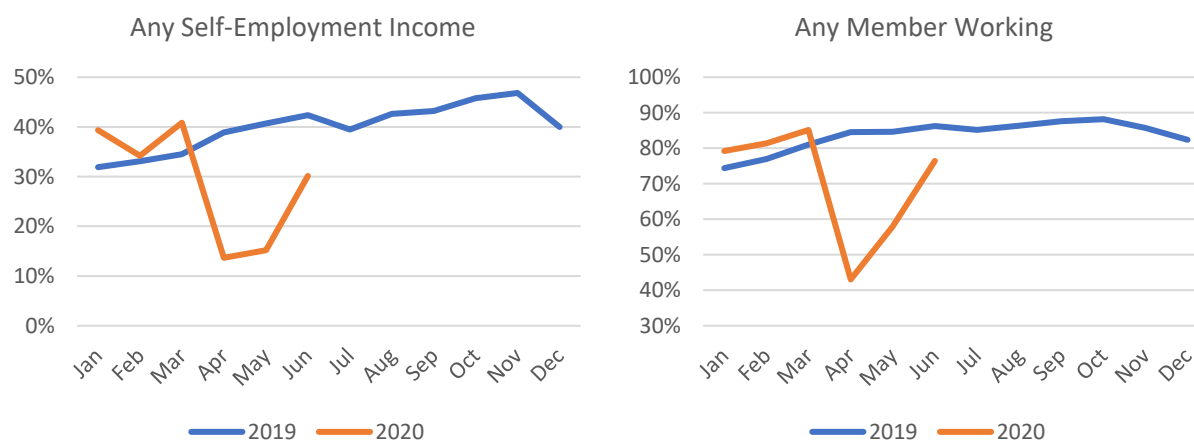


Economic and Social Impacts of COVID-19

June 2020 update from Listening to the Citizens of Uzbekistan

A labor-market recovery quickly asserted itself in June with the phasing out of lockdown measures, following dramatic declines in employment, wellbeing, and income caused by the COVID-19 outbreak. According to data up to June 22nd collected in the Listening to the Citizens of Uzbekistan project, the beginnings of recovery already apparent in May built further momentum, with both self and wage employment regaining lost ground. However, these results do not reflect the reintroduction of stricter lockdown measures effective from July 10, which will be assessed in the next round of the survey. Remittances, labor income, and open job vacancies remain far below the pre-COVID trend, disproportionately affecting poorer households. A small but elevated number of respondents note that the healthcare system is under strain, which coincided with a June surge of health-related job listings that surpassed the number of vacancies in 2019. Measures of food insecurity and other deprivations are strongly associated with lost income during the crisis. Responses suggest nearly no further food shortages, and that roughly 3.8 million people have received some emergency support.

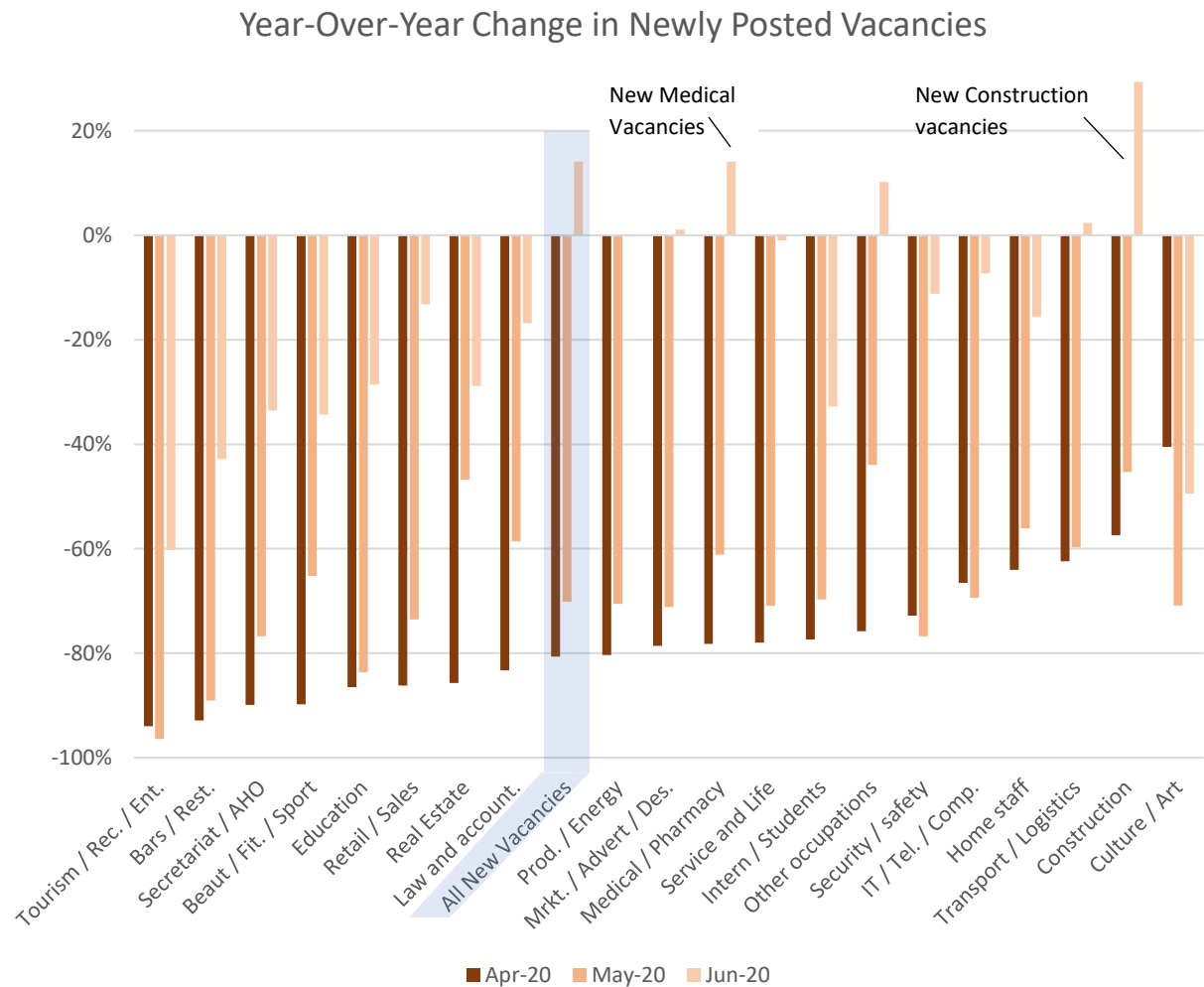
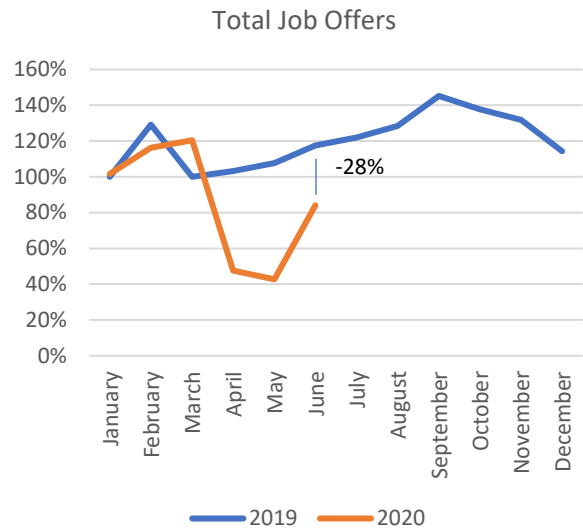
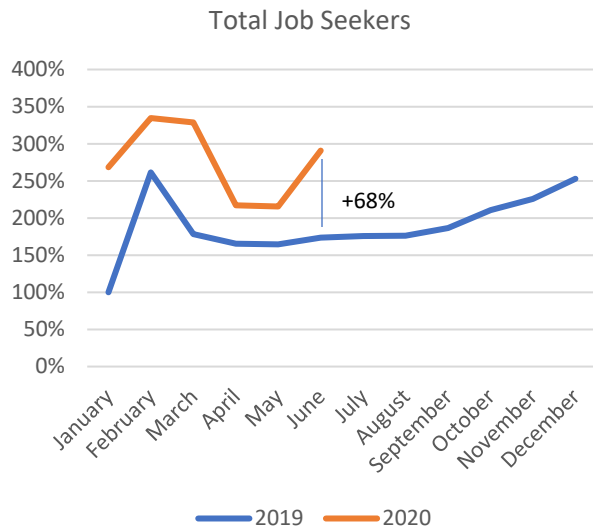


Livelihoods

- **Employment continued to swiftly recover lost ground in June.** The share of households with at least one working member dramatically fell by more than 40 pp in April but rebounded by 33 pp by June. Reporting that someone “lost a job or stopped work” in the household jumped from 1 to 19 percent in April, before falling back to 3 percent in June. Nearly all state they believe work disruptions are temporary. However, employment remains far below both 2019 levels and the pre-COVID trend.
- **Falling employment was deepest and most persistent among the self-employed.** The share reporting any self-employment fell by 67 percent in April and remained down 26 percent in June. In contrast, wage employment re-attained its 2019 level in June on average, though crossing the threshold more quickly among men than among women.
- **Job listing data show signs of recovery, after new listings fell by 80 percent following the outbreak.** Sectors with particularly large declines compared to the same period in 2019 included tourism, recreation and entertainment (-95 percent), bars and restaurants, (-91 percent), and education (-85 percent). Even the least affected occupations, declined by 50 percent or more compared to the same period last year, though in June there was a quick recovery in medical and construction sectors.



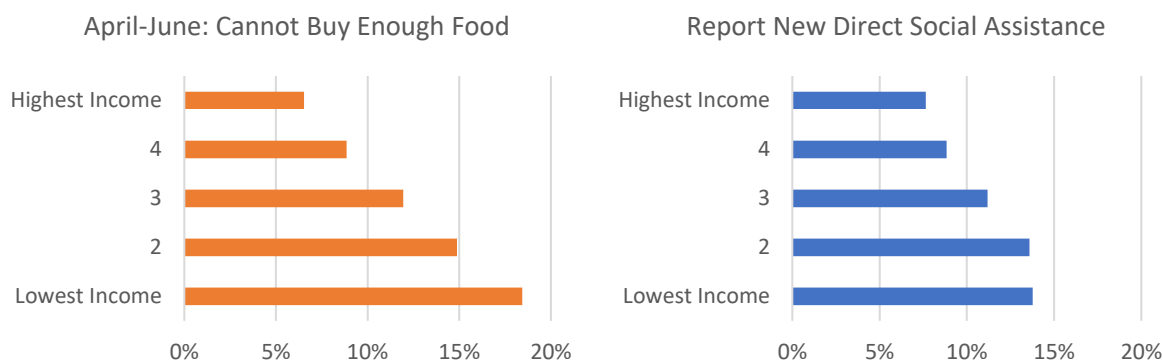
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Note: Data courtesy of olx.uz

Poverty, Financial Well-being, and Public Services

- **The number of people living in poverty¹ has risen during the outbreak.** According to World Bank projections, the poverty rate rose to between 8.7 and 10 percent following the outbreak, compared to pre-COVID estimates of 7.4 percent – between 450,000 and 880,000 additional people in poverty. The share of households reporting reduced food consumption spiked to 26 percent in April, before moderating to 22 percent in June.
- **An estimated 3.8 million people have received some form of emergency support.** About 11 percent of people reported receiving direct assistance since the outbreak. The majority (92 percent) of assistance came as in-kind benefits or vouchers and was relatively more common in urban areas. Receiving assistance is strongly associated with lower income, indicating that programs have been disproportionately beneficial to vulnerable households.
- **In May and June, an elevated number of people reported not being able to get medical care.** Since the outbreak, about 6-8 percent of respondents reported a member requiring medical treatment per month. Beginning in May and continuing in June, about 16 percent reported as being unsuccessful in obtaining treatment, though this estimate is based on a small absolute number of cases.
- **Households with income losses both more often report increased spending and are more concerned about the economic impact of the outbreak.** About 53 percent of respondents report significant changes in their spending. Among them, between 60 and 65 percent report spending more than usual over the preceding 30 days, while the remainder report spending less. Increased spending is associated with income losses during the crisis, and those with lower income are more likely to report being “very concerned” about the economic impacts of the outbreak.
- **Households with higher pre-crisis welfare have been more resilient to the impact.** Financial savings are strongly associated with pre-crisis income, and reporting increased spending is also somewhat associated with higher consumption levels before the outbreak.
- **High shares of people report that they are unable to afford basic needs and are without savings.** Those reporting an inability to afford food rose from less than 9 percent to more than 11 percent since April. Household finances are fragile: more than half say they do not have savings, and 40 percent that they could not currently pay an emergency expense of 100,000 Som (\$9.8).
- **Fewer local shortages of goods were reported in June.** About 1 percent of respondents reported that items are out-of-stock in their local area, down substantially from 16 percent in April. Of them, food items were most commonly cited, and particularly flour, alongside reports of rising prices. Reports of out-of-stock medicines and masks fell from 5 percent in April to negligible levels in June.

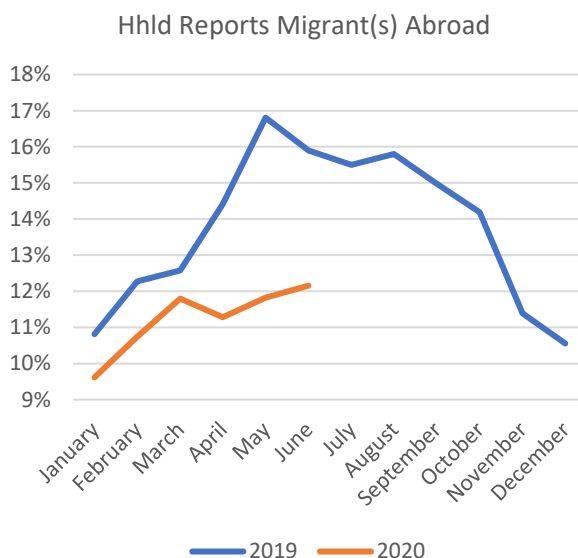
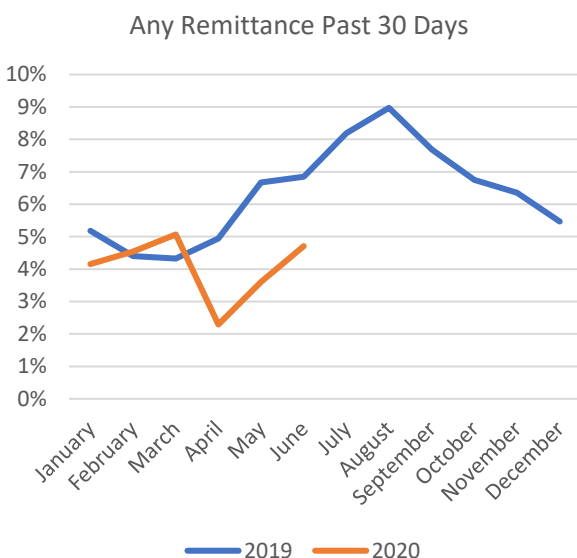


¹ Measured at the line appropriate to lower middle-income countries (\$3.2 per person per day in 2011 PPP terms)



Migration and Remittances

- The share of households receiving remittances recovered lost ground in June but remains well below 2019.** In April, the share of households receiving any remittances was cut in half over the same period the previous year, recovering somewhat in May and June. Among those that did receive remittances, the value of the median transfer fell by 21 percent (in inflation-adjusted som) in April but recovered lost ground in May as the Russian Ruble strengthened.
- A much lower share of respondents report household members working abroad.** In April, the share of households with members currently abroad was 3 percentage points lower than the same time in 2019. Among those still abroad, active employment fell from 88 to about 73 percent. The gap between 2019 and 2020 widened in May and June during the period that seasonal migration traditionally rises. From April and June, the share of L2CU household reporting members considering future migration abroad fell nearly to zero.



Knowledge and Behavior

- Concerns about the impact of coronavirus remain high.** Almost all respondents report being familiar with COVID-19, with more than 75 percent stating that they were “very familiar.” The degree of concern about the potential effects of COVID-19 fell slightly from April to June: the share “very concerned” about health risks fell from 64 to 60 percent, and the share “very concerned” about economic impacts fell from 61 to 56 percent.
- A rising share of people report having heard COVID-related official government announcements in the preceding week.** In April 75 percent reported hearing official announcements, rising to 80 percent in June. Nearly all listed television as a primary source of information. Since April, other popular official sources included social media (12 percent) and SMS (15 percent). Very few people report hearing official announcements through newspapers, radio, or in-person. Since April, about 60 percent of respondents report receiving COVID-relevant guidance from Mahalla officials on average.



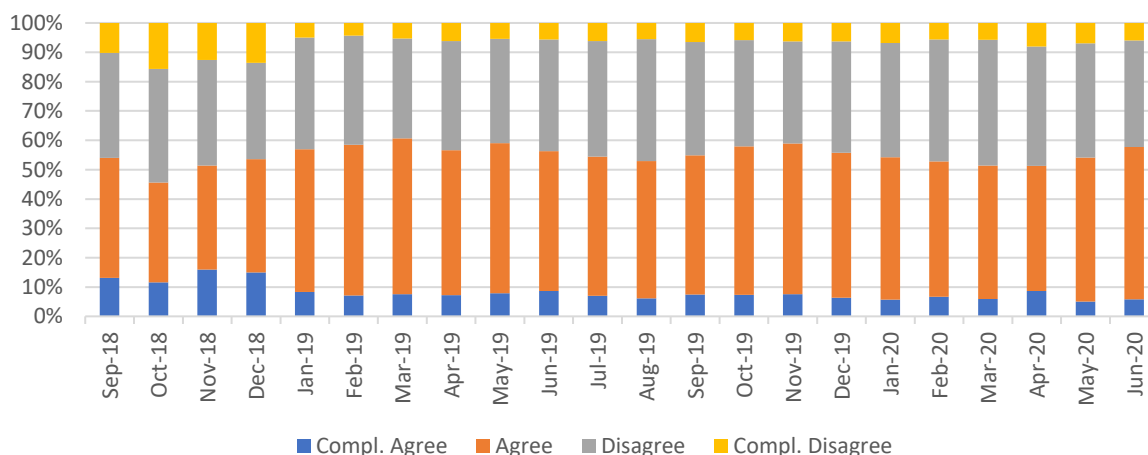
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- **About 80 percent report changing their routines since the start of the outbreak.** Among them, the most common responses were wearing masks (98 percent), fewer visits to family and friends (84 percent), more handwashing (81 percent), fewer handshakes/kissing/greetings (77 percent), social distancing (72 percent) less work outside of the home (51 percent), self-isolation (17 percent). Nearly zero respondents report attending a recent public gathering. Reporting limiting work, travel, more social distancing, and self-quarantine are becoming more frequently reported over time.
- **Respondents report high and increasing levels of compliance with handwashing directives.** The bottom quintile of handwashers report washing their hands about 5.5 times a day, on average, up from 4.8 in April. The middle quintile reports washing their hands about 10 times a day, on average. In May and June, about 66 percent of people did not leave home the day before their interview, up from 62 percent in April.

Children’s Education

- **Nearly all school-age children were reported to be participating in educational or learning activities** (97 percent), though schools were closed in May. In June, many educational activities closed for the summer break, and the share of respondents reporting that children were in educational activities fell to 67 percent. Most respondents (69 percent) were moderately satisfied with these remote activities, only about 8 percent were moderately or completely unsatisfied. However, the share of respondents who report being concerned about being able to provide their children with a good education has risen 5 percentage points since the outbreak.
- **Educational television programs accounted for the bulk of children’s learning activities**, with about 87 percent reporting this as the primary mode in May. Mobile learning apps were the primary approach for about 6 percent, while tutoring or following lessons assigned by teachers accounted for another 5 percent.
- **High levels of access to television (more than 89 percent) partially accounts for the popularity of the medium.** Smartphones were available to slightly about 70 percent of households, and about half of households reported access to mobile internet. About 15 percent of respondents reported access to a PC or laptop, with higher income households over-represented among them, while about 8 percent reported access to home internet.

"I am worried about giving my children a good education"



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