ROUND 3

20 JULY – 2 AUGUST 2020

Indonesia High-frequency Monitoring of Covid-19 Impacts

September 20, 2020

Please contact Ririn Purnamasari (rpurnamasari@worldbank.org) for any queries regarding the Indonesia High-Frequency Monitoring of COVID-19 Impacts on Households, World Bank, 2020.

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Poverty and Equity

The World Bank

Highlights (I)

New Normal Behavior

- 95% of respondents (self) reported always wearing masks and washing hands properly.
- However, staying at home and maintaining a safe distance remain a challenge.
- Of those who didn't maintain safe distance, nearly half thought it was not necessary and the other half because of difficult circumstances.

Access to Health

- While the majority of households are still able to access health facilities as needed, 25% of households needing immunization and 17% of households needing tuberculosis treatment were not able to access it.
- About 3% of respondents reported being PCR tested for COVID-19.
- Despite the pandemic, only 8% of households are using online health consultations. The main reasons for not using it is because they prefer face-to-face interactions, or they do not know such a service exists.

Highlights (II)

Employment and Income

- Positive signals of economic recovery are visible, with people beginning to return to work and reporting lower incidence of reduced income.
- 75% of breadwinners who stopped working in May had resumed working by August, with about 70% returning to their previous jobs. As a result, only 10% of primary breadwinners had stopped working in August, reduced by more than half of those in May.
- Employment recovery is observed across all sectors and type of work, with the highest improvement in the service sector and among wage workers.
- A lower incidence of income reduction is also observed across different sectors and type of work, with the largest improvement in service sector and non-farm businesses. However, nearly 50% of breadwinners who are still working have experienced income losses.
- Among those who are still experiencing income reduction, income loss relative to pre COVID-19 ranges between 35% and 52%. The largest loss is among those in transport, storage, and communication sectors.
- Despite this recovery, the incidence of reduced income is more likely among low-skilled workers and those in DKI Jakarta and urban areas.

Highlights (III)

Food Security

- Food security is showing a consistent trend of improvement across survey rounds. However, households in the bottom 40%, in urban areas and outside Java have not yet returned to pre-COVID levels.
- There are still 24% of households facing food shortages and 30% of households who report eating less in August.
- Food shortages are more likely among households experiencing income shocks.
- Meanwhile, 13% of households experienced worsening food shortages between May and August.

Safety Nets

- As of early August 2020, most social protection programs have reached estimated target coverage.
- Nearly 90% of households in the bottom 40% reported benefiting from at least one relief measure.
- However, around 10% of households in the bottom 40% who experienced income shocks still have not received any.

Survey

01

Design

Method: 5 rounds of panel survey, 20-30 minutes phone interviews of about 4,000 households, every 3-4 weeks for the first 3 months and every 3 months for the following 6 months

Sampling Frame: Sampled households drawn from Urban Perception Survey (2018), Rural Poverty Survey (2019), and Digital Economy Survey (2020) across 40 districts and 35 cities in 27 provinces.

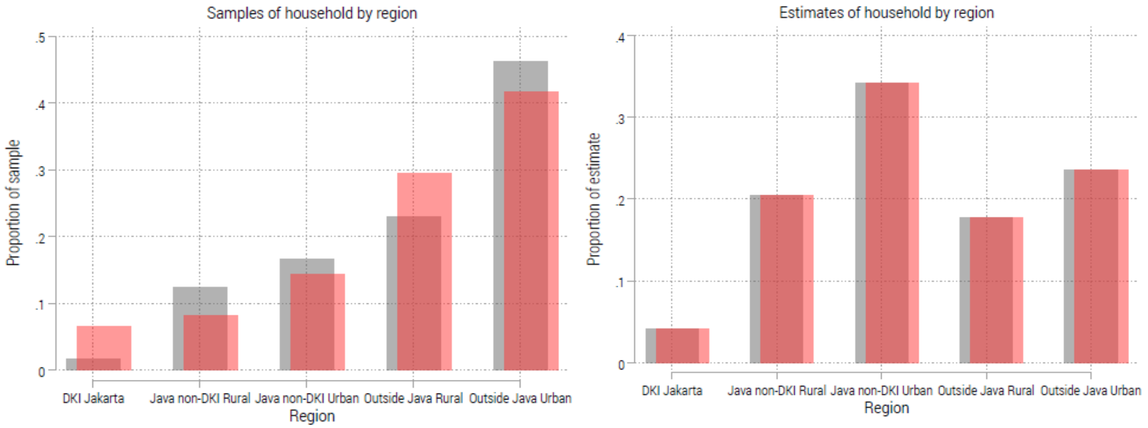
Stratification:

Explicit: 5 regions
Implicit: Sex and education of head of household

Sample distribution of HiFy and Indonesia's National Socio-Economic Survey (Susenas) is very similar across each stratification of interest, confirming confidence in representativeness of the HiFy sample.

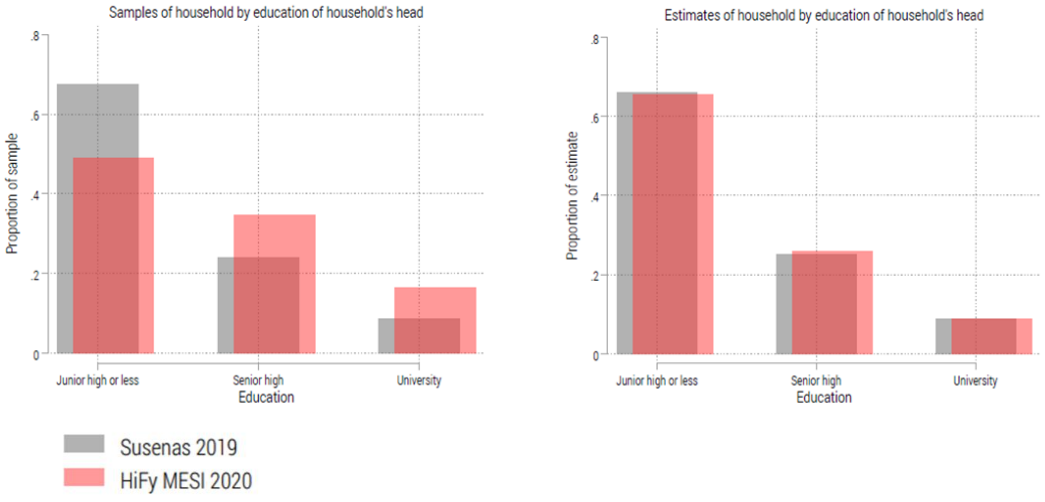
Households by region

Unweighted | Weighted



Education of Head of Household

Unweighted | Weighted



Implementation

Baseline (Round 1)

4,338 respondents

1- 17 May 2020

Module: Knowledge/Behavior, Employment, Access to Food/Food Security, Safety Net

Follow-up (Round 2)

4,119 respondents

26 May – 5 June 2020

Module: Food Security, Access to Health, Education, Finance, Coping Mechanisms, Concerns

Follow-up (Round 3)

4,067 respondents

20 July – 2 August 2020

Module: Knowledge/Behavior, Employment, Food Security, Access to Health, Safety Net

Follow-up

(Rounds 4, 5)

TBD

First confirmed cases reported

DKI, Jabodetabek, some kabupaten/kota: Large scale social restriction with different duration

DKI: Relaxation of large scale social restriction
New normal was implemented

DKI: Large scale social restriction

Schools and most offices in DKI closed

Nation wide schools' closures

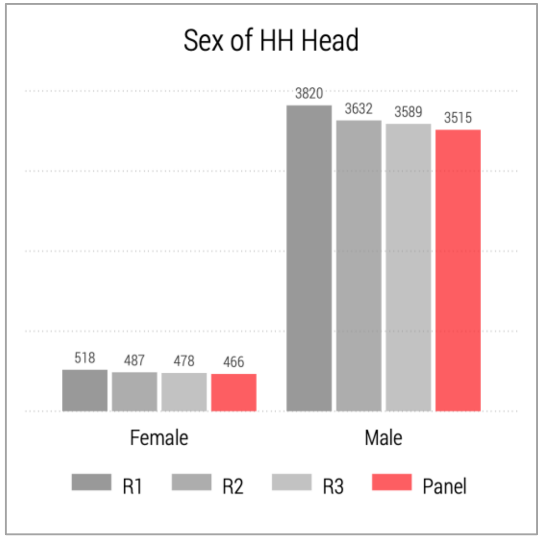
Economic relief measures started: PKH benefits top-up, Sembako Card expansion and benefits top-up, Bansos Tunai, BLT-village fund, Sembako Banpres, electricity bills reduction, Kartu Pra-Kerja

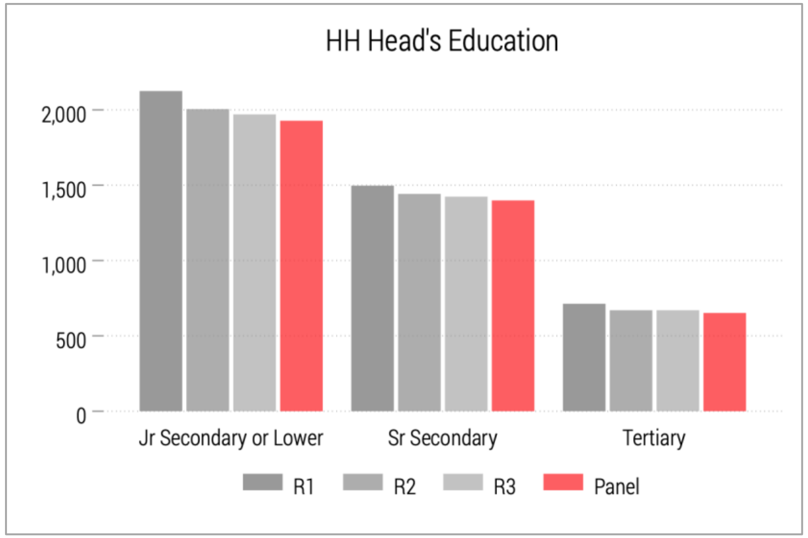
Response rate

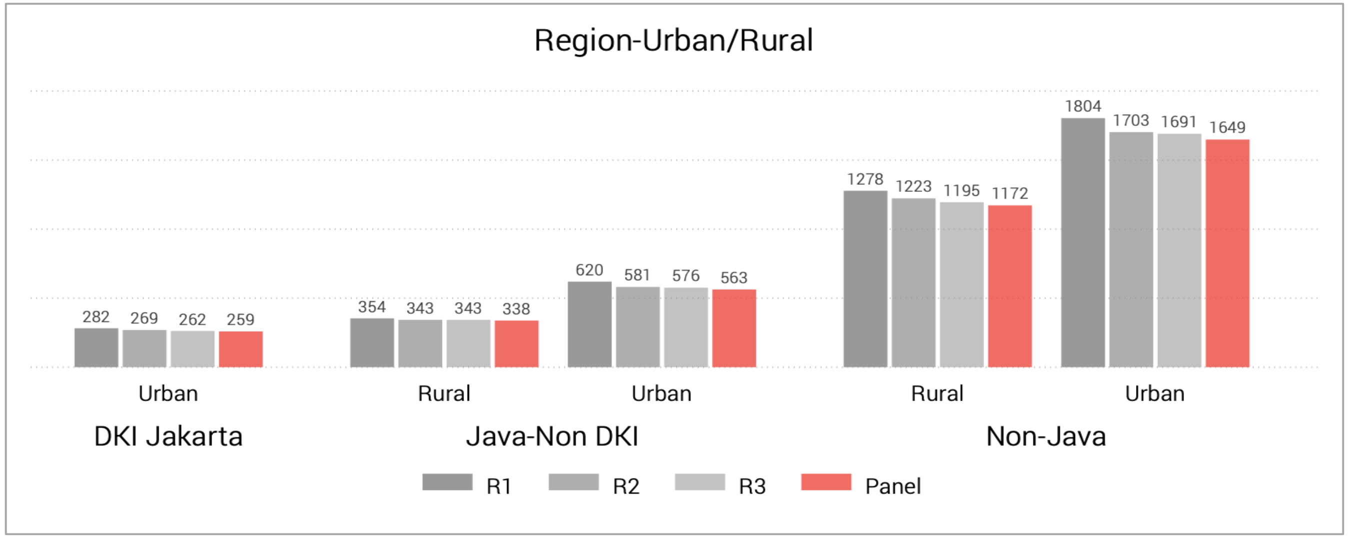
92% of respondents in Round 1 were successfully re-interviewed in Round 2 and Round 3.

- Where respondents were not interviewed, this was mostly because their phones were unreachable or unanswered.
- Attrition was random: response rates were similar across head of household sex, age, and education, welfare distribution and region.
- Therefore, attrition bias is not a concern when interpreting changes between Rounds 1,2, 3.

The analysis presented here is based on **3,981 panel households in Rounds 1, 2 and 3**





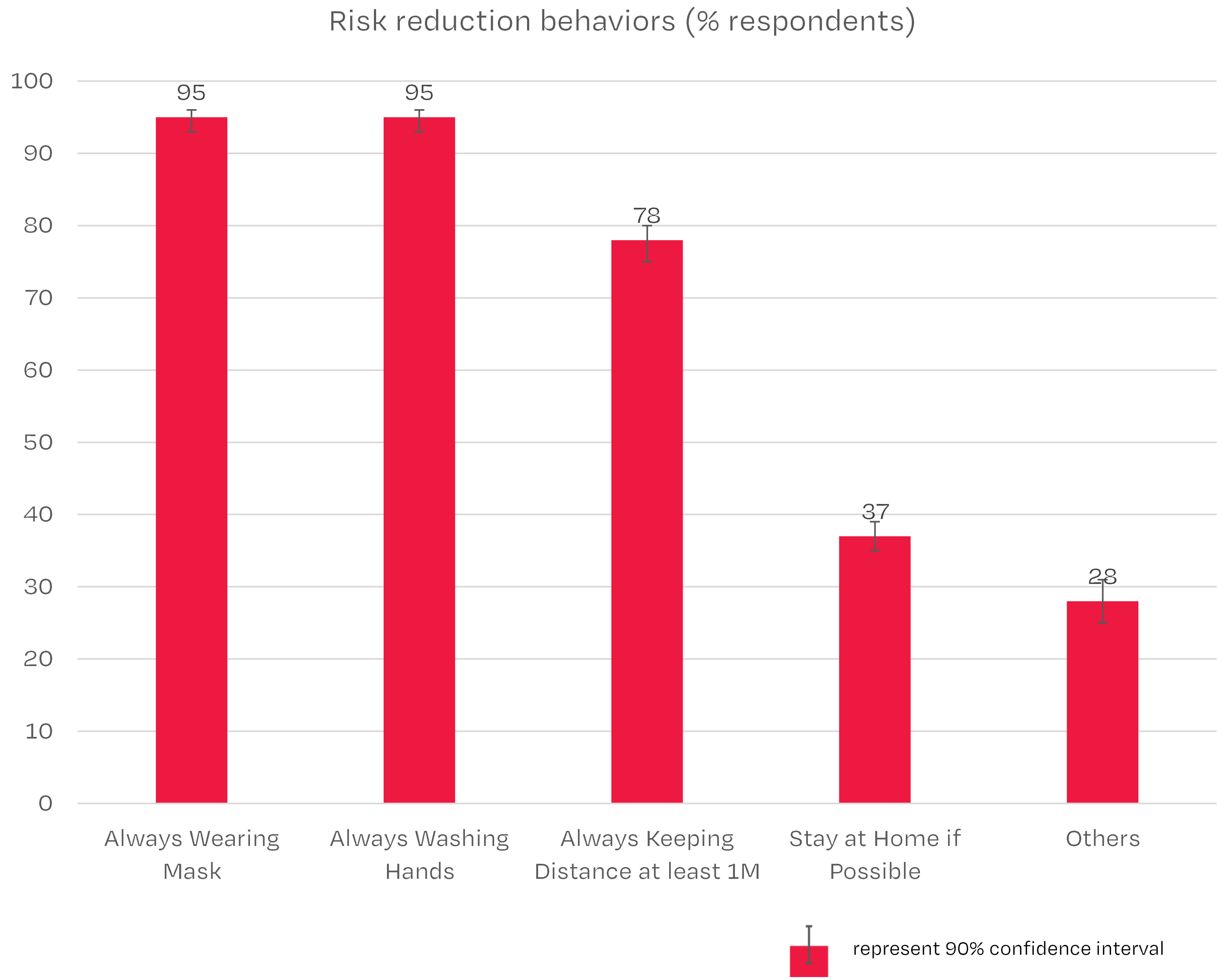


New Normal Behavior

02

95% of respondents (self) reported always wearing a mask and washing hands properly.

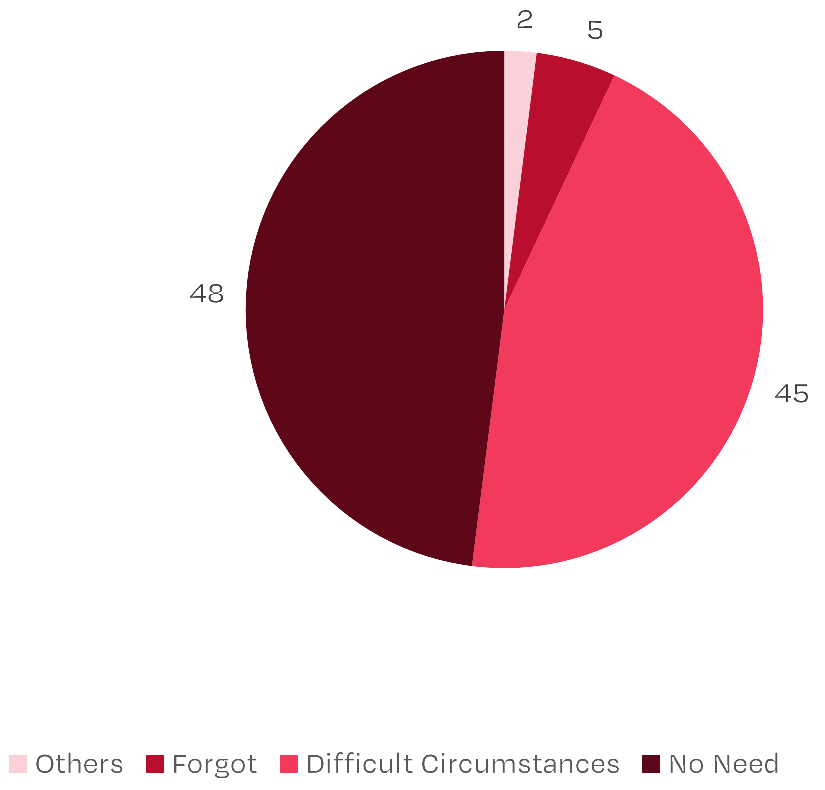
However, keeping a safe distance and staying at home remain a challenge.



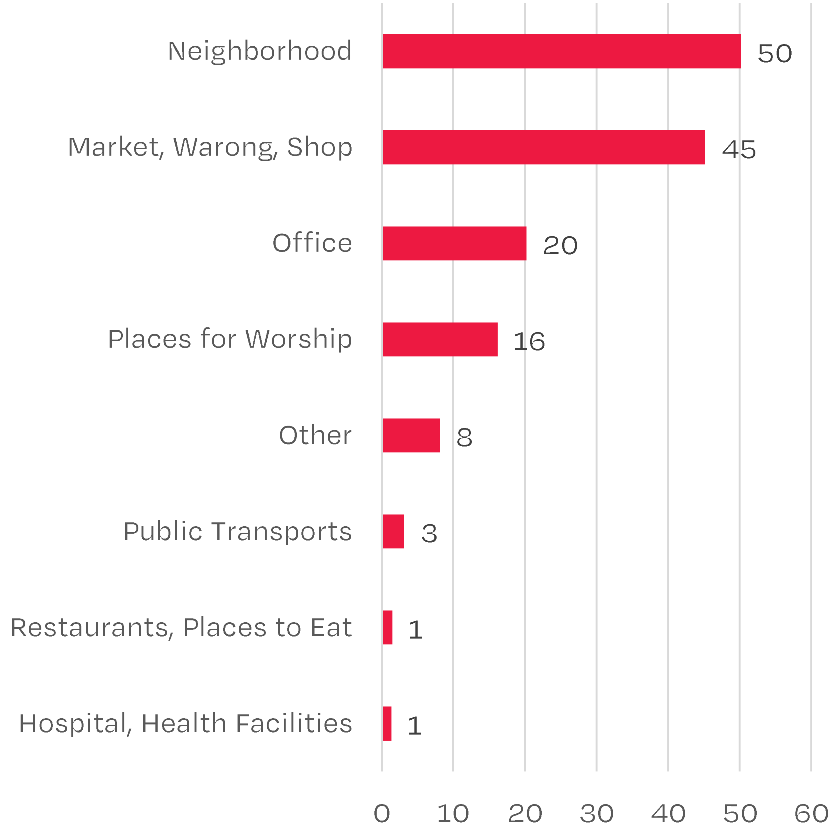
Almost half of those who didn't maintain a safe distance thought it was not necessary, the other half because of difficult circumstances.

Neighborhoods and markets are where it is difficult to keep a safe distance, which is more challenging in DKI Jakarta than in other locations.

Reason for not always maintaining a distance of at least 1M (% HH*)



Places where safe physical distance is hard (% HH*)



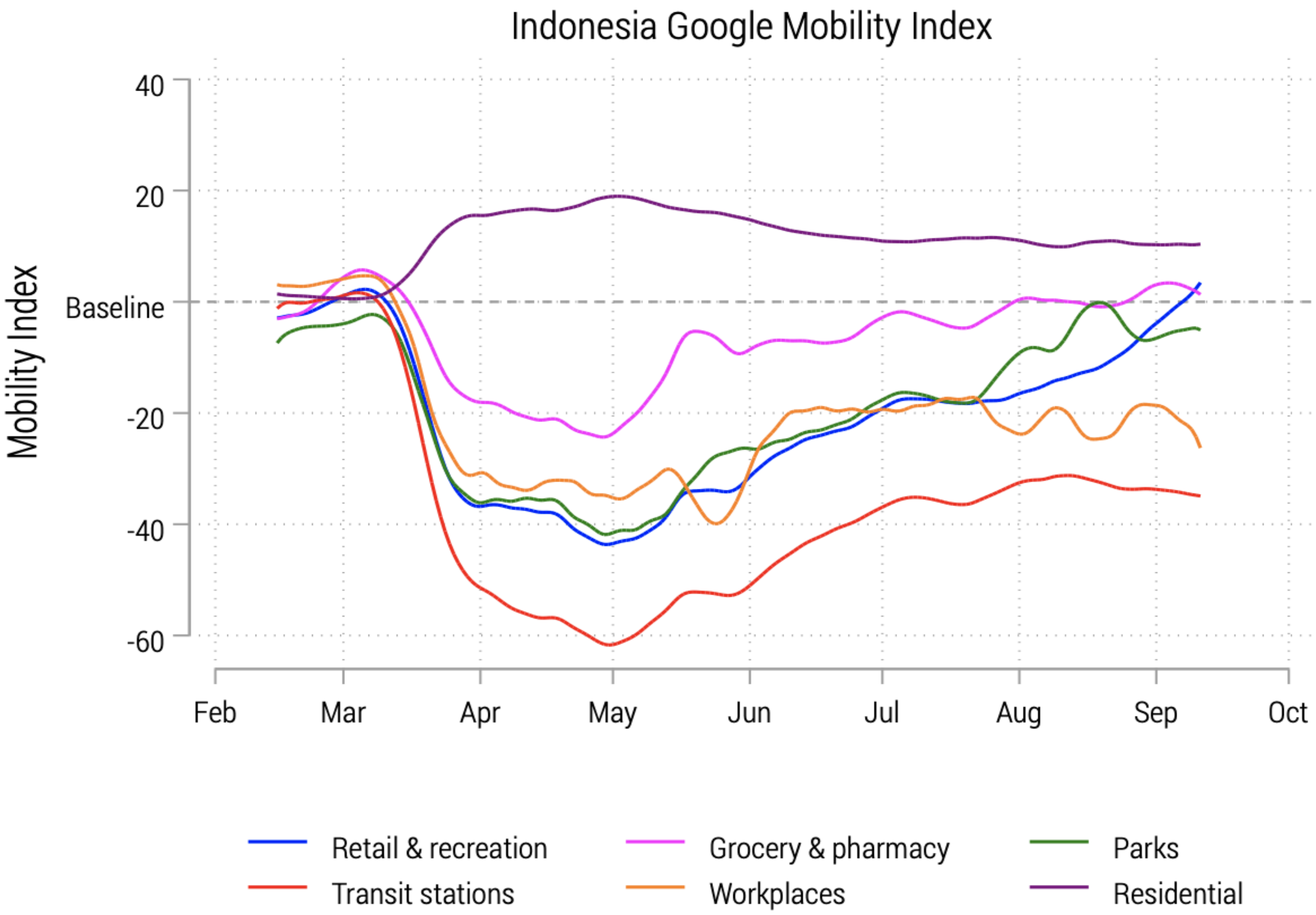
* Out of 22% respondents who did not always maintain a safe physical distance

Employment and income

03

Starting in June, people started to become more mobile

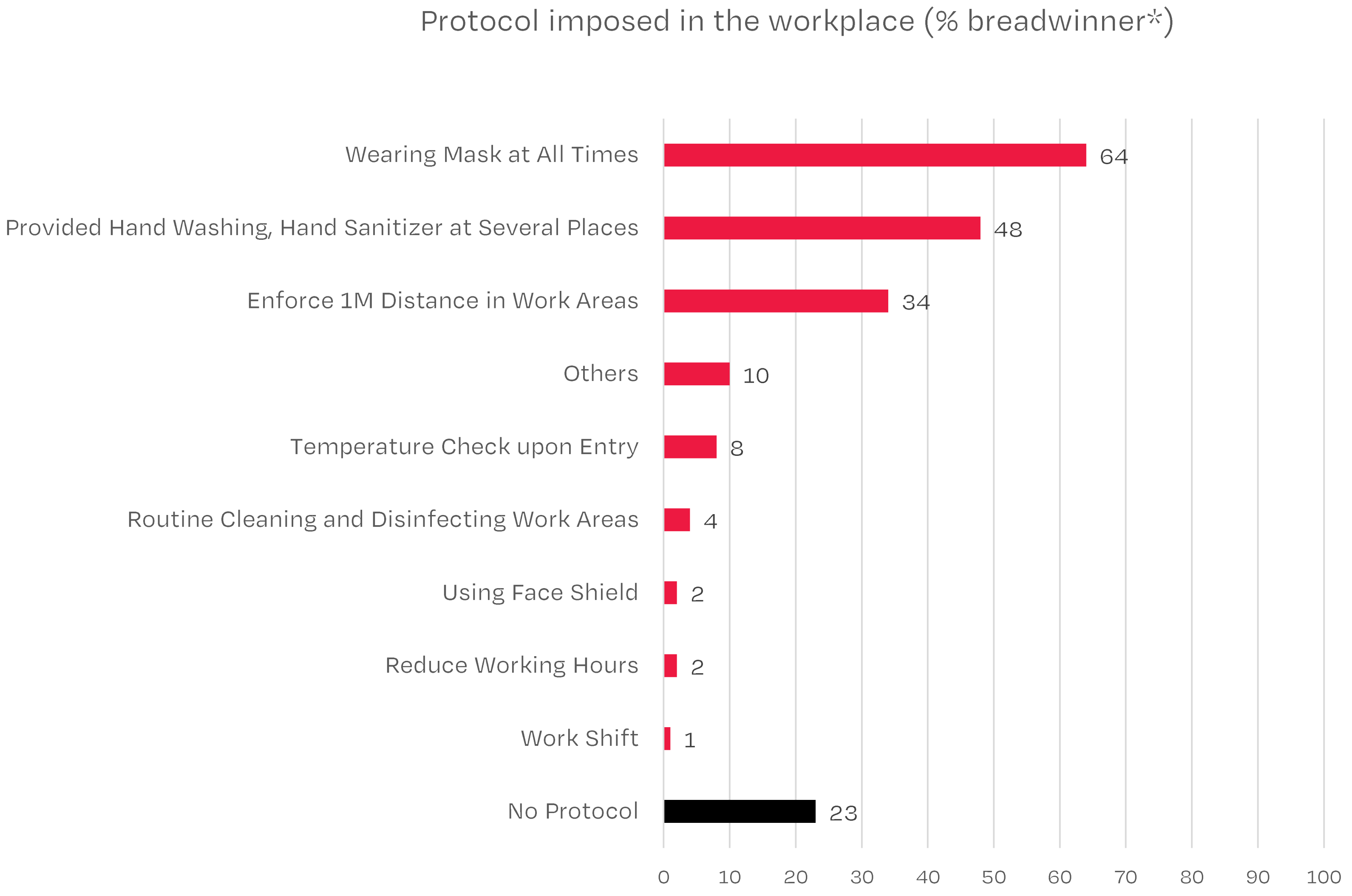
as economic activities resumed, and businesses and offices started reopening



Source: Google Mobility Data.
The baseline is the median value, for the corresponding day of the week, during the 5-week period Jan 3–Feb 6, 2020.
The trendline are smoothing using Lowess smoothing method.

New health protocols have also been put in place in workplaces.

However in many places they are not adhered to properly.



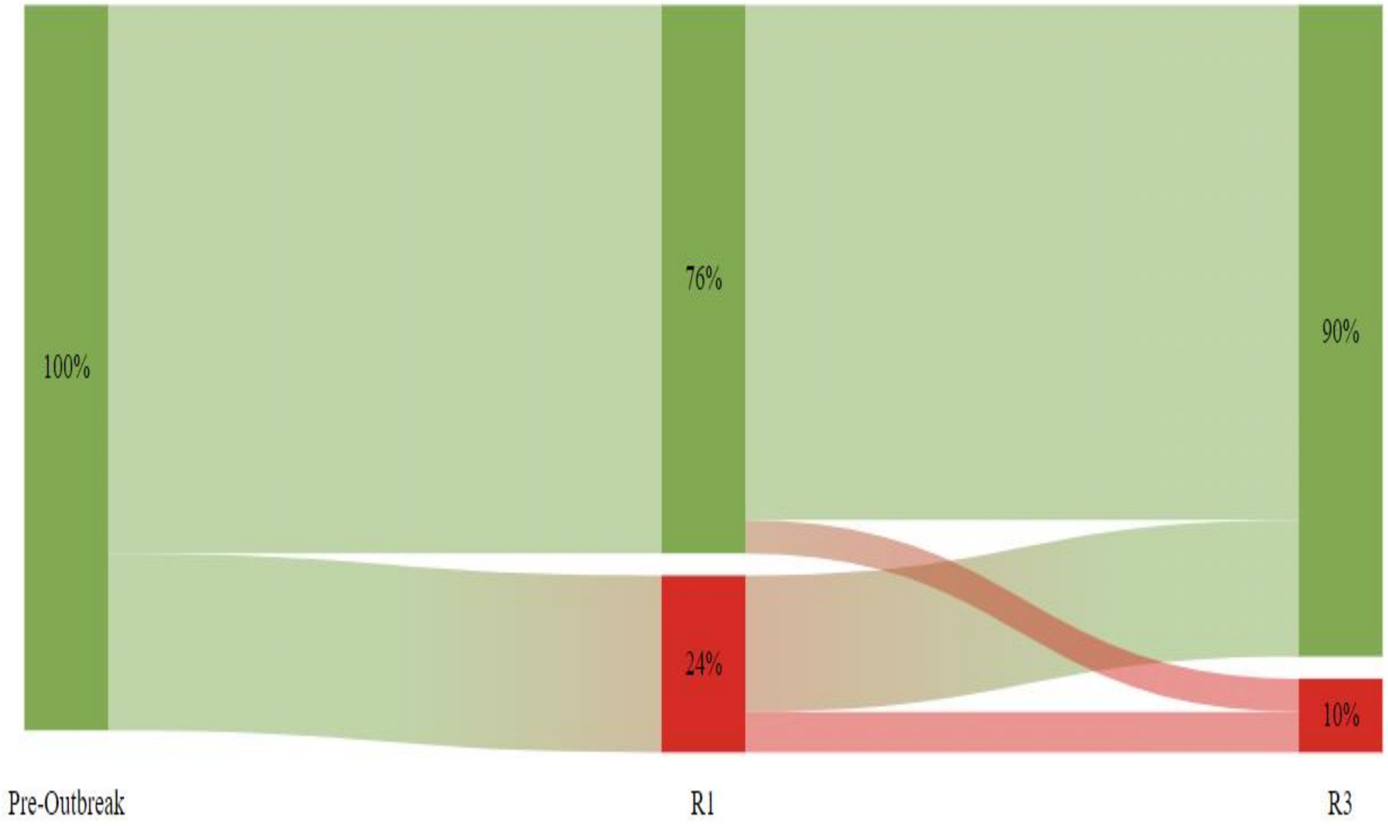
* Out of all breadwinners currently working

Employment recovery begins

More than ¾ of primary breadwinners who stopped working in May have resumed working by August.

About 70% of them, returned to the same jobs.

However, about 6% of those who continued working in May had stopped working in August.



R1: 1-17 May 2020
R3: 20 July – 2 August 2020

As a result, the number of breadwinners who had stopped working reduced by more than half.

Only 10% of primary breadwinners had stopped working in August, compared to 24% in May.

* Including those who haven't harvested or couldn't compare income because of changing type of works

Economic hardship due to COVID-19 is still the main reason for most who had stopped working in August.

Other reason is seasonality and casual work arrangement, mainly in agriculture

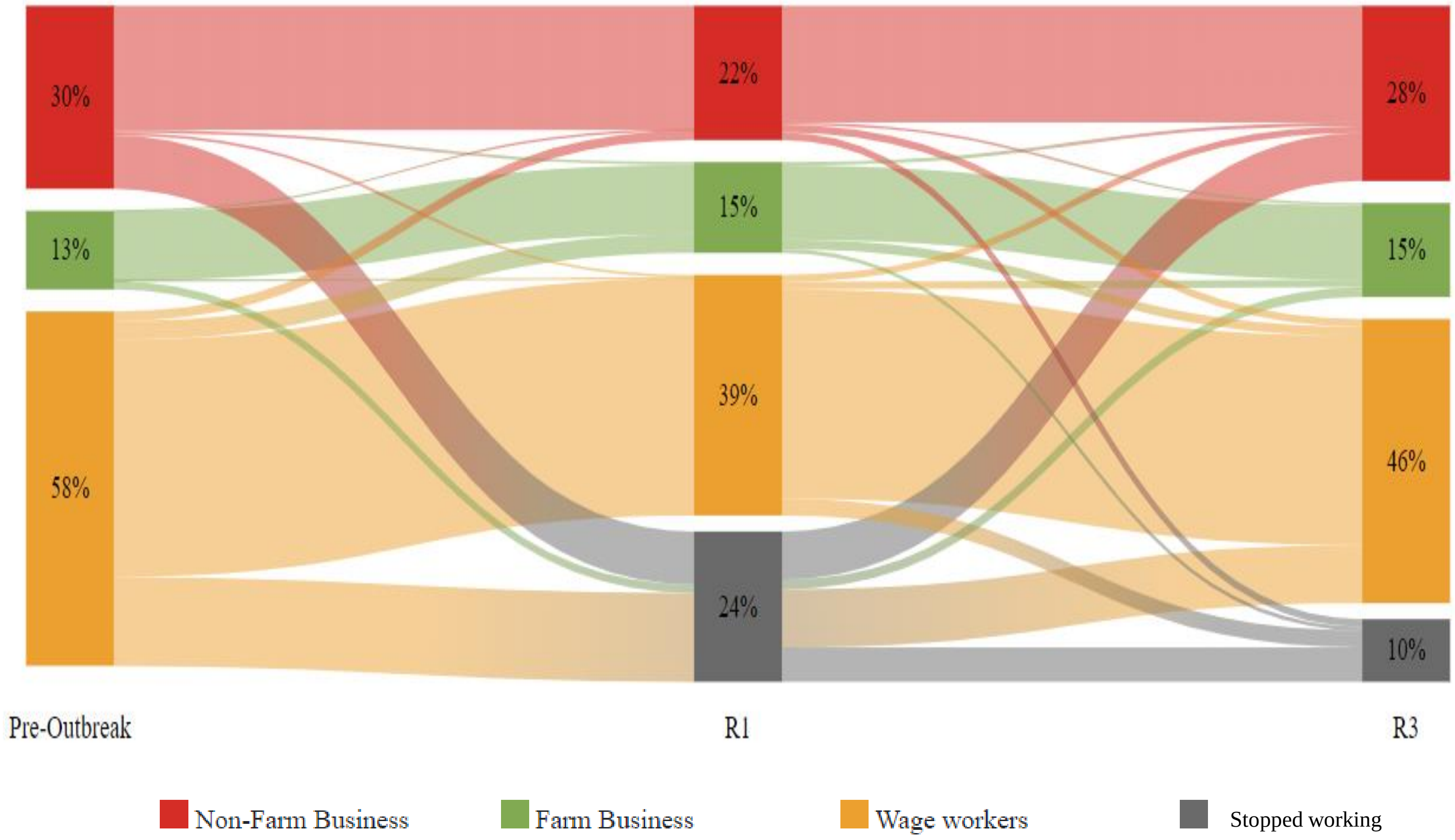
Reasons for stopped working in R3 (% breadwinners*)

*Out of 10% breadwinners not working

On the road to recovery, employment in all types of work is increasing

..although it remains below pre-COVID levels

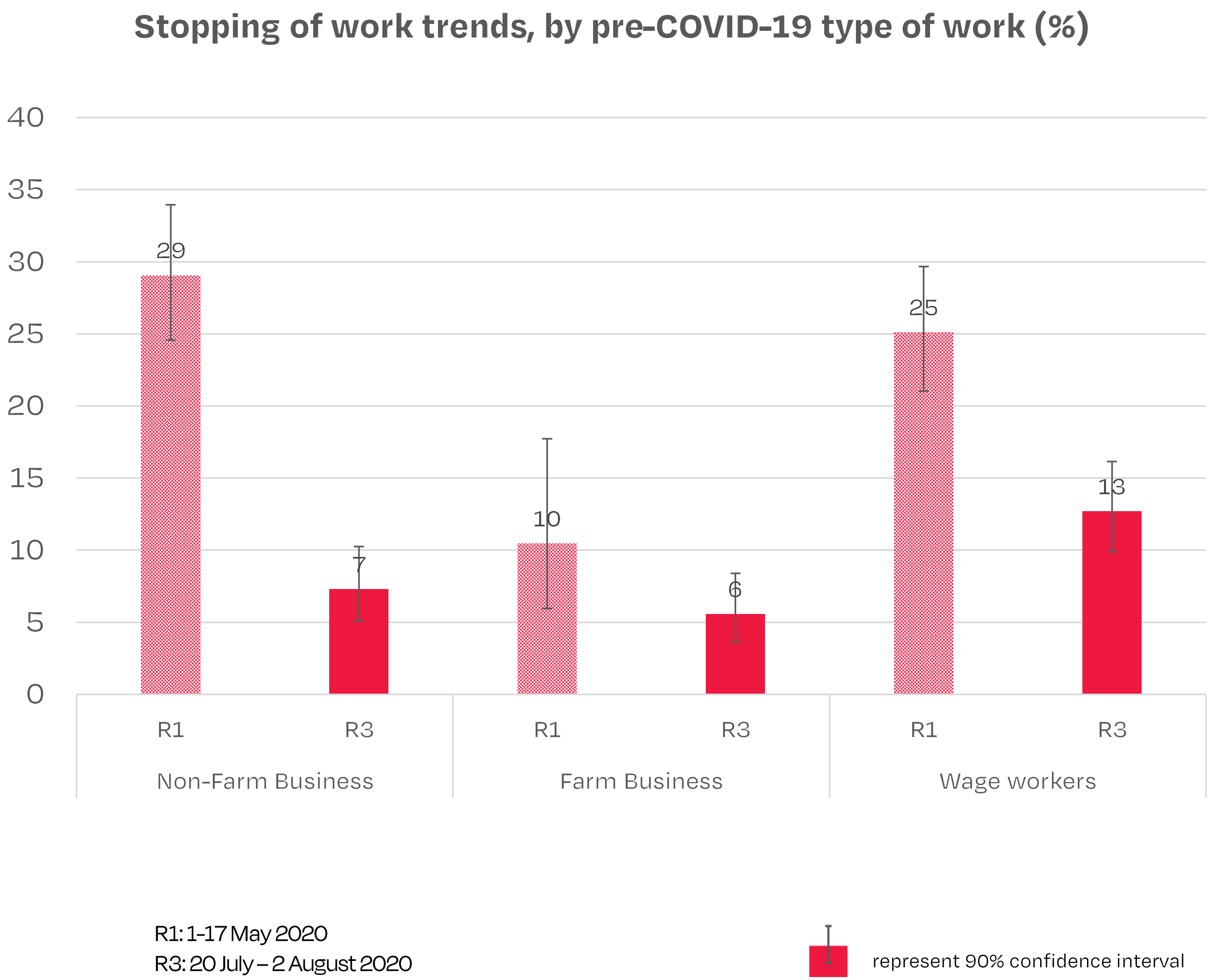
Employment dynamics by type of work



R1: 1-17 May 2020

R3: 20 July – 2 August 2020

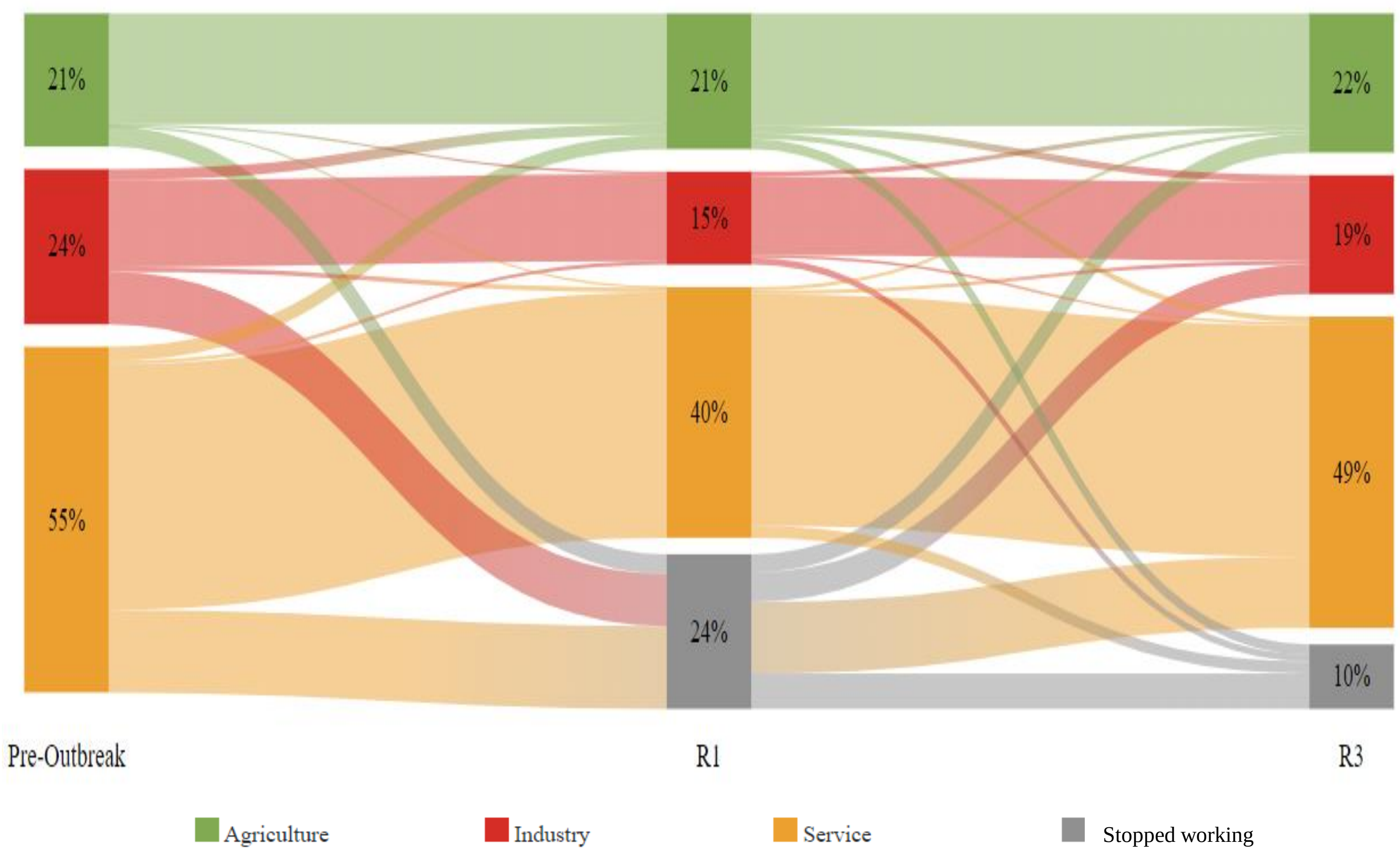
Non-farm businesses, that had been strongly hit, are recovering better than others (incidence of not working fell by 75%), followed by wage workers (declined by 48%)



All sectors are beginning to see improvement in employment.

The service sector has recuperated the most.

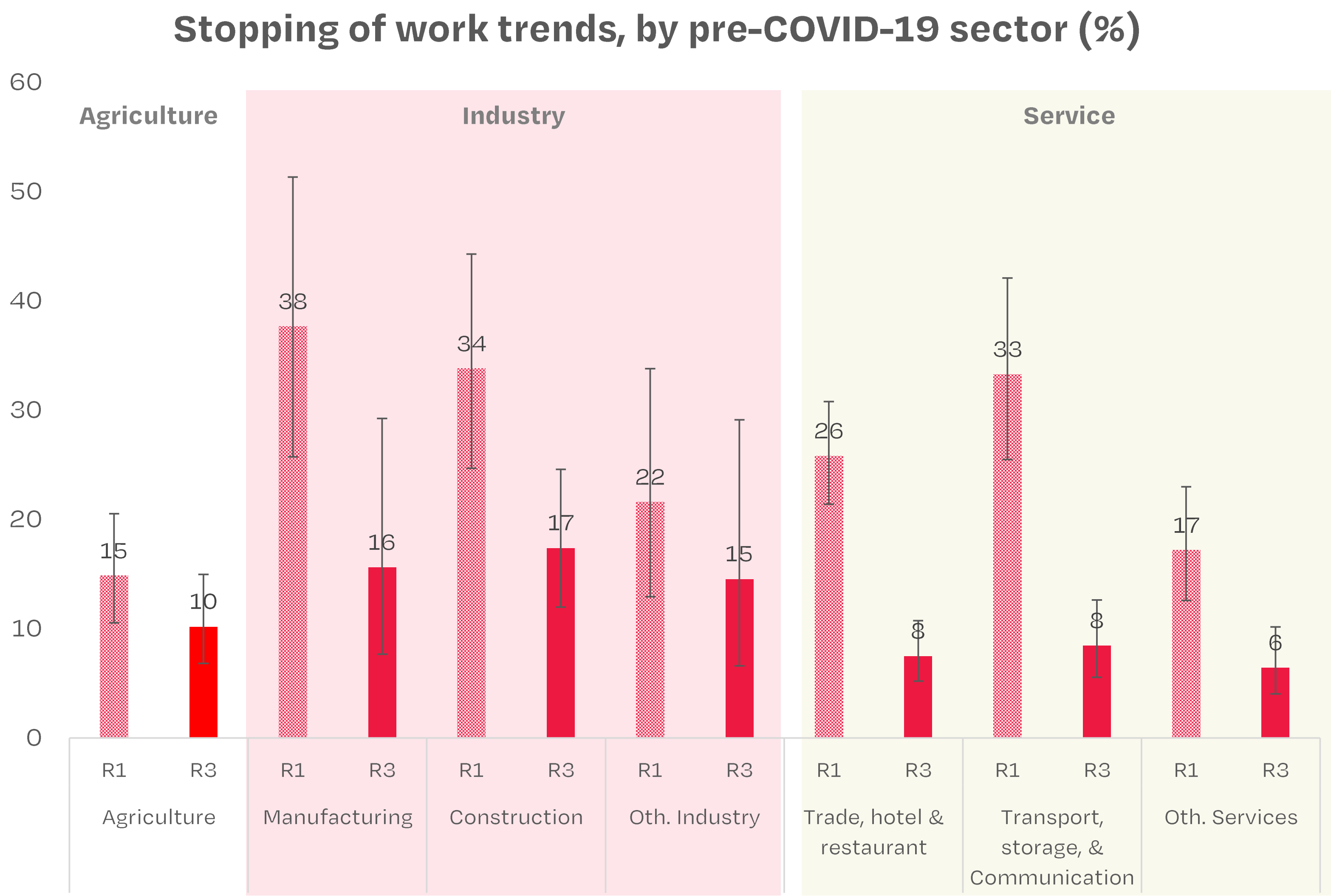
Employment dynamics by sector of work



R1: 1-17 May 2020

R3: 20 July – 2 August 2020

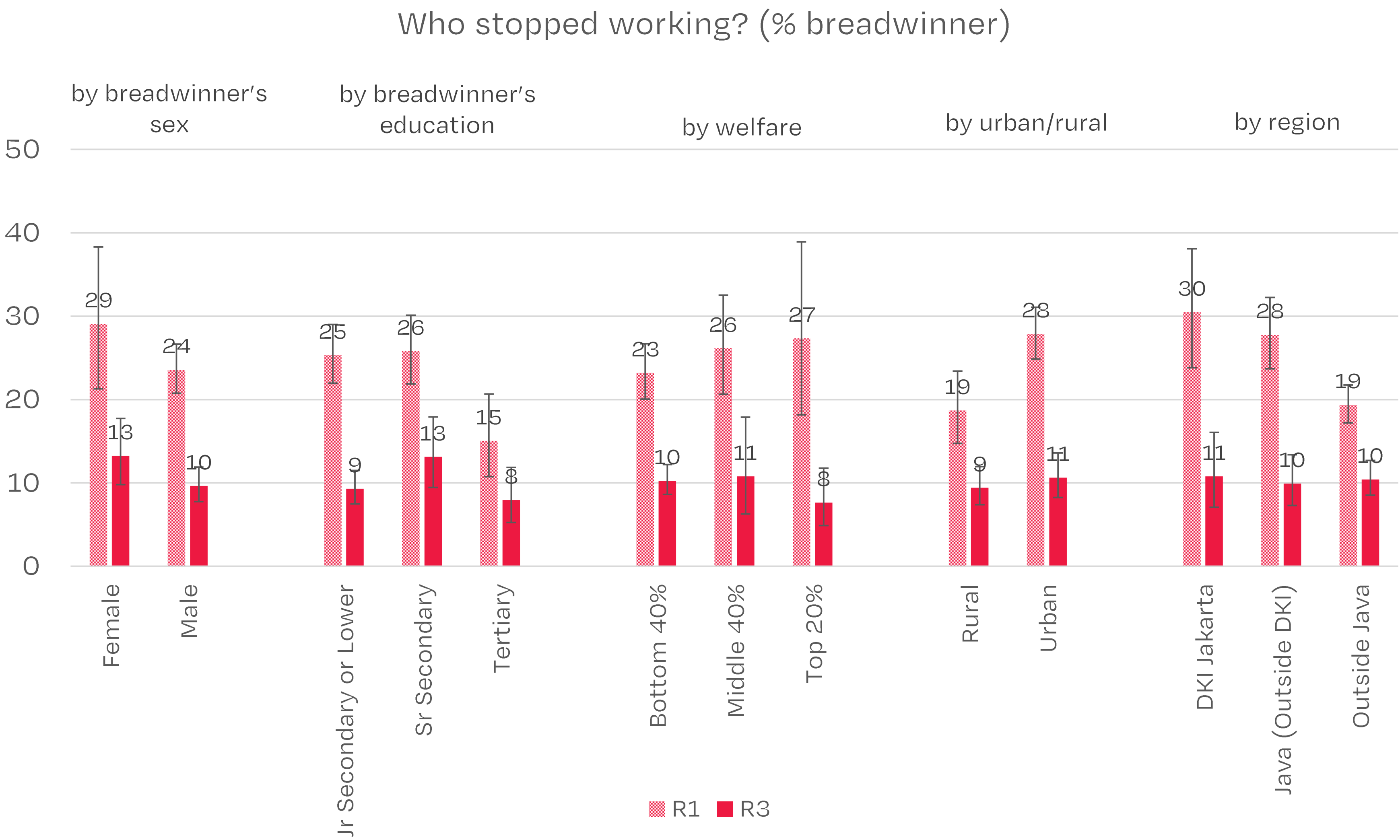
Manufacturing and construction remain the sectors with the highest incidence of workers who have stopped working, despite a 50% improvement.



R1: 1-17 May 2020
R3: 20 July – 2 August 2020

represent 90% confidence interval

Employment significantly recovered across all household characteristics and locations, levelling differences across groups.



R1: 1-17 May 2020 **R3: 20 July – 2 August 2020**

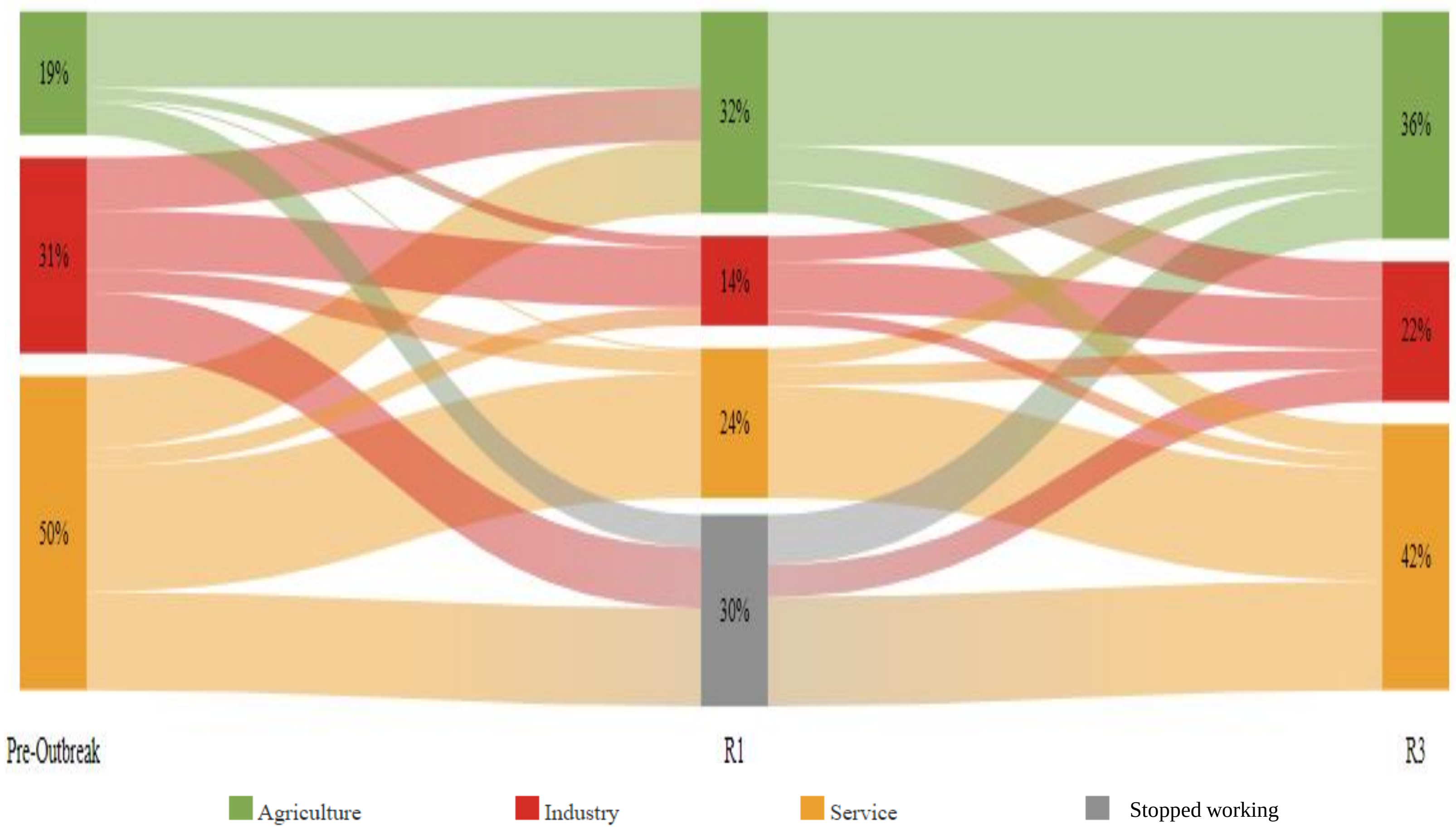
represent 90% confidence interval

Amongst those who worked in August, 21% had changed jobs.

.. this was more likely among low skilled workers

Agriculture remains as a partial buffer, with many wage workers switching to farm businesses.

Employment dynamics by type of work amongst those currently working and ever switched jobs



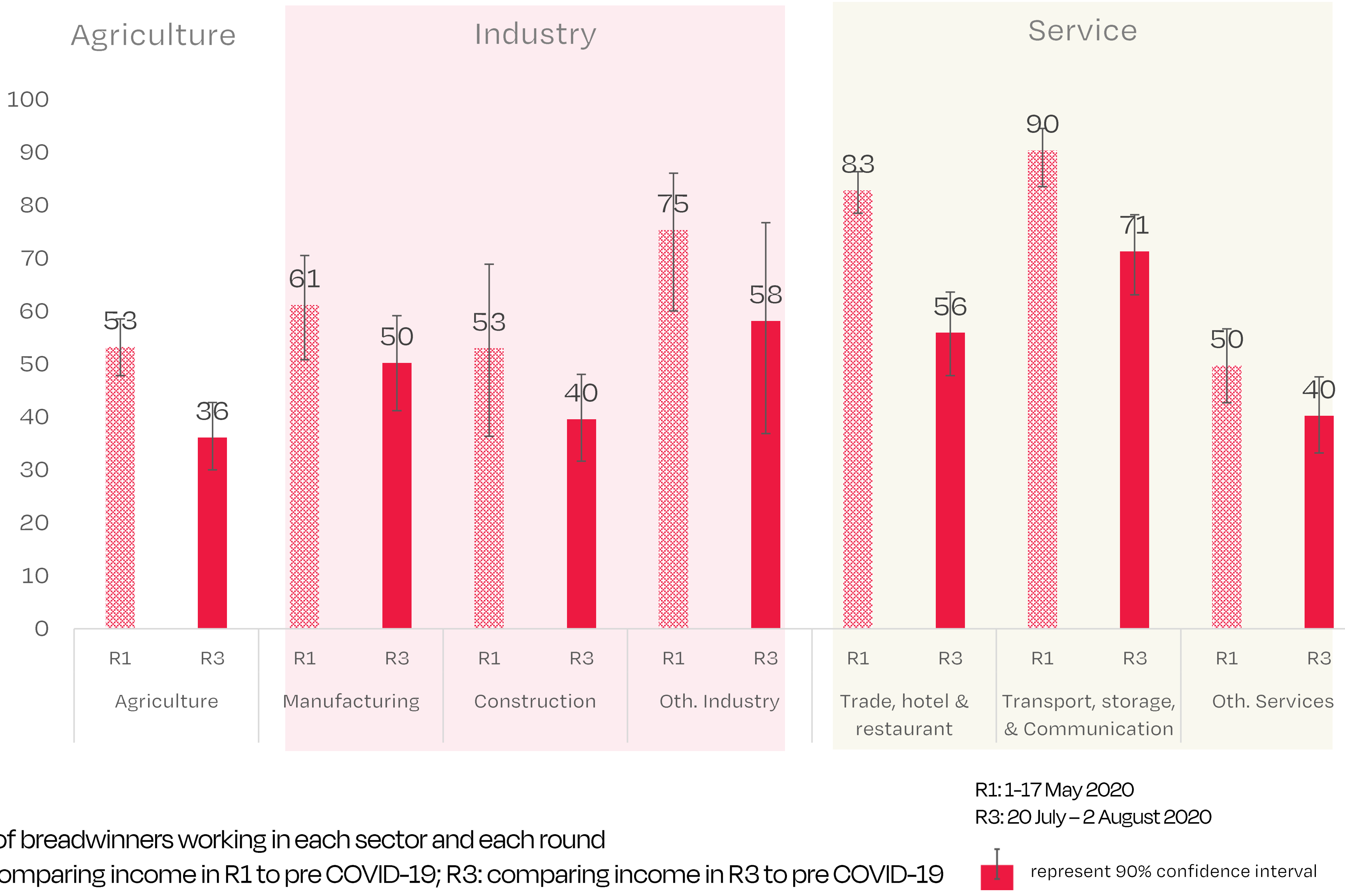
R1: 1-17 May 2020 **R3: 20 July – 2 August 2020**

Another sign of recovery is also observed through lower incidence of income reduction that can be seen across the sectors.

The largest drop of incidence is in the service sector.

However, full recovery to pre-COVID levels is still a long way to go.

Reduced income (relative to pre COVID-19), by sector (%)*



*Out of breadwinners working in each sector and each round

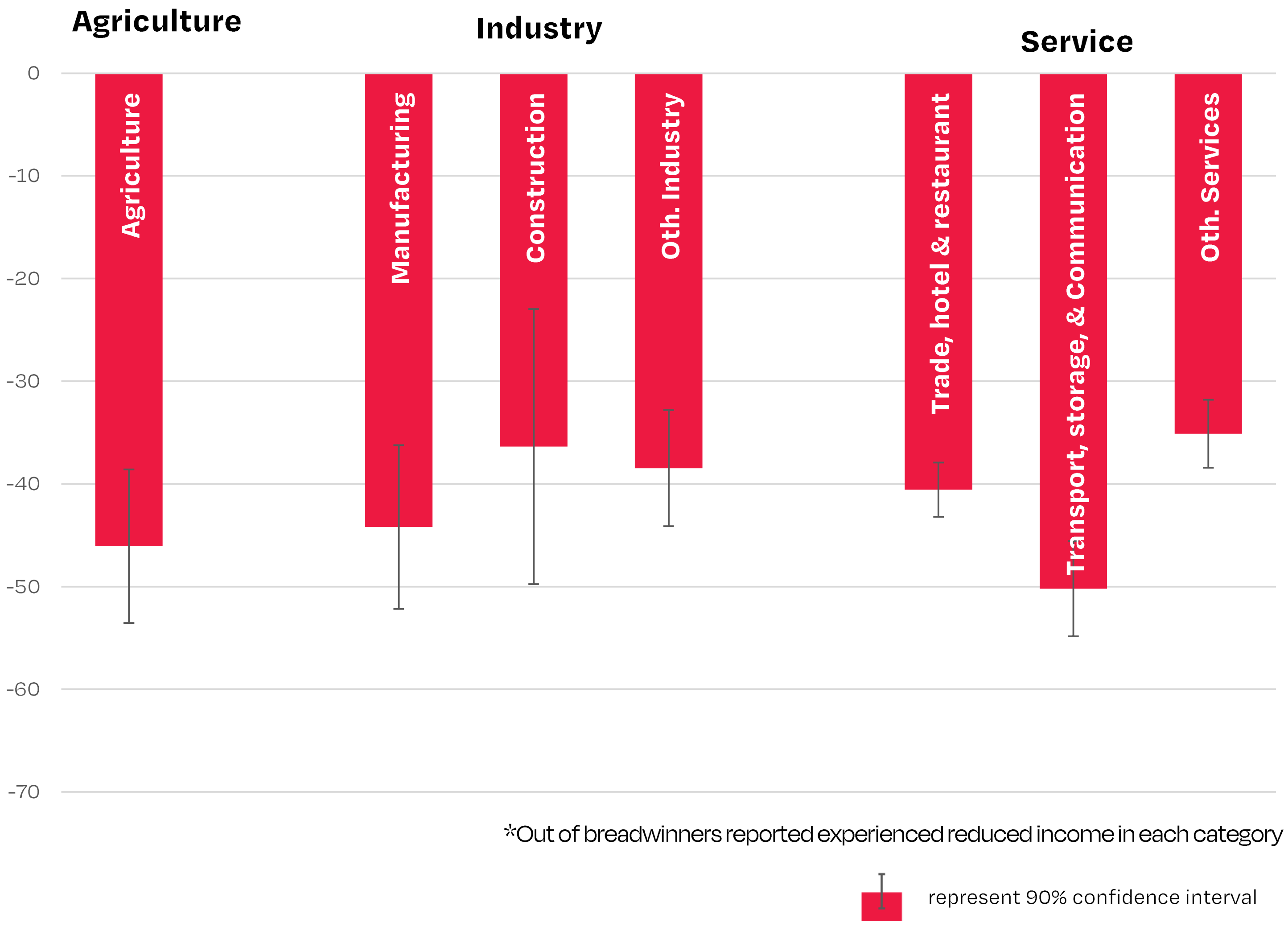
*R1: comparing income in R1 to pre COVID-19; R3: comparing income in R3 to pre COVID-19

In terms of amount of income reduction relative to pre COVID-19,

it ranges between 35% and 50% across sectors

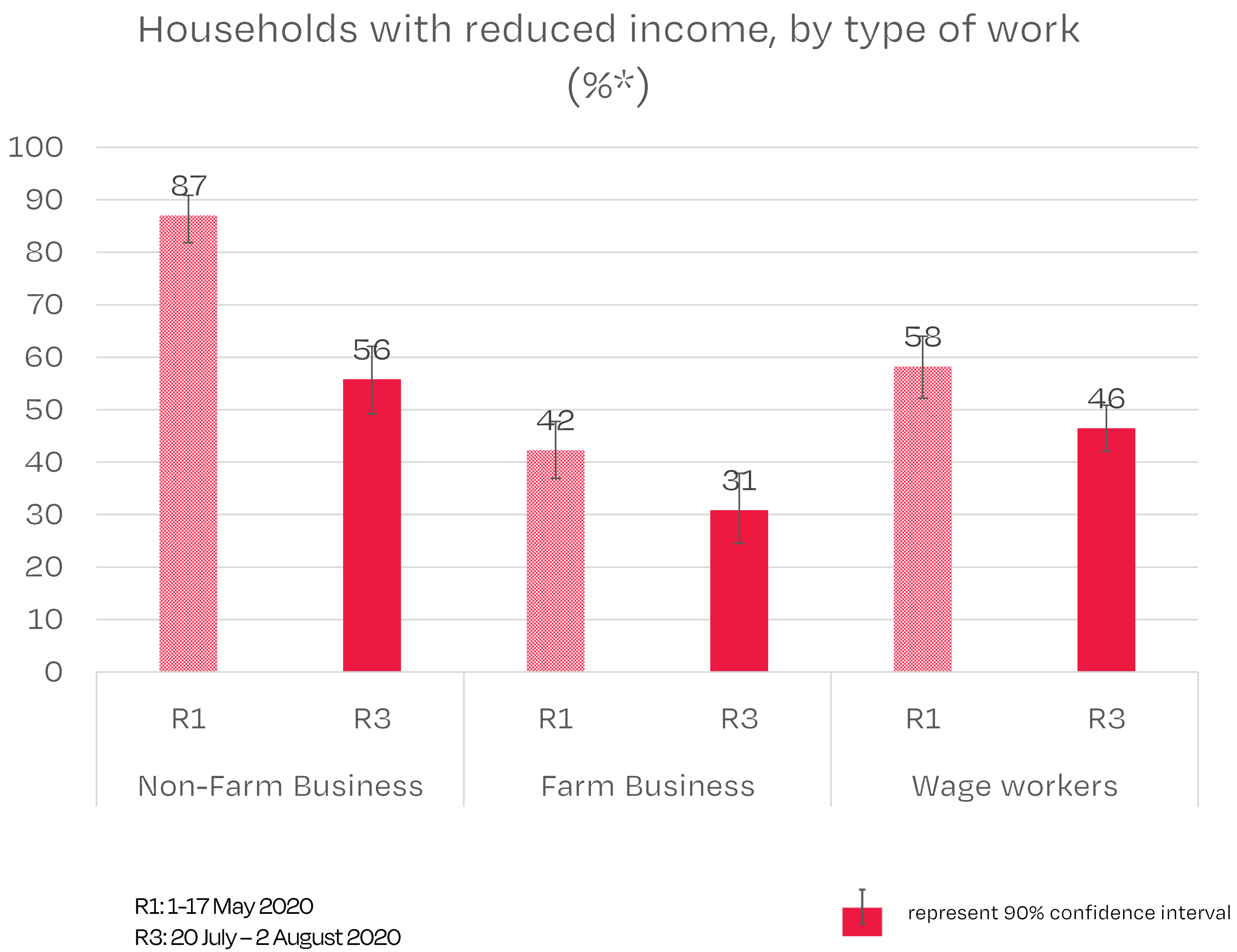
Those working in transport, storage, & communication experienced the largest loss.

Percentage of Income Reduction (relative to pre COVID-19), by Sector*



*Out of breadwinners reported experienced reduced income in each category

Non-farm businesses, which were hardest hit in May, have experienced the greatest improvement in terms of income reduction.



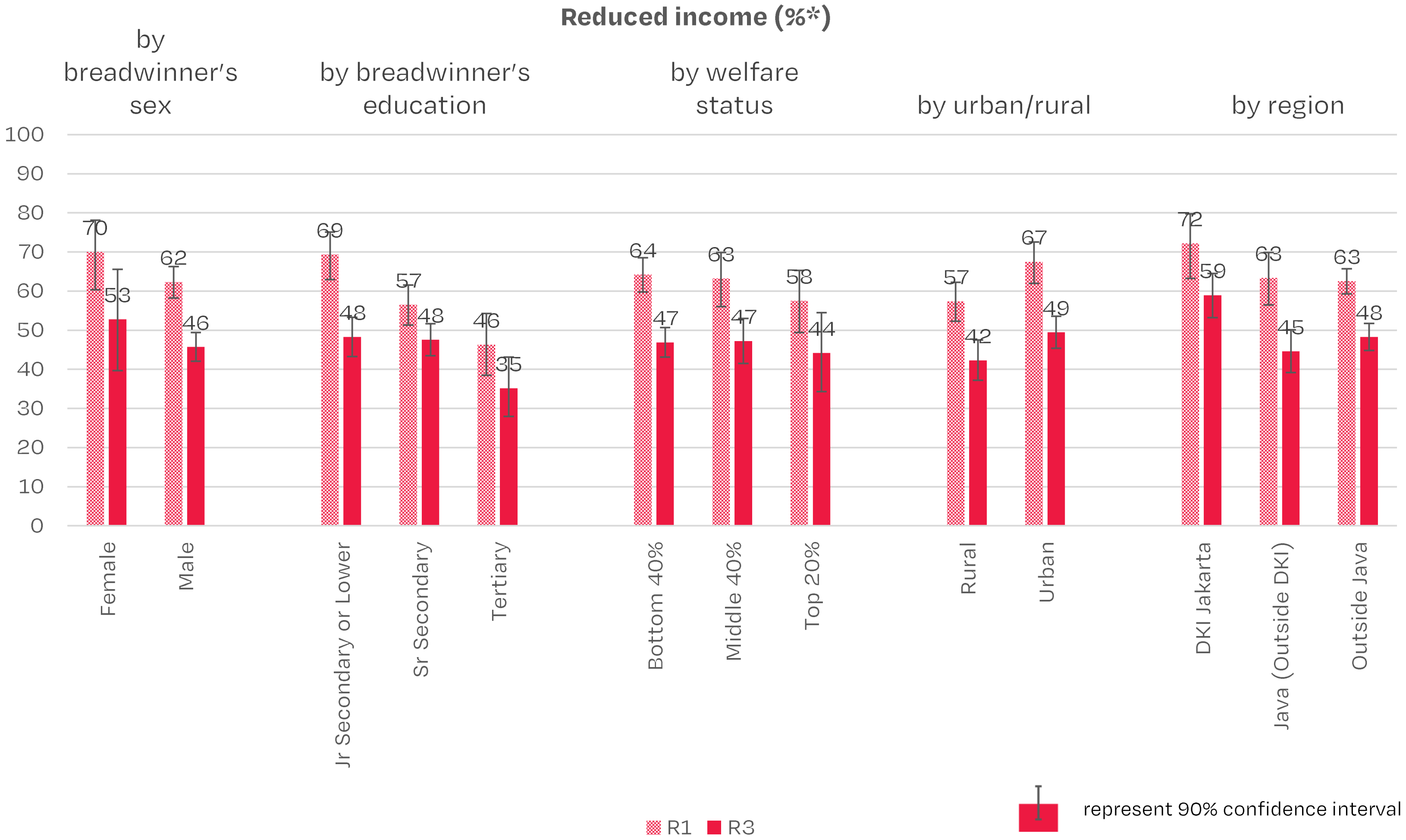
R1: 1-17 May 2020
R3: 20 July – 2 August 2020

*Out of all breadwinners currently working in each sector and each round

Despite recovery, DKI Jakarta remains more severely impacted compared to all other places.

Urban areas generally remain worse off.

Lower skilled workers continue to be worse off compared to the more highly skilled.



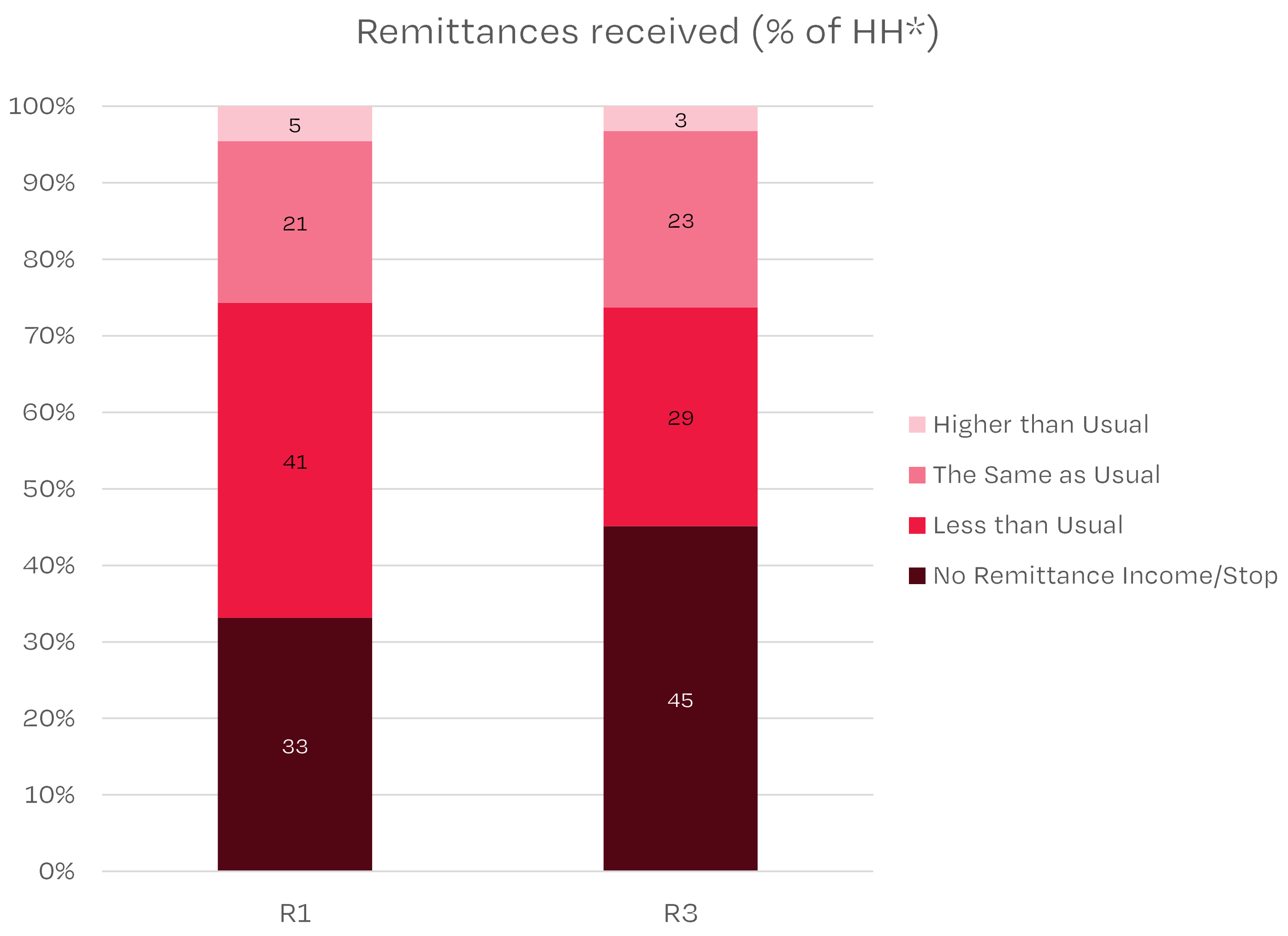
*Out of all breadwinners working in each category and each round

R1: 1-17 May 2020
R3: 20 July – 2 August 2020

In terms of remittance ...

Despite signs of recovery in labor income, flow of remittances has worsened.

As of August, 45% of households that used to receive remittances no longer did, exacerbating a trend that seen in May.

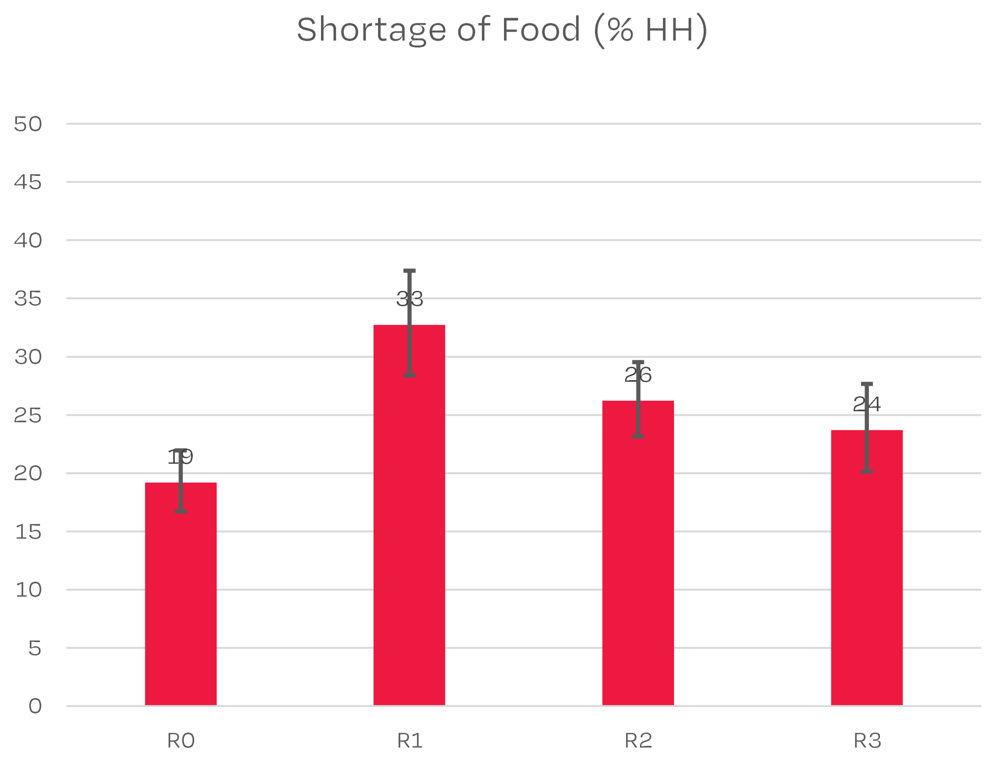


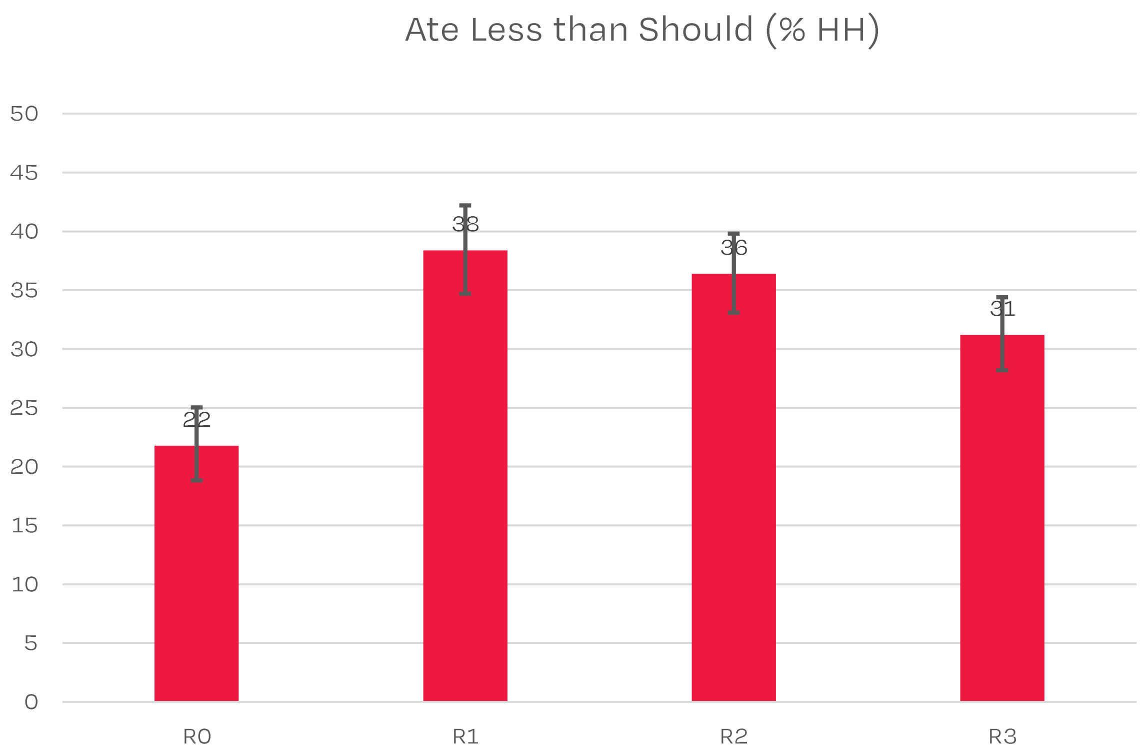
*Of 17% households that reported usually receiving remittances pre COVID-19

Food Security

04

Food security has been improving consistently. Food shortages and eating less are less prevalent from Round 1 to Round 3. However, there are still 24% of households facing food shortages and 30% of households who report eating less in August.

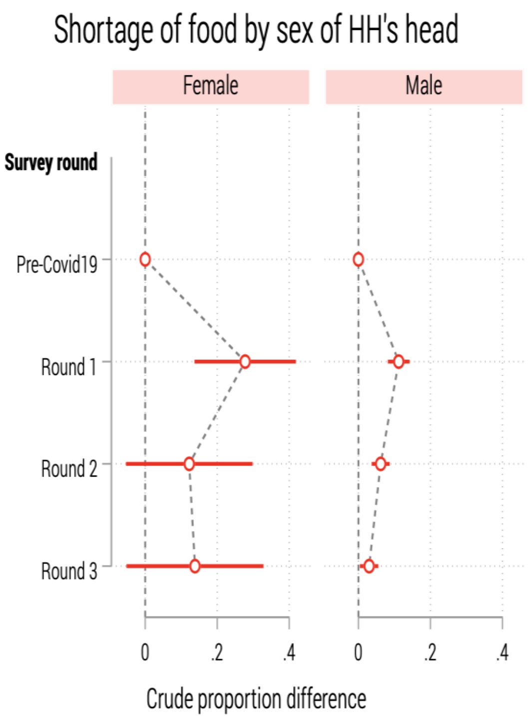


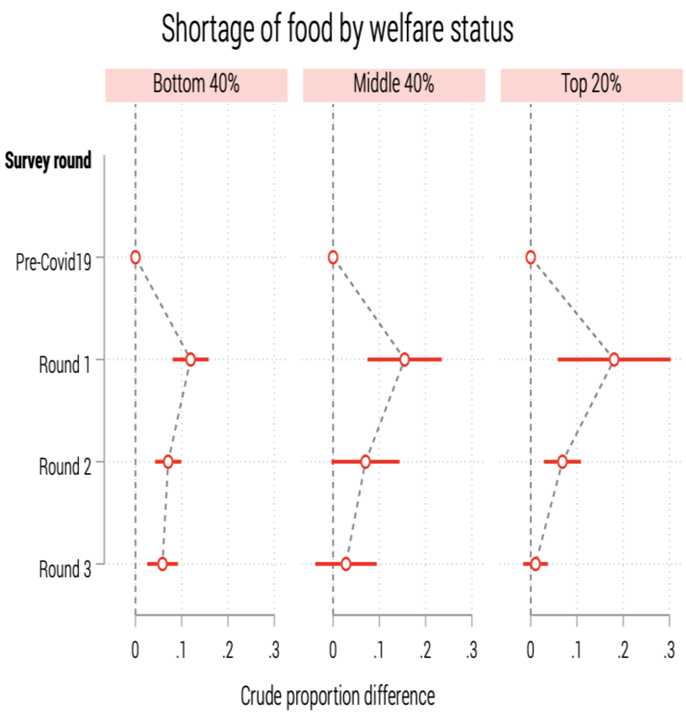


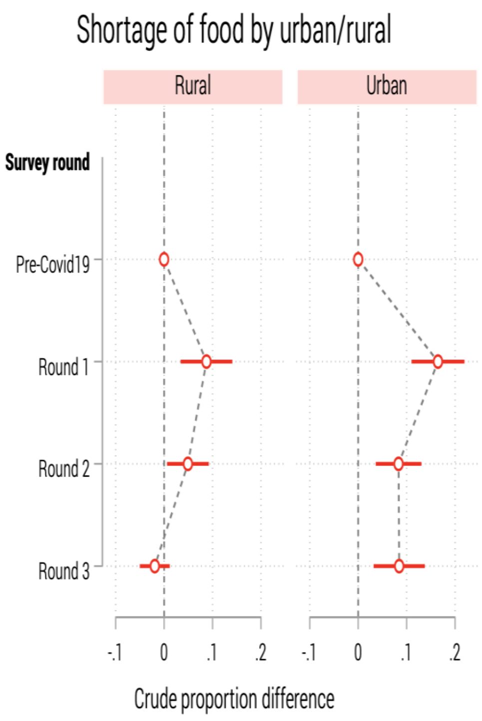
R1: 1-17 May 2020
R2: 26 May – 5 June 2020
R3: 20 July – 2 August 2020

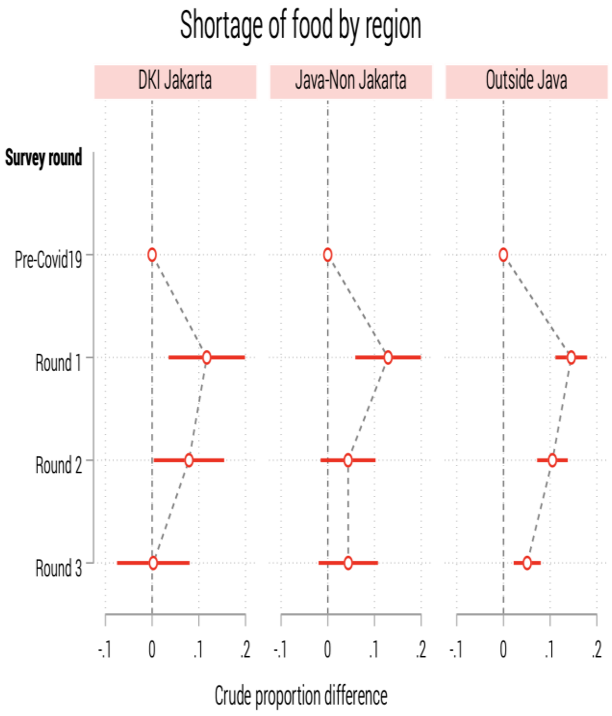
represent 90% confidence interval

As of Round 3, the state of food shortages in most households has returned to pre COVID-19 levels, except households in the bottom 40%, in urban areas, and outside Java









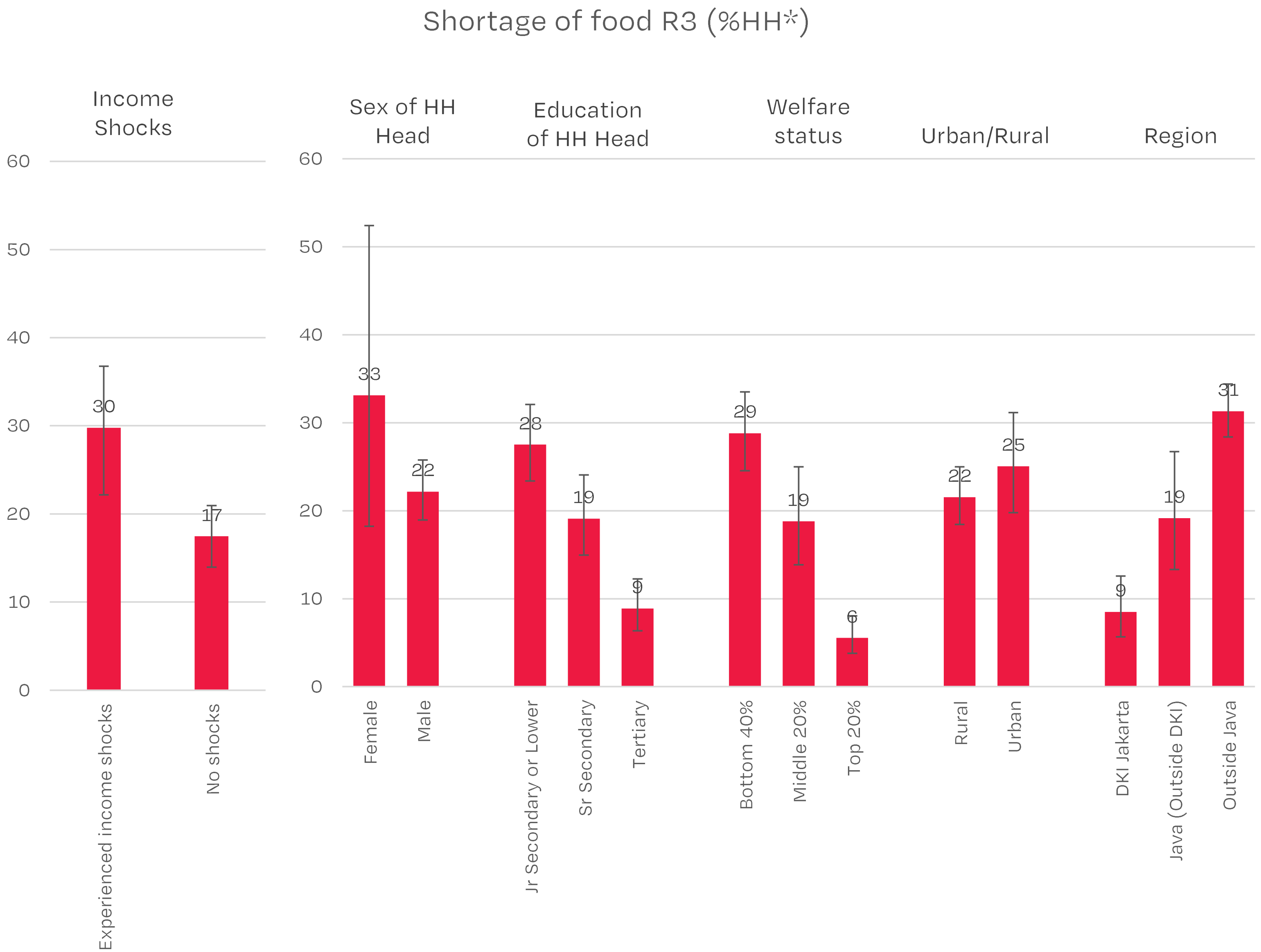
R1: 1-17 May 2020
R2: 26 May – 5 June 2020
R3: 20 July – 2 August 2020

* In this presentation, we focus on food shortage for two reasons: i) food shortages are deemed more severe than eating less, ii) two measures are highly overlapping: 87% of households who experienced food shortages also ate less. Findings on households' experience in eating less are presented in the Annex.

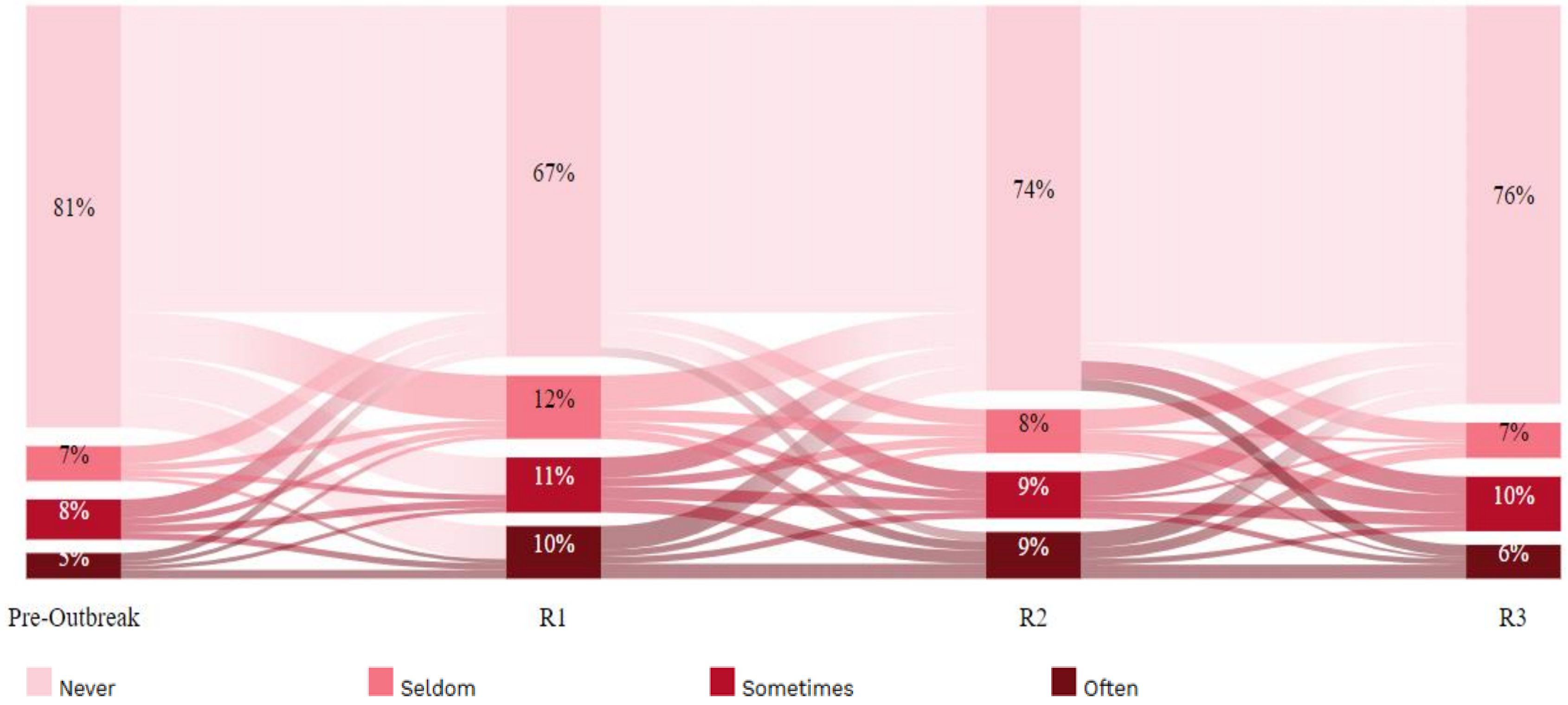
Food shortages are more likely among households experiencing income shocks …

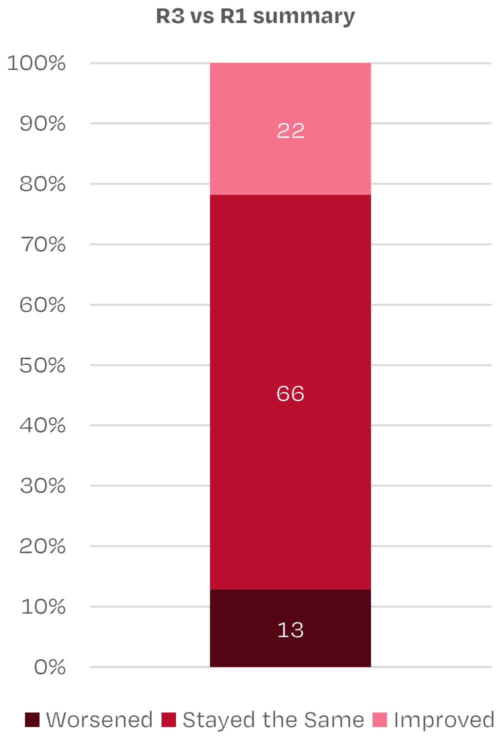
and significantly higher among lower educated households,
in the bottom 40%,
and outside DKI Jakarta..

Suggesting an affordability issue



Underlying the significant **improvement** in food shortages overall, there is high churn. 13% of households experienced worsening food shortages from Round 1 to Round 3.





Question: During the past week, has your household ever had a shortage of food due to lack of money or other resources?

R1: 1-17 May 2020
R3: 20 July – 2 August 2020

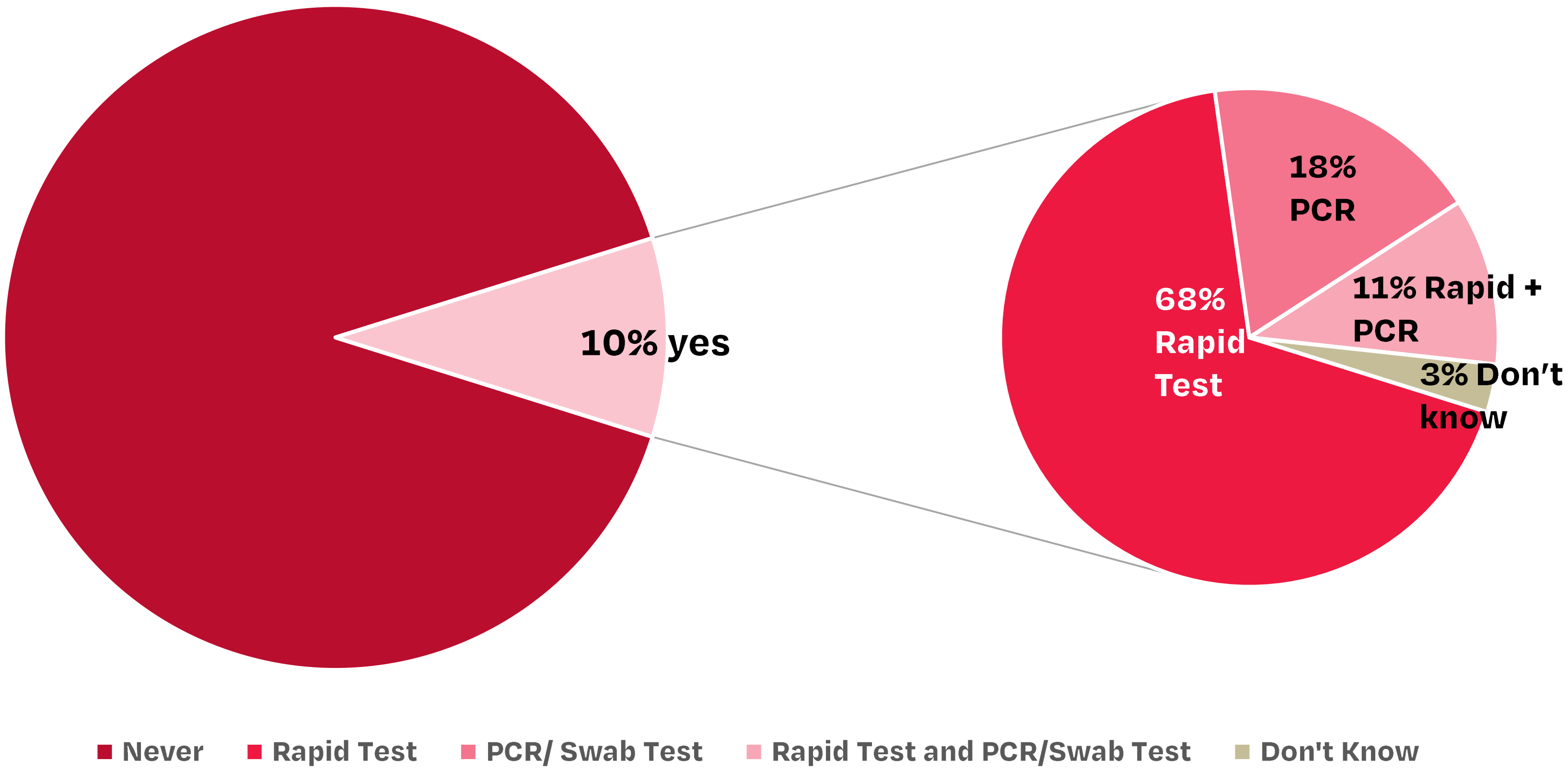
Note:
Improved: often -> sometimes -> seldom -> never
Worsened: never -> seldom -> sometimes -> often

Access to Health

05

About 3% of respondents reported being PCR tested for COVID-19

Have you ever been tested for COVID-19?

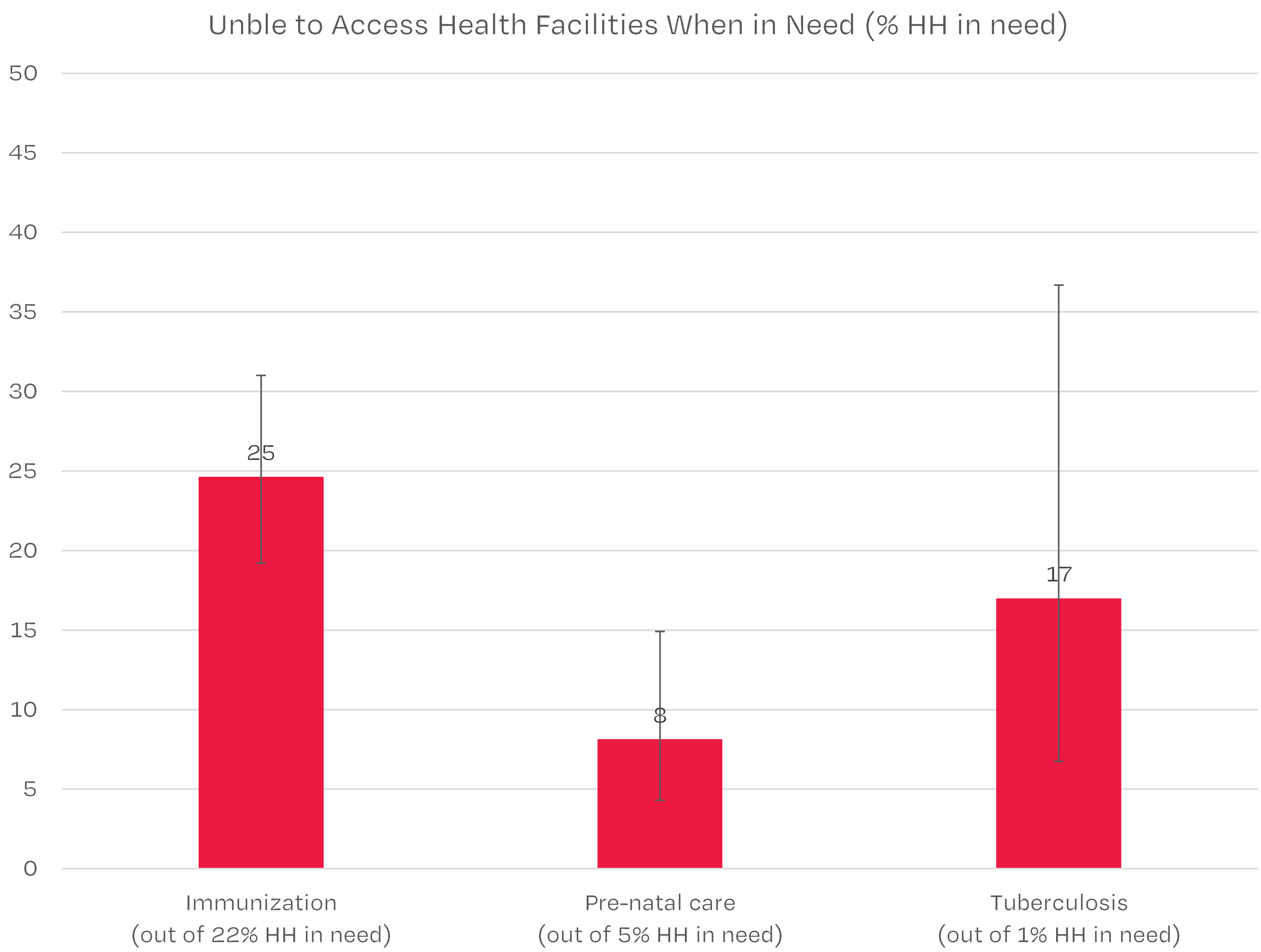


Note: since PCR test is a rare incidence, hence it may not be generalized to represent population

By August,

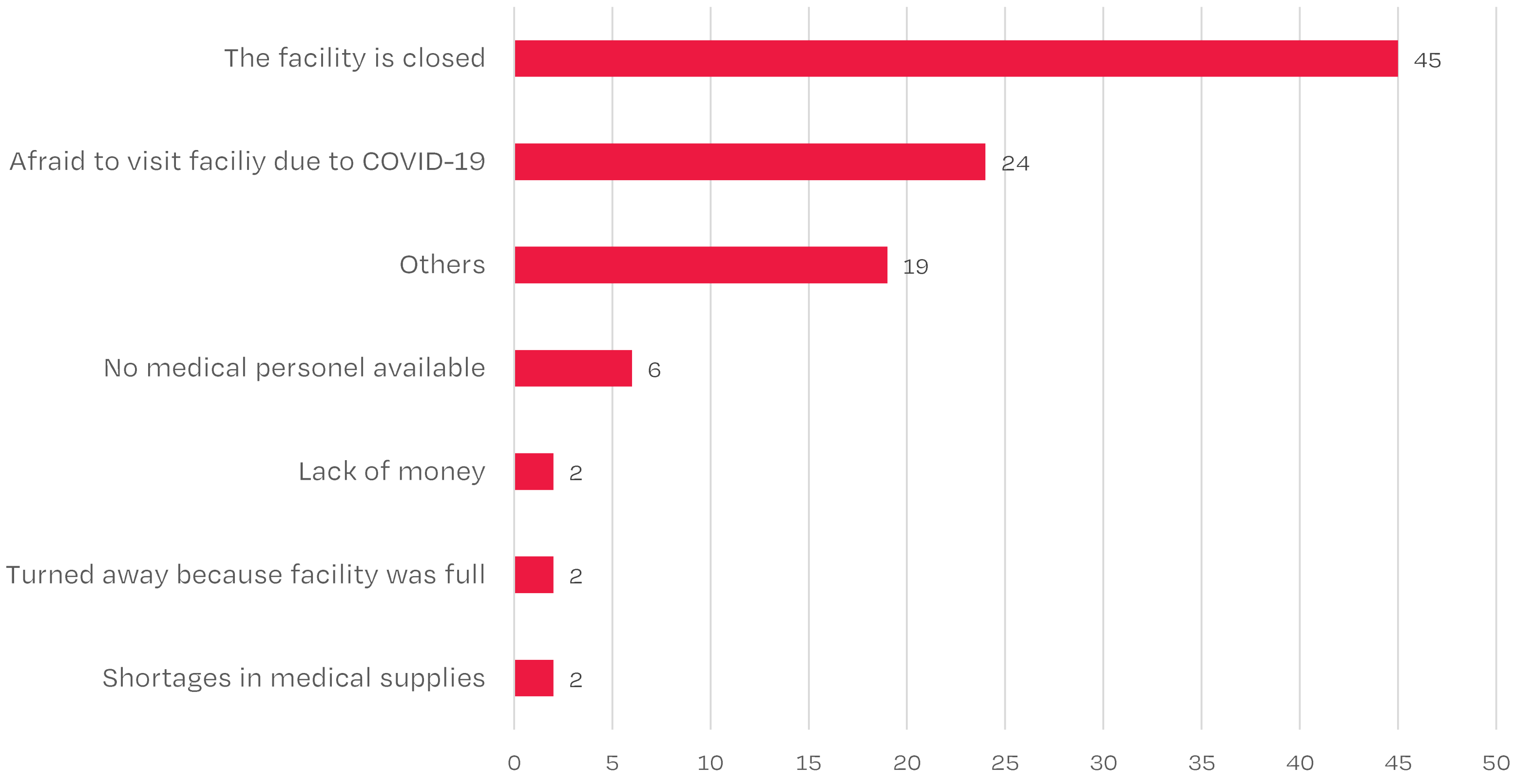
25% of households needing immunization and 17% of households needing tuberculosis treatment were not able to access it.

There is no difference in accessing health services across household characteristics and locations.



Closure of health facilities is the main reason for not accessing them when needed, and some were afraid to visit due to fear of COVID-19

Reasons for not accessing health facilities (% HH*)

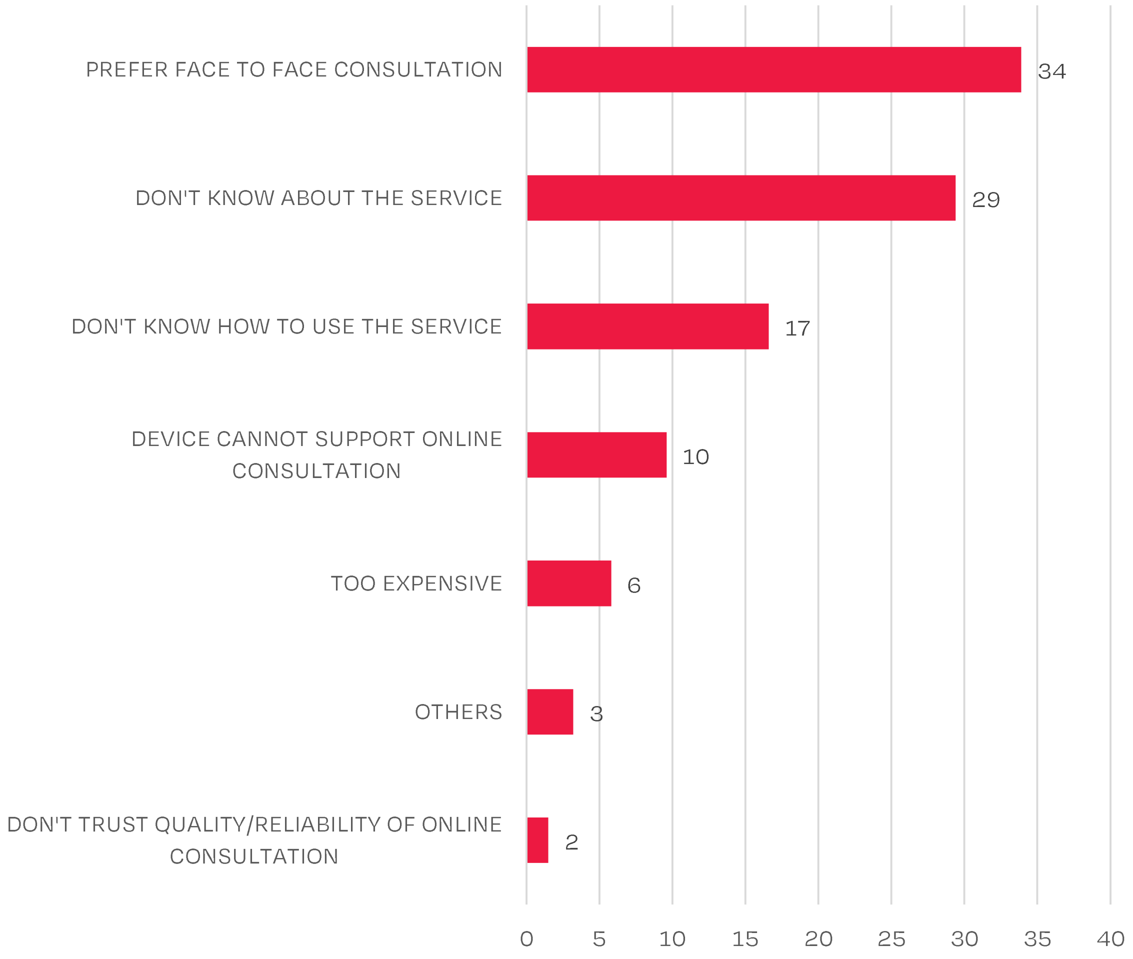


*out of 6% respondent unable to access any kind of health facilities when needed

Only 8% of households used online health consultations, despite the pandemic.

The main reason for low utilization of online consultation is that people still prefer face-to-face meetings or lack knowledge about the service.

Reasons for not using online health consultations
(% HH who did not use online consultations)

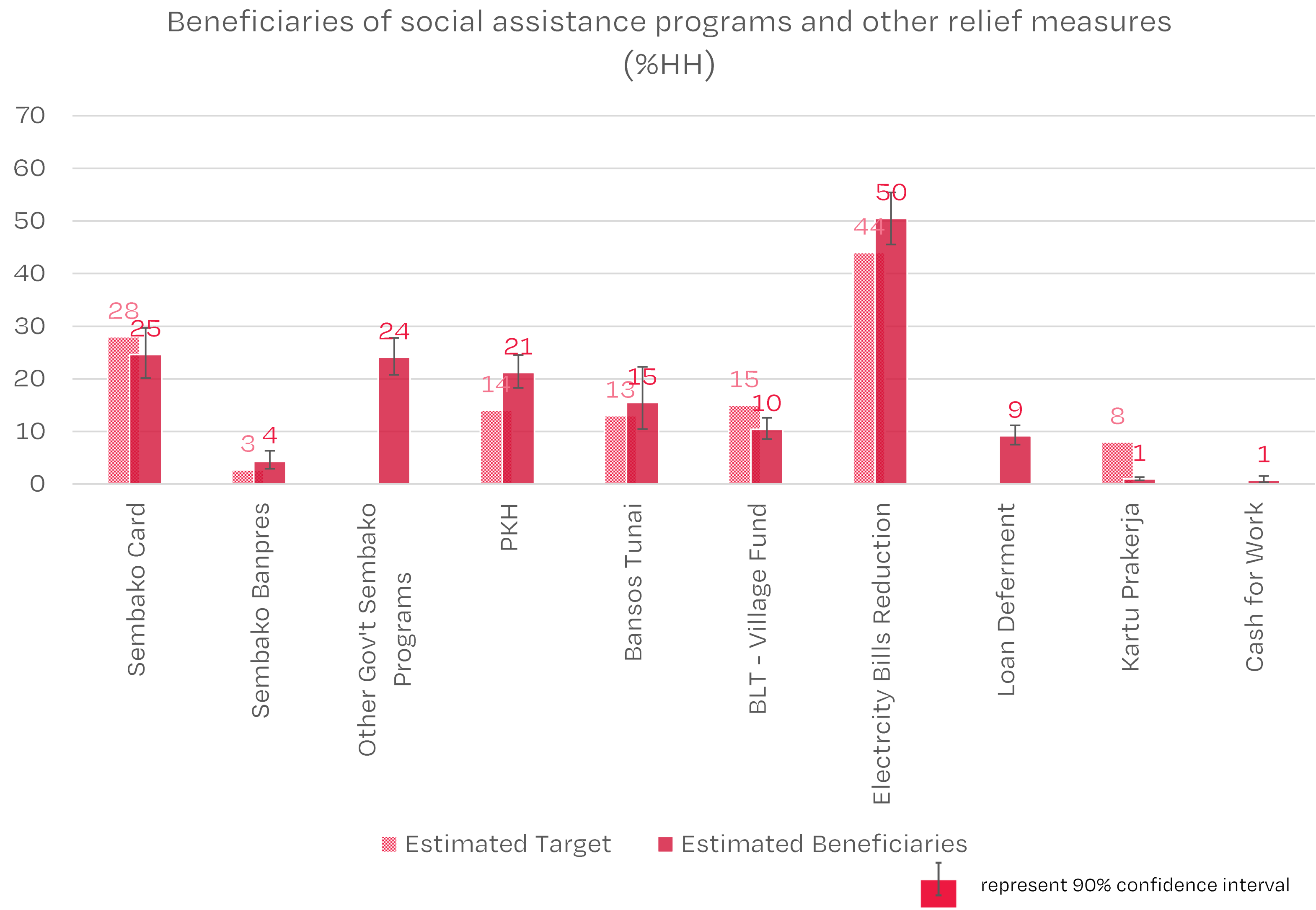


Safety Nets

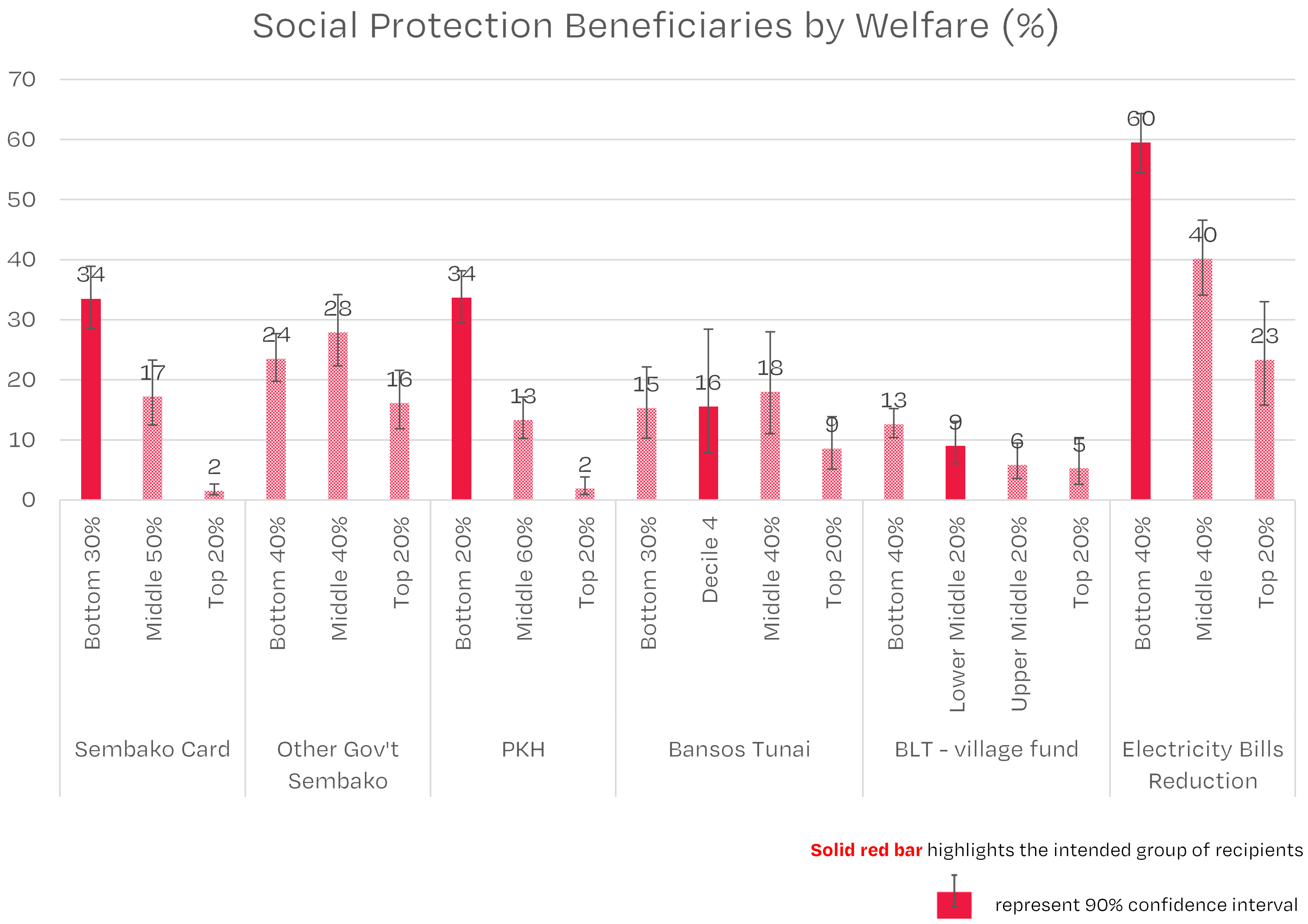
06

As of early August 2020, many households reported receiving some economic relief measures and expanded social assistance programs.

Most programs have reached their estimated target coverage.

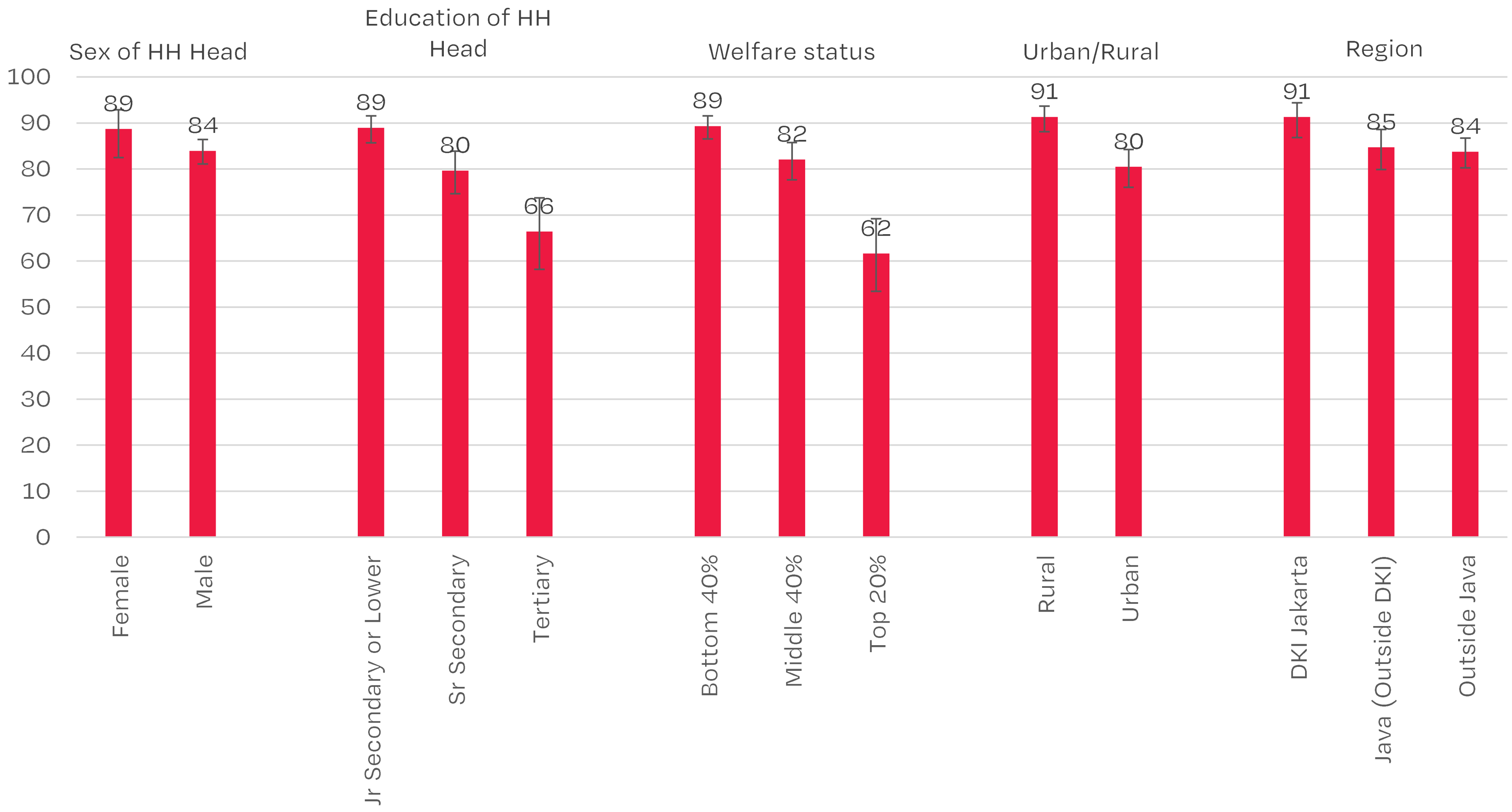


The incidence of recipients is higher among the targeted groups, however there remain many targeted households who do not receive the programs.



Less educated households, those in the bottom 40%, and rural areas are more likely to benefit from social assistance and other measures.

Receipt of any kind of social assistance or other relief program measures*

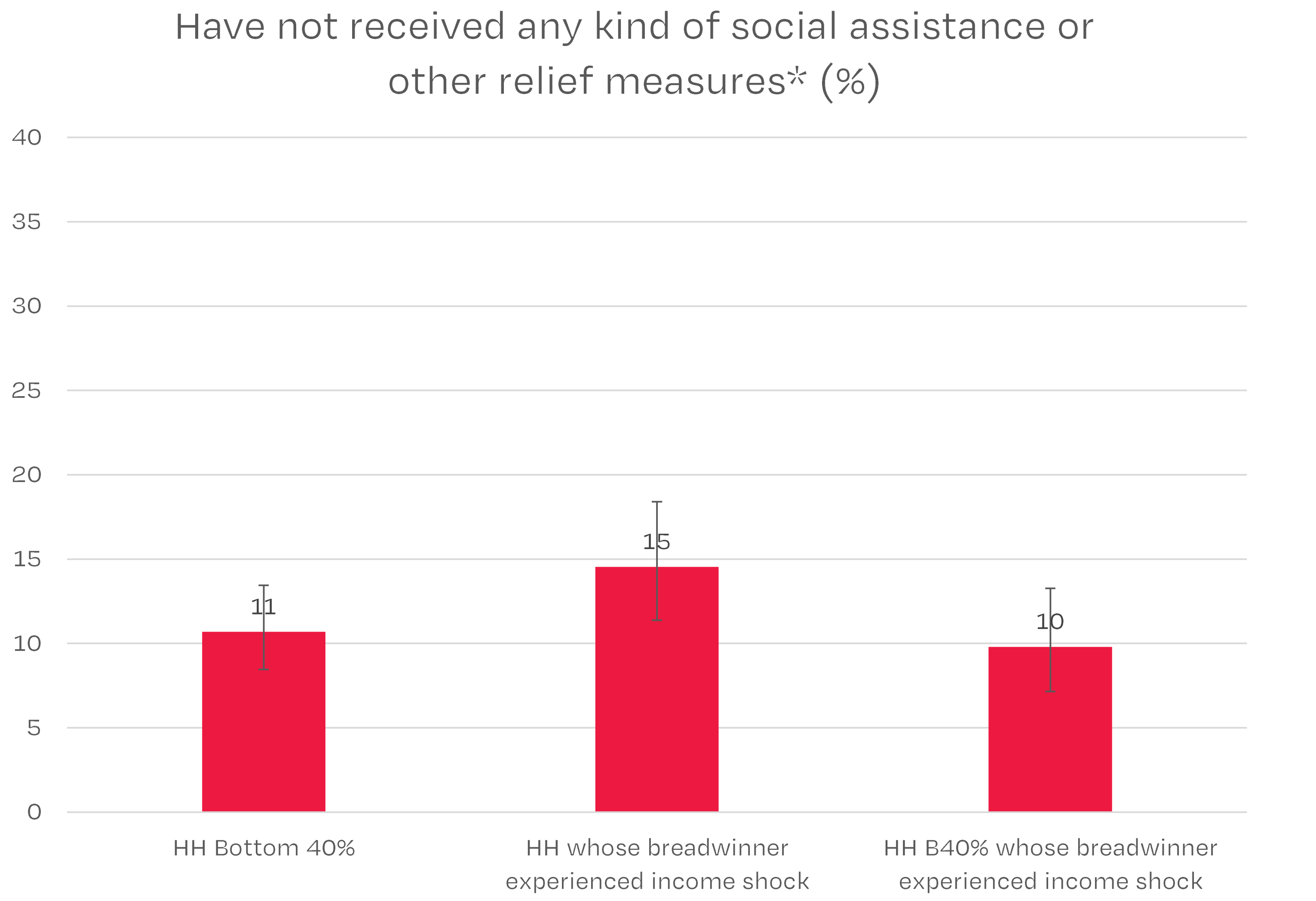


*including sembako, electricity bills reduction, BLT, PKH, loan deferment, cash for work, kartu prakerja

represent 90% confidence interval

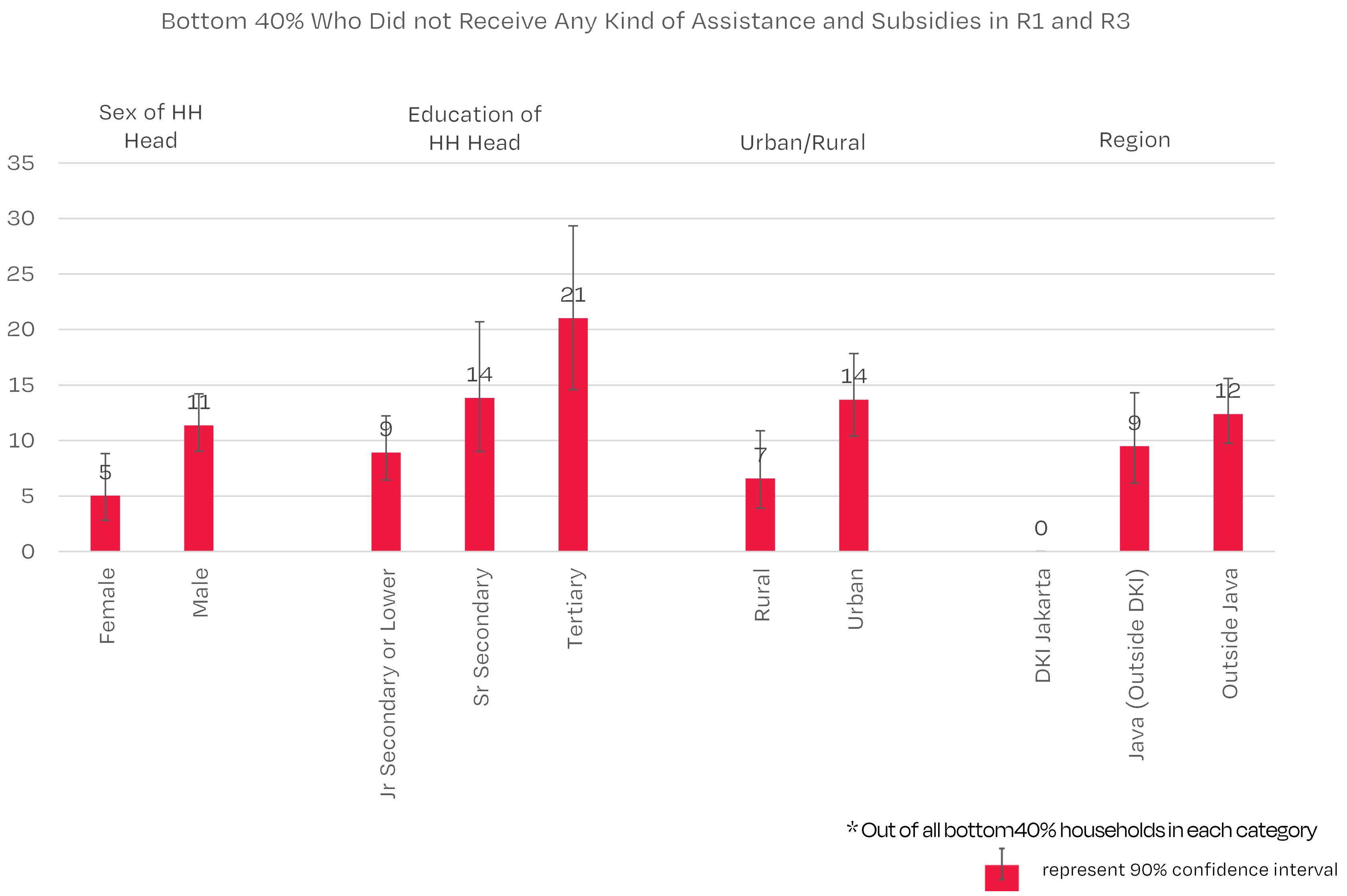
Nearly 90% of households in the bottom 40% reported receiving at least one relief measure.

But, around 10% of households in the bottom 40% who have experienced income shocks have not received any.



*including sembako, electricity bills reduction, BLT, PKH, loan deferment, cash for work, kartu prakerja

Those in the bottom 40% who have not received any programs are mostly in urban areas, outside DKI Jakarta, male headed and higher educated households.



*Out of all bottom40% households in each category

Terima Kasih

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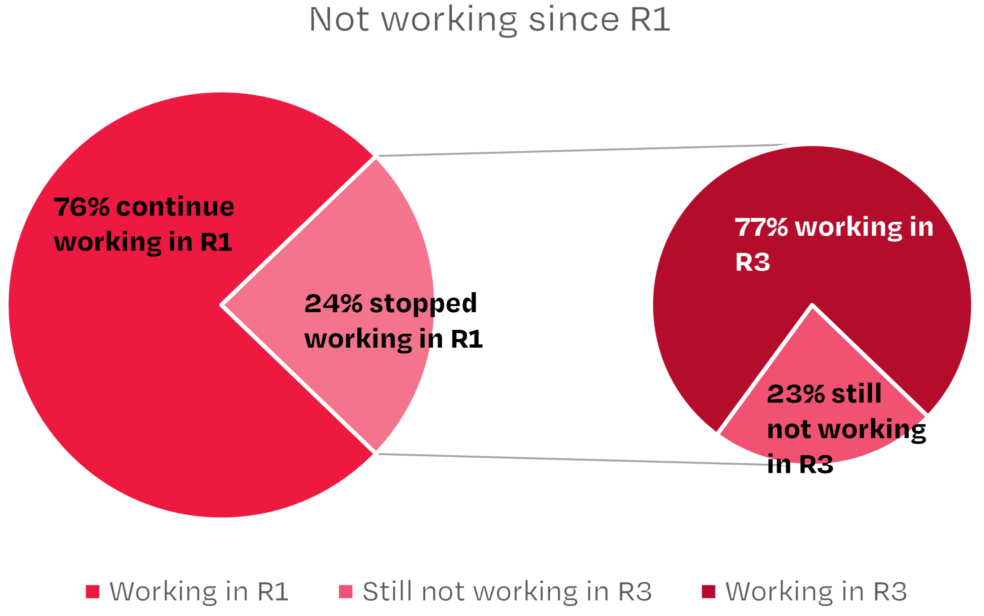
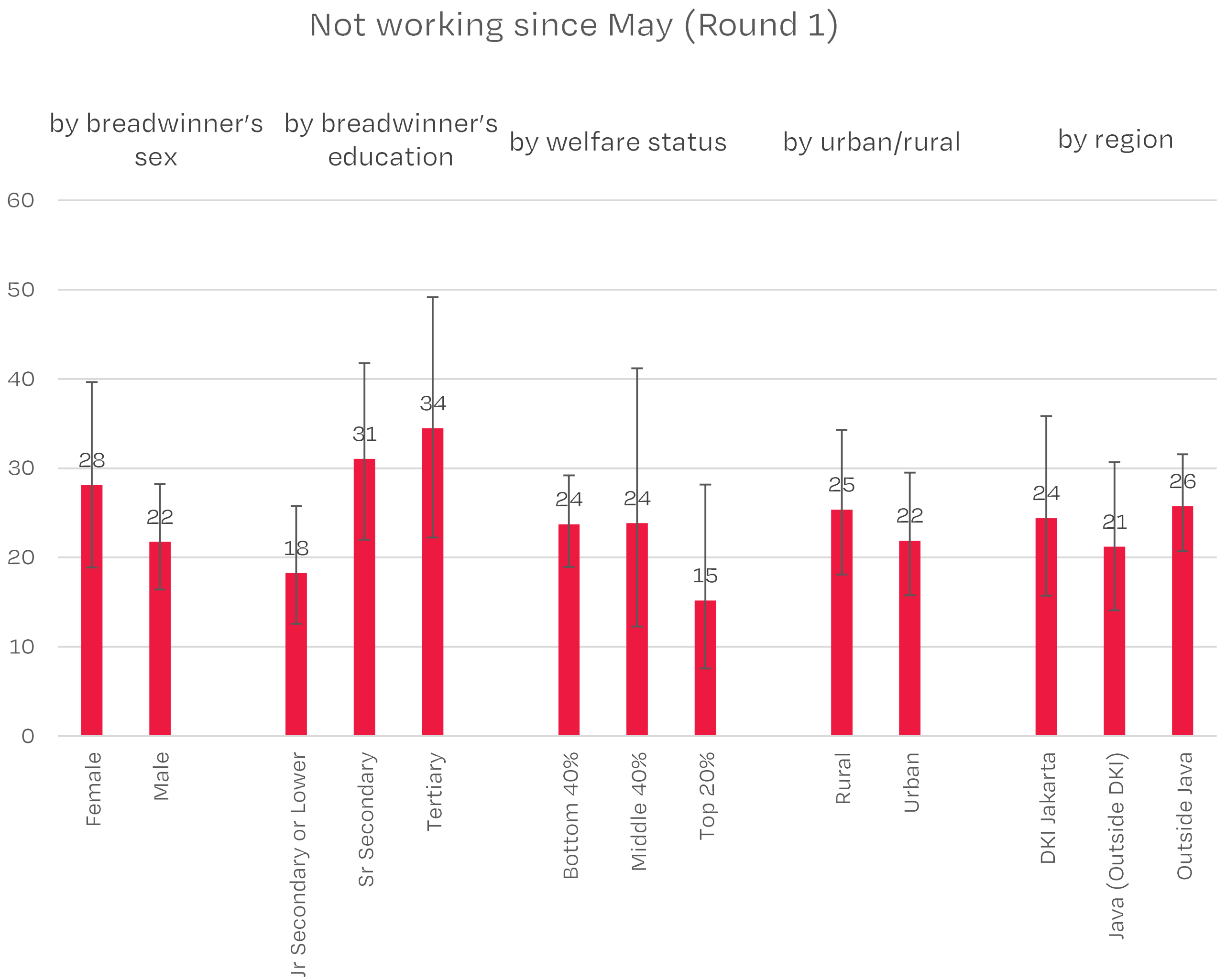
Bambang Suharnoko Sjahrir
Ade Febriady
Muhammad Noor Farid
Virgi Agita Sari

Annex

Not working since May (Round 1)



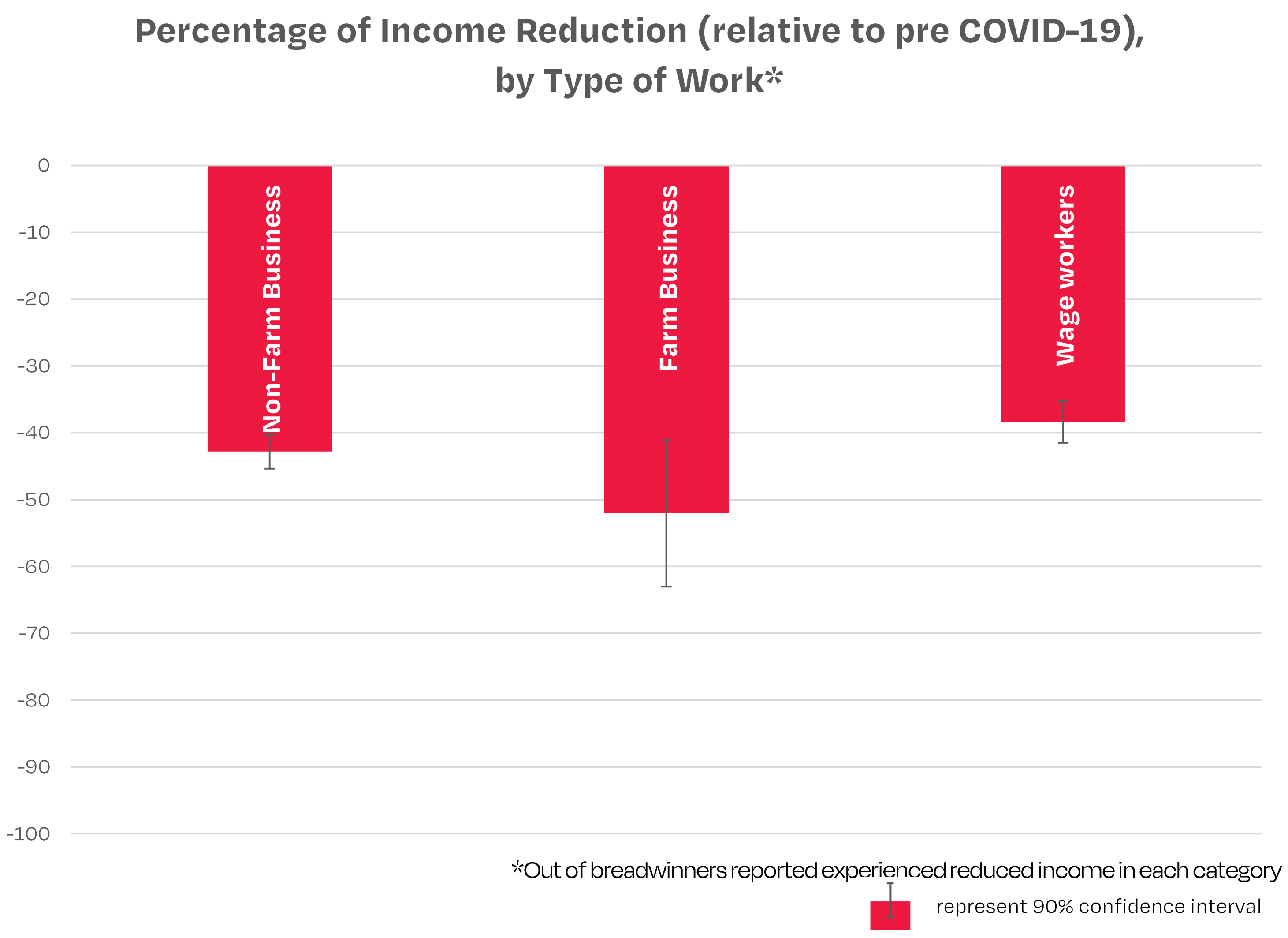


*Out of 24% breadwinners who stopped working in early May

Amount of Reduced Income

The amount of income reduction relative to pre COVID-19 across type of work ranges between 38% and 52%.

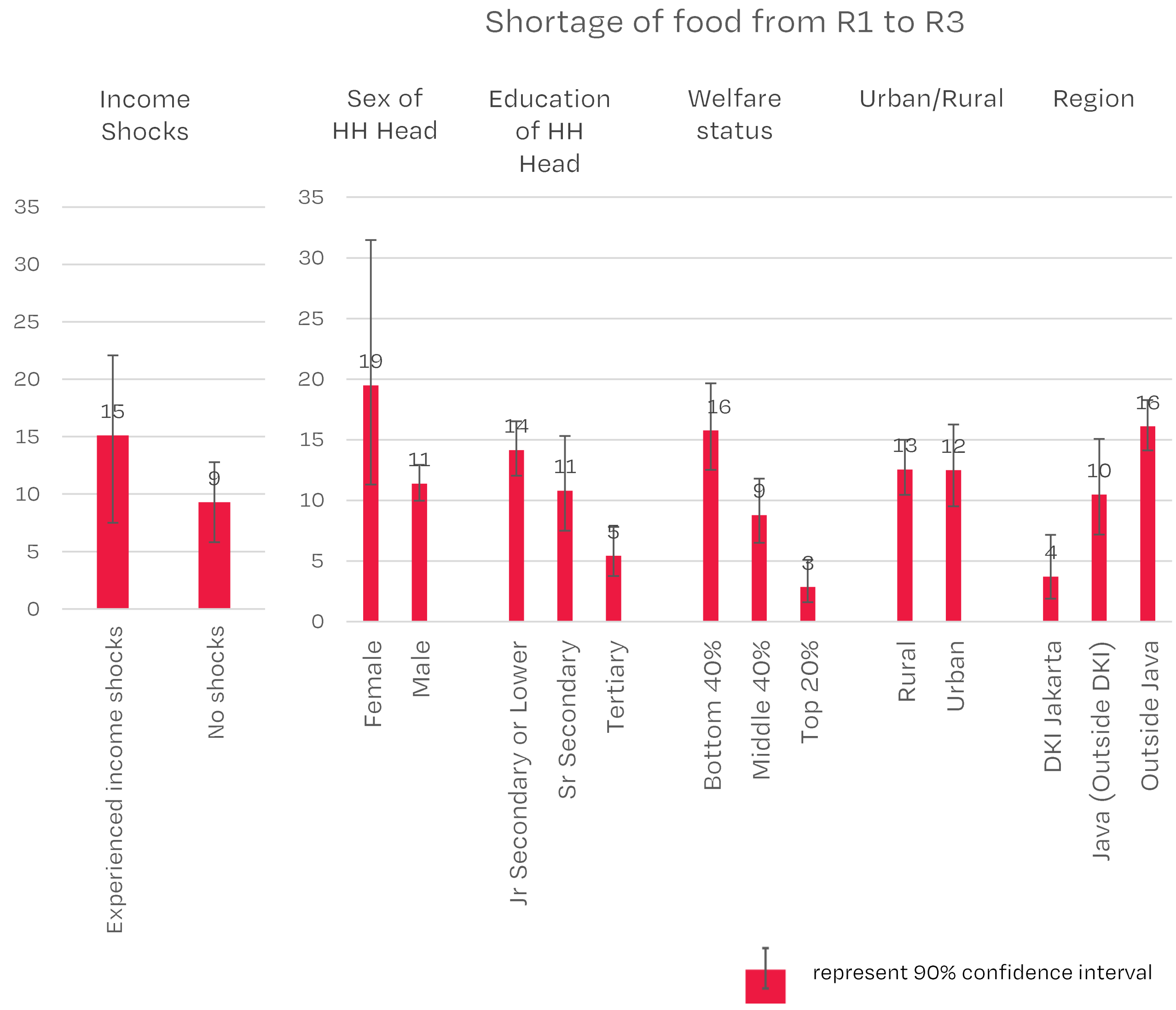
The largest drop is experienced by those in farm business.



Worsening Food Shortages

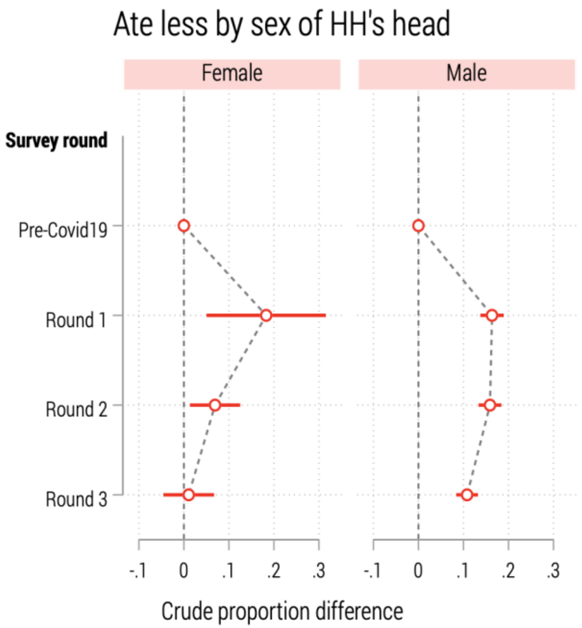
Worsening food shortages are more likely among households experiencing income shocks …

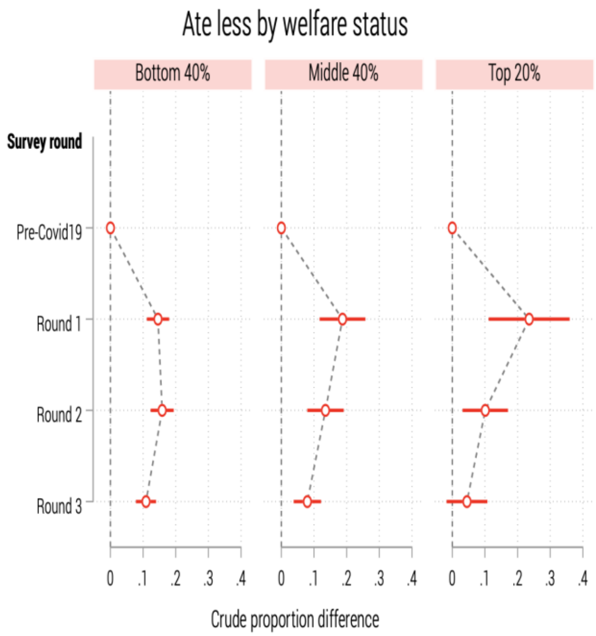
and significantly higher among lower educated households, those in the bottom 40%, and outside DKI Jakarta

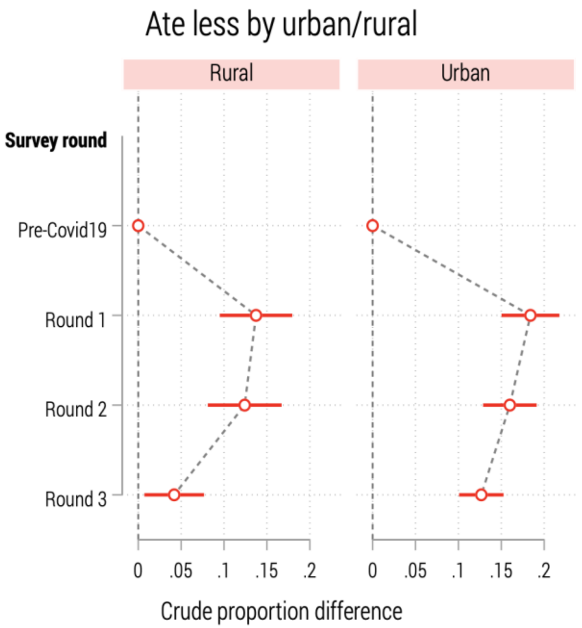


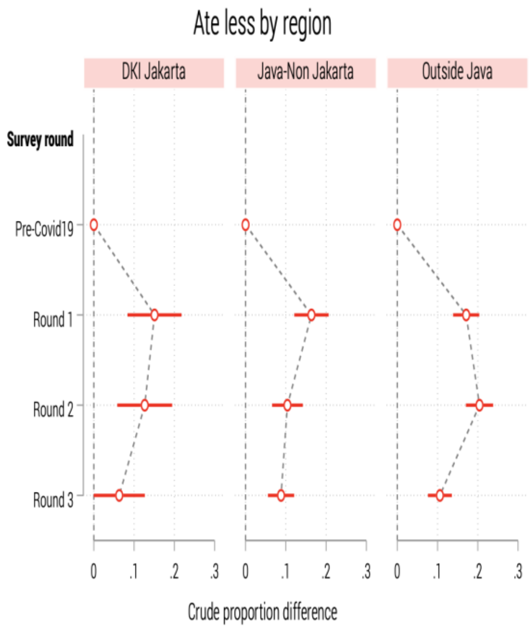
Ate less

As of Round 3, most households still have not recovered to pre-outbreak levels, except female-headed households, those in the top 20%, and in DKI Jakarta







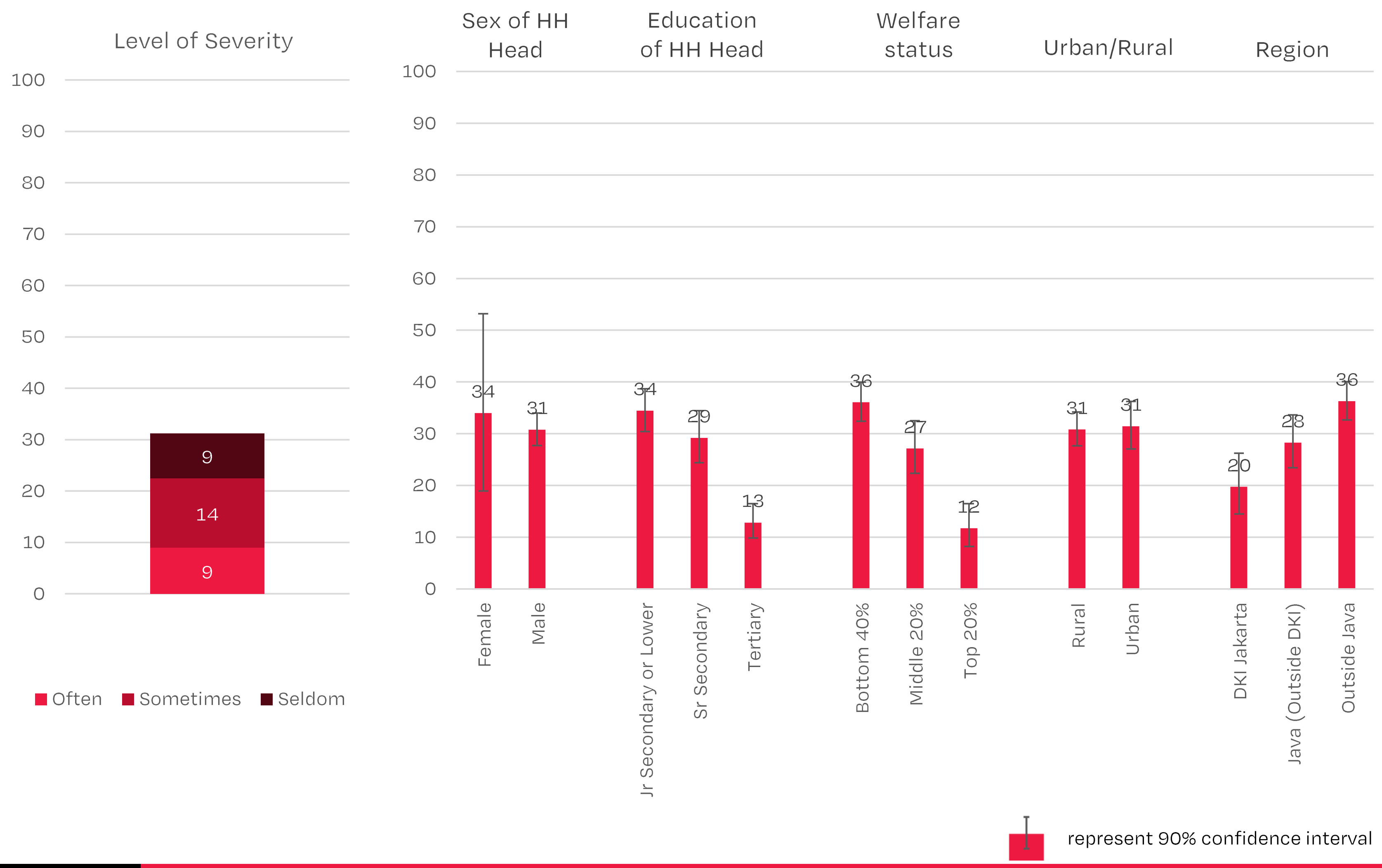


R1: 1-17 May 2020
R2: 26 May – 5 June 2020
R3: 20 July – 2 August 2020

Ate less

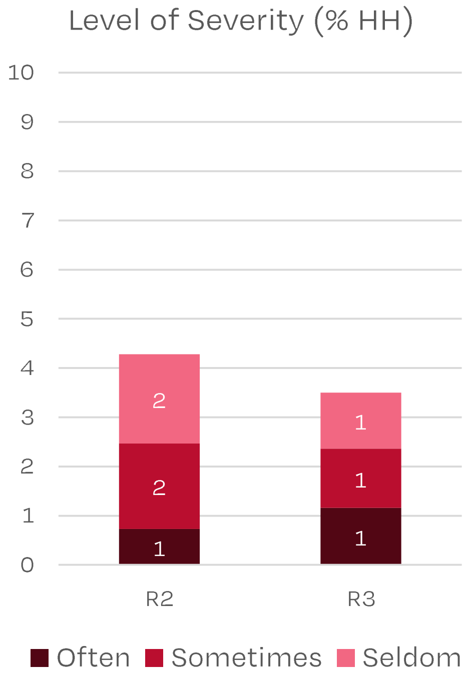
Lower educated and less wealthy households are more likely to reduce their food intake

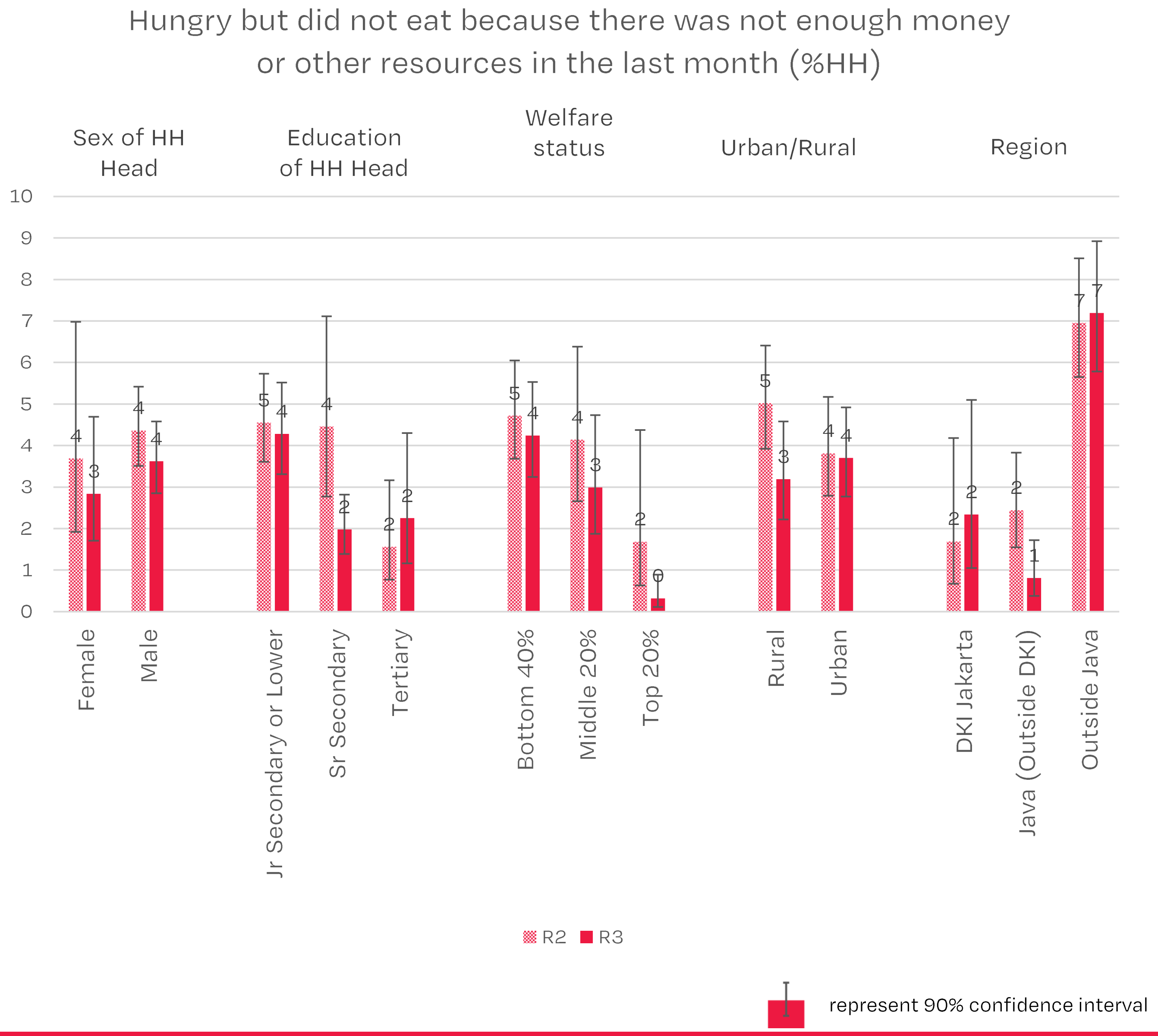
Ate less because there was not enough money or other resources in the last week (%HH)



Hungry but did not eat

While fewer households experienced hunger but did not eat, those that did were more likely to be outside Java and the bottom 40%.



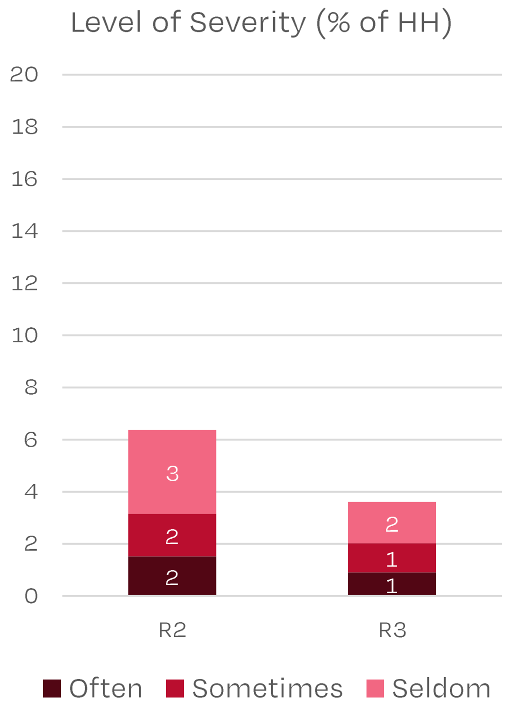


Went without eating for a whole day

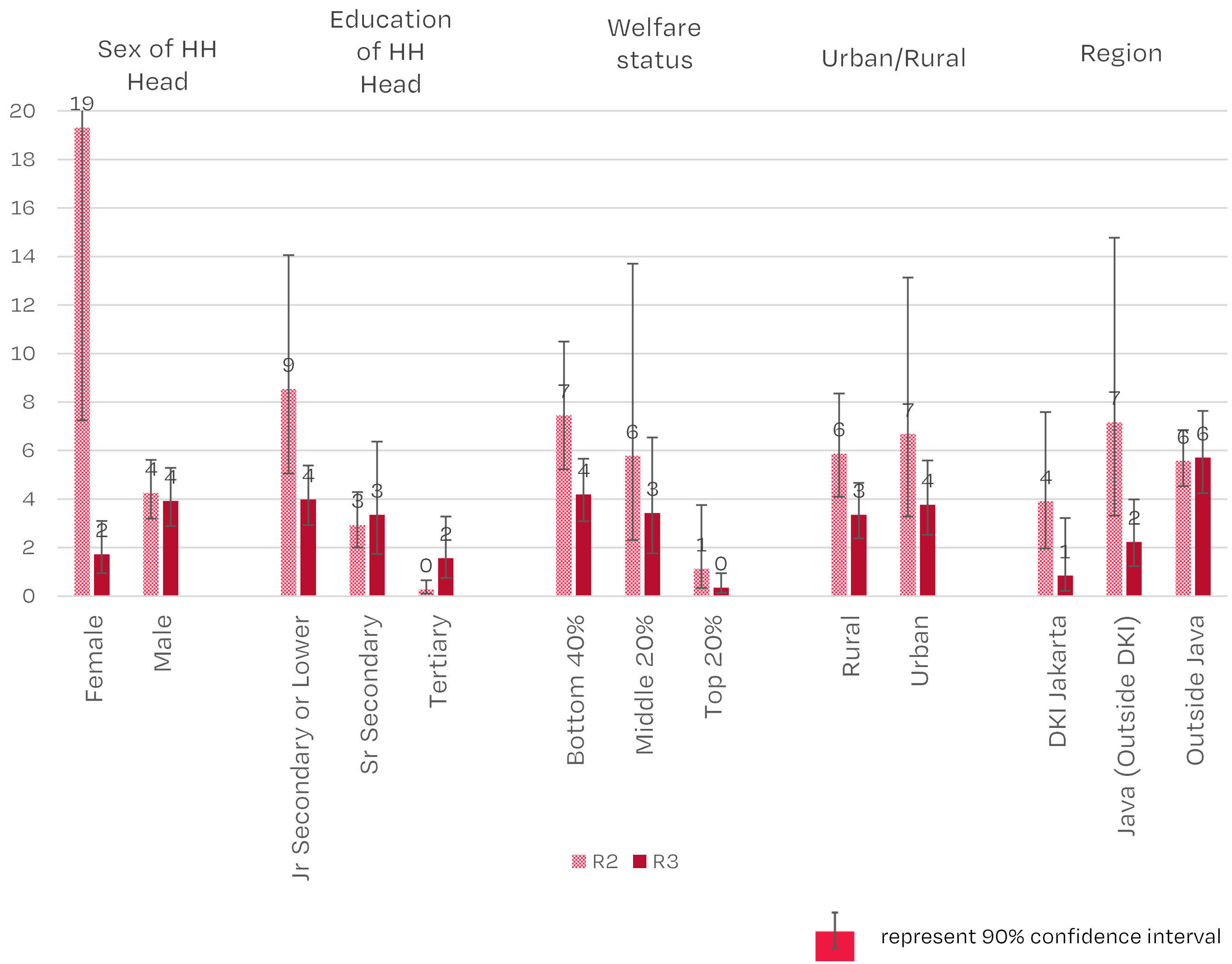
The prevalence of households that skipped eating a whole day also dropped.

But no improvement among those outside Java,

And those in the bottom 40% are significantly more likely than those in better-off households.



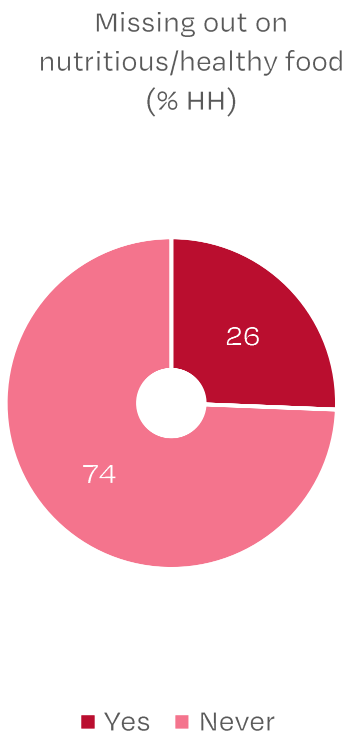
Went without eating for a whole day because there was not enough money or other resources in the last month (%HH)

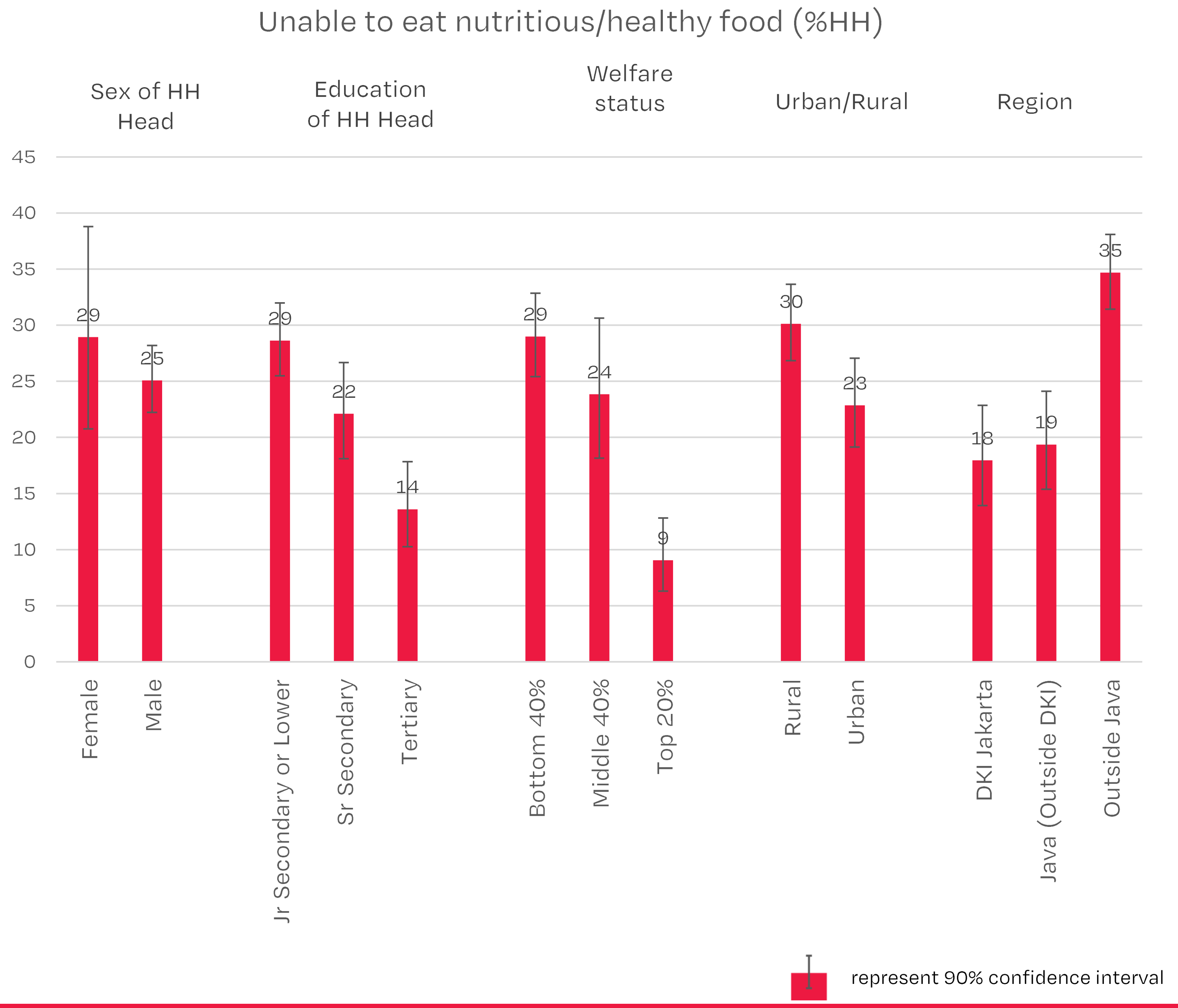


Unable to eat nutritious food

About a quarter of households reported missing out on nutritious food in the last month

This affects more households with low education, in the bottom 40%, rural areas, and those outside Java.

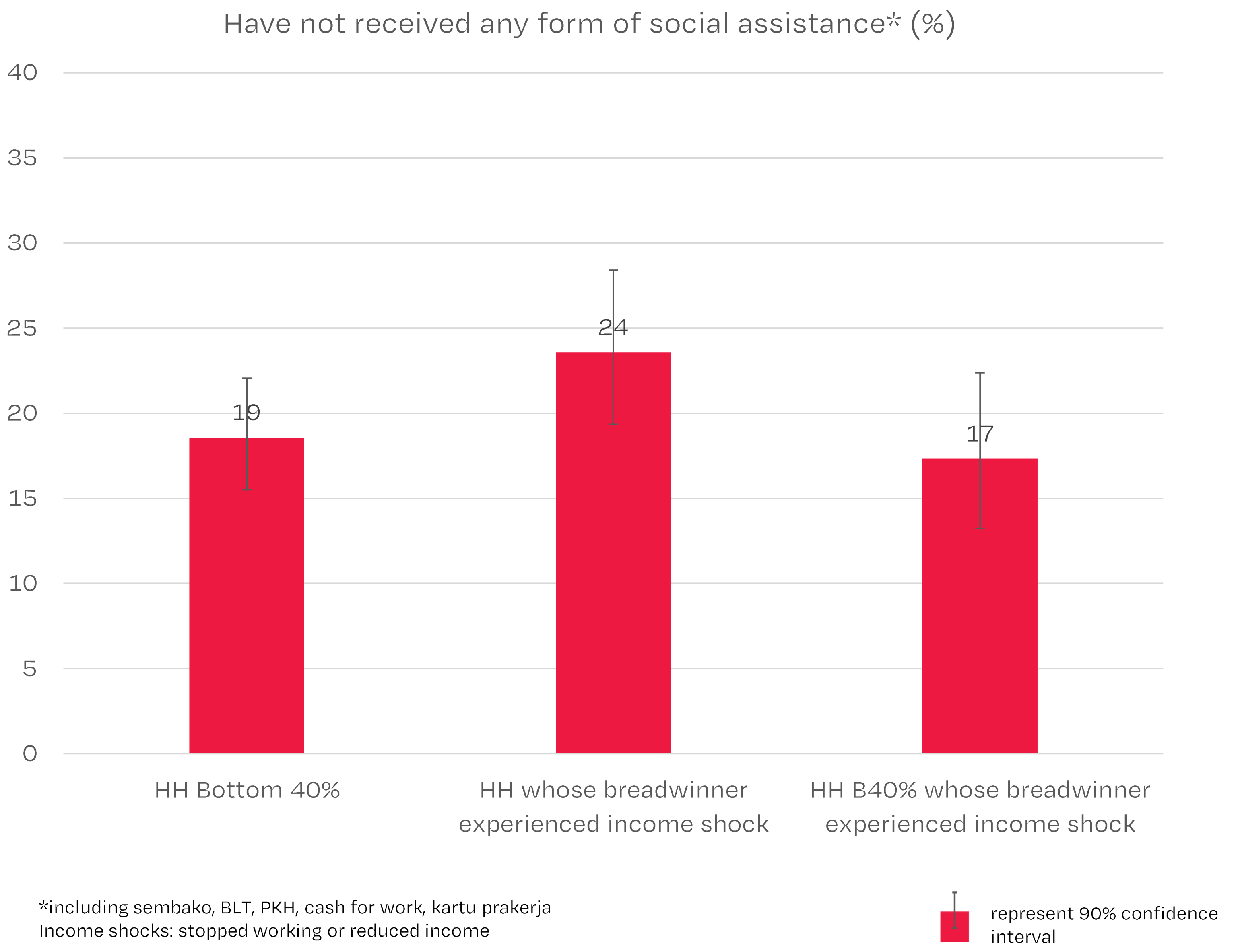




Safety Nets

More than 80% of households in the bottom 40% reported receiving at least one of social assistance programs.

However, 17%of households in the bottom 40% who experienced income shocks have not received any social assistance.



*including sembako, BLT, PKH, cash for work, kartu prakerja
Income shocks: stopped working or reduced income