access education remotely
  - Telemedicine is not accessible for all who need it
  - Livelihood opportunities lost
  - Social protection benefits lost
  - BoP can't pursue livelihood remotely, hence safety



## Universal Access to Digital Device



Ensure 100% access to digital device within FY 2021 using Social Obligation fund of BTRC and in partnership with private sector



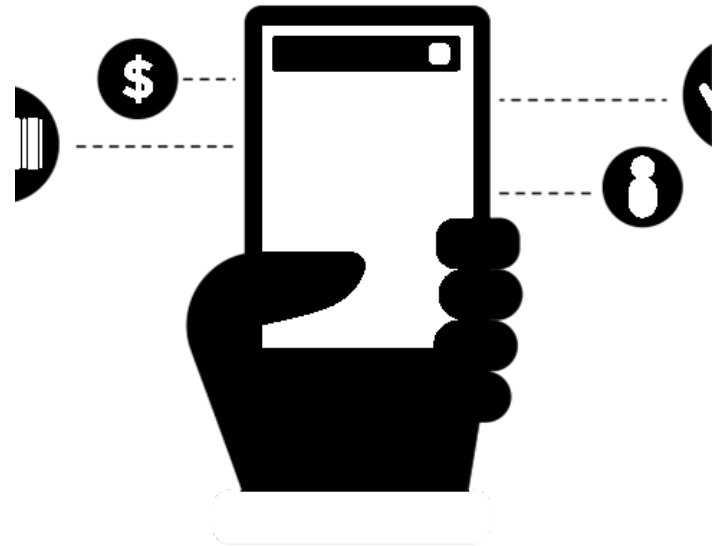
Democratize remote learning for all children



Invest in eLearning to improve digital literacy

# Universal Access to Digital Financial Services

- Social Protection Program Payments
- Credit
- Savings
- Insurance Services through Public Private Partnership.
- Remote access to services will slow down community transmission.



# New Normal: Implications for Bangladesh and BoP

- **Four pillars of new normal [HSTI]:**
  - Health and Safety Practices
  - Social Distancing
  - Testing and Contact-Tracing
  - Isolation or Hospitalization.
- **HSTI Needs for**
  - Reduced number of citizens on the road and public place at a time.
  - Reduced number of workers and employees at offices and factories at a time. Alternatively additional space capacity for ensuring seating maintaining social distancing.
  - Investment in availability of health and safety materials everywhere.

# Adapting to New Normal: Introduction of Universal Protocol for Isolation, Social Distancing and Safety

- Introduction of shifts in offices, factories and schools
- Introduction of 5-6 hours workday for managing multiple shifts
- Introduction of mandatory social distancing at office, factories by introducing shifts and combination of WFH and WFO
- Introduction of digital token for marketplace and travel
- Extension of hours for shopping for reducing crowds
- Introduce special travel pass for BoP population for managing high cost of travel and transportation.
- Invest for free safety and hygiene tools



# Systems Approach: Missing Elements

- Major problem is identification of citizens for various specific needs and support
- Absence of coordination among major actors: government, private sector, NGOs, development partners
- Lack of mechanism of tracking from one place and by various agencies
- Lack of mechanism of tracking by citizens and tracking
- Without engagement of citizens and communities only by circular and punitive measures we will reach nowhere
- Need for national unity by recognizing efforts of all stakeholders

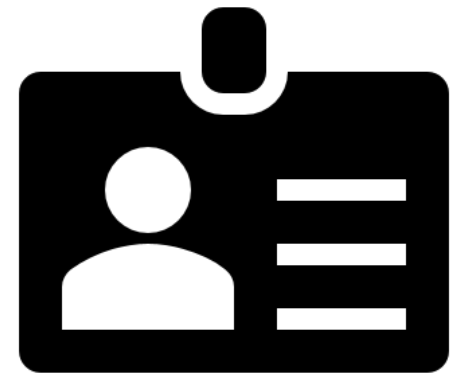
# Application of Systems Approach: Universal Citizen Identification System

**A unified digital system is the key, which will cover all citizens regardless of age will enable the following:**

- Vulnerability Assessment & Tracking
- Accurate Program Targeting
- Relief Distribution, Tracking & Transparency

**There are three specific disciplines required for ensuring that everybody at the BoP is reached:**

- to be sure that everyone in need is identified (inclusion),
- everyone is supported with adequacy and
- everybody is supported for the period required (duration).





# Leverage Community-Public-Private-NGO Partnerships to Fight COVID-19

**Coordinate economic stimulus and industrial relief packages with firms to ensure effectiveness and workers' fair share**

**Engage and empower communities with proper education and training for mitigating impact at community level**



**Scaling up health interventions, testing and medical services, in collaboration with private healthcare providers, NGOs and social enterprises.**

**Leveraging mutual interest with private sector**

# THANK YOU