

**COVID-19 IN LAC** 

# **EL SALVADOR**

2021 LAC HIGH FREQUENCY PHONE SURVEYS: Results Phase II, Wave 1

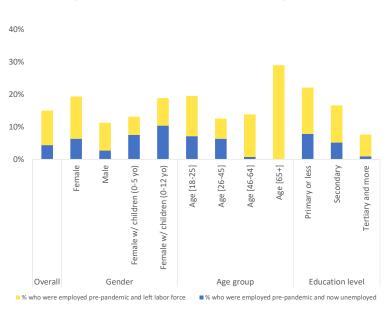
April 2022

The COVID-19 crisis is expected to reverse hard-won gains in poverty reduction, equality, and shared prosperity in El Salvador. The country managed to enact one of the region's most generous fiscal response packages despite entering the COVID-19 crisis with a fragile fiscal situation: the largest debt level (73.6 percent of GDP) in Central America in 2019. However, emergency transfers were not enough to compensate for pronounced income losses across the entire income distribution, particularly among the poorest households. Remittances did not act as a safety net for the poor during the pandemic, either.

About a quarter of households reported running out of food in the 30 days before the survey, 7.4 percent reported adults missing meals, and 27.6 percent reported switching to less healthy foods. Those with lower education levels and fewer assets were even more likely to report food insecurity. These numbers show improvement compared to those from the beginning of the pandemic, when about 39.5 percent of households reported running out of food, despite the distribution of food baskets under the Programa de Emergencia Sanitaria. However, by mid-2021, the country was still far from its pre-pandemic level, and food insecurity remained a concern.

In 2021, the Salvadoran labor market showed positive signs but was still far from complete recovery. The country experienced a modest increase, of 4.2 percentage points, in the employment-to-population ratio (18+) relative to pre-pandemic levels, explained by a large share of previously inactive people entering the labor force (48.0 percent). Almost half of these entrants were women with primary or secondary education across all age ranges, and almost one-third were men with primary or secondary education. Among those employed before the pandemic, 14.9 percent lost their pre-pandemic jobs, and most of them (70.9 percent) chose to exit the labor market altogether, particularly women. Workers also transited between formality and informality and of the previously formal workers, 16.7 percent became informal.

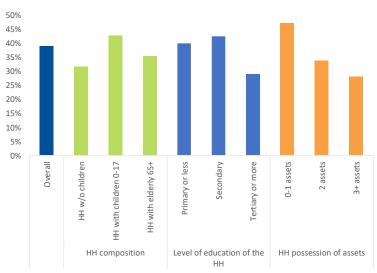
Internet connectivity and access to digital banking services were critical to households' resilience during the pandemic throughout Latin America and the Caribbean. However, both are still elusive to households in El Salvador and a major challenge looking forward. Only 42.8 percent of households reported having internet service, and 63.2 percent of these households reported lacking service quality. Only 7.2 percent of individuals reported using mobile wallets. The absence or poor quality of internet service was particularly costly for students who were not yet attending school in person (33.8 percent of those currently attending in mid-2021) and whose schools offered virtual education.



### JOB LOSS (% OF PRE-PANDEMIC WORKERS)

Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 1.

HOUSEHOLDS (%) WITH REDUCED INCOME





WORLD BANK GROUP

# KEY INDICATORS: INDIVIDUALS (18+ years old)

Distribution among groups	Labor			Childcare responsibilities	Health	Finance
	% of employed population (pre- pandemic) who lost their pre-pandemic job	% of inactive population (pre- pandemic) who became active (employed or unemployed)	% of formal workers (pre-pandemic) who became informal	% of population who spent more time accompanying children's education	% of population who is not planning to get vaccinated or unsure (vaccination hesitancy)	% of population using
Overall	14.9%	48.0%	16.7%	38.7%	7.6%	7.2%
Females	19.2%	42.8%	18.7%	43.6%	8.7%	6.7%
Males	11.2%	61.7%	15.5%	32.1%	6.3%	7.8%
18 to 25 years old	19.5%	54.7%	5.9%	37.8%	7.7%	5.8%
26 to 45 years old	12.5%	56.7%	20.8%	45.7%	8.8%	6.9%
46 to 64 years old	13.8%	39.5%	12.7%	25.5%	5.8%	8.8%
65 and older	28.8%	25.5%	15.3%	30.6%	7.3%	7.4%
Primary or less	22.0%	34.0%	23.6%	23.4%	10.7%	5.8%
Secondary	16.5%	50.1%	16.1%	41.1%	7.2%	8.0%
Tertiary and more	7.6%	64.5%	16.1%	50.3%	5.7%	6.7%

Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 1.

# **KEY INDICATORS: HOUSEHOLDS AND CHILDREN**

	Income		Food Insecurity	Education (6-17 yo)		Connectivity
Distribution among groups	% HH that report a reduction in total income (current v. pre- pandemic)	% HH that received Emergency Government Transfers during the pandemic	% HHs that ran out of food (last 30 days)	% of children in school age who attended school (in person or virtually)	% of children in school age who interacted with teacher (in-person o online classes)	% HHs that had problems with internet service due r to poor access quality / speed
Overall	38.9%	89.5%	24.0%	92.1%	86.7%	63.2%
HH w/o children (0-17)	31.7%	86.0%	17.1%	-	-	60.3%
HH with children (0-17)	42.7%	91.2%	27.5%	92.1%	86.7%	64.6%
HH with elderly (65+)	35.4%	91.0%	26.0%	87.8%	81.8%	69.1%
0-1 assets	47.2%	90.9%	33.7%	87.5%	81.6%	63.5%
2 assets	33.7%	91.2%	21.9%	96.7%	91.0%	65.7%
3+ assets	28.2%	85.1%	7.6%	97.1%	93.3%	60.5%
HH education - Primary or less	39.9%	92.3%	35.5%	85.7%	82.3%	67.8%
HH education - Secondary	42.4%	91.5%	20.9%	95.4%	87.8%	61.5%
HH education - Tertiary or more	29.0%	79.4%	9.1%	97.9%	96.2%	62.3%

Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 1.

#### HIGH FREQUENCY PHONE SURVEY

The World Bank and UNDP conducted a multi-wave High-Frequency Phone Survey (HFPS) in 2021 to assess the impact of the coronavirus pandemic on the welfare of Latin American and Caribbean households. The first wave was collected between May and July 2021, and the data is nationally representative for 24 countries: Antigua & Barbuda, Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Saint Lucia and Uruguay. The data for Brazil was collected between July 26 and October 1. The HFPS provides information on the welfare impacts that households experienced with respect to food insecurity, changes in employment, income changes, access to health and education services, and coping mechanisms. Key indicators on socioeconomic effects are available at the <u>COVID-19 monitoring global dashboard</u>, which provides 96 harmonized indicators across 50 countries in Latin America and the world. For further information, see <u>World Bank and UNDP (2021)</u>.



