

Democratic Republic of the Congo

KINSHASA
DIGITAL



ITERATION N° 2 OF THE SURVEY SERIES ON THE SOCIOECONOMIC IMPACTS OF COVID-19 ON HOUSEHOLDS

Period covered: August 14
to September 11, 2020

Supported by



KEY FINDINGS

COVID-19 is still having a negative impact on the economic situation of households in the DRC, which is affecting their ability to purchase basic goods and services.

55% of households are still experiencing a decline in income. Levels are higher for low-income households. 77% of them experienced a decline in income.

1/4 of households overall and 40% of low income households would not be able to cover their expenses for food, housing, transportation, etc., for more than two weeks if their income fell.

94% of households in the DRC have reduced their consumption of basic goods and services during the pandemic.

Limited signs of recovery, when comparing data from this iteration of the survey with that of last month, are not changing people's overall perceptions about their long-term economic situation.

 Decrease in the proportion of households who reported a drop in income compared to the level of the previous iteration (mid-August).

 This change is likely to be driven by more people being able to return to work after the lifting of the State of Emergency and other restrictions.

84% of households feel that their long-term financial situation is likely to be worse as a result of the COVID-19 pandemic.

The majority of households are unaware of any support initiatives implemented by the government to help them cope with the negative socio-economic effects of the crisis.

80% of households state that they are not aware of any measures or interventions taken by the government to respond to their difficulties.

75% of households prefer radio and television as their main source of information.

ABOUT THE STUDY

The domestic restrictions imposed by the spread of the COVID-19 pandemic and the global economic downturn have created a challenging environment for households in the Democratic Republic of the Congo (DRC).

Households therefore need government support to minimize the negative effects of this crisis. The objective of this study is to provide analysis, developed through direct household input, during the data collection phase to support evidence-based decision-making processes regarding the crisis. Our aim is to support government policy-making and highlight the need for any additional measures that should be taken to address household needs.

The study is the result of a partnership between Élan RDC and Kinshasa Digital. The initial August 2020 survey on the impact of COVID-19 on households was well received and three more iterations are planned (October, November, December). These surveys will provide further information on how households across the country are responding to the crisis and how the nature of the challenges they face and how they are changing. Results from each iteration of the survey are available to download <http://covidhouseholdsurvey.opendatadrc.io/>.

METHODOLOGY

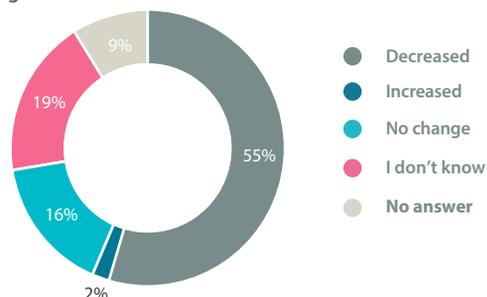
This iteration of the survey incorporated the responses of 2,200 people. They were contacted using the Computer Assisted Telephone Interviewing (CATI) method using a random approach to selecting telephone numbers. The sampling technique used was based on individuals (Sim card holders) however for most questions people were asked to answer on behalf of their household. It allows the results to be disaggregated by gender, income or other demographic variables.

OVERVIEW OF SURVEY RESULTS

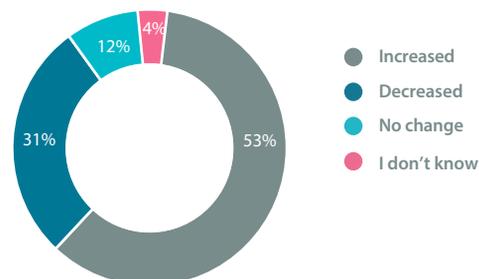
HOUSEHOLDS' ABILITY TO PURCHASE BASIC GOODS

The results of this iteration indicate that households continue to be severely affected by the COVID-19 crisis because their incomes continue to decline (55% of households in general and 77% of low-income households). Many households also face increased costs for basic necessities (53%).

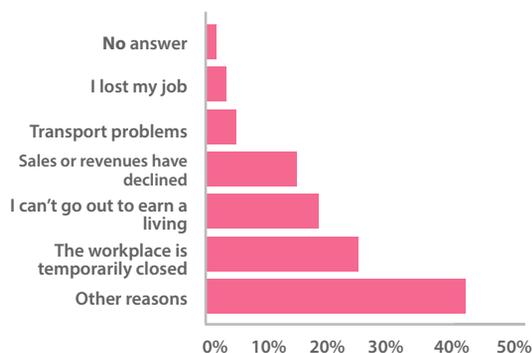
Have your household's incomes increased or decreased as a result of the Coronavirus pandemic, or has there been no change?



Have your household's expenses increased or decreased as a result of the Coronavirus pandemic, or has there been no change?



What are the most important reasons your household's income has decreased?

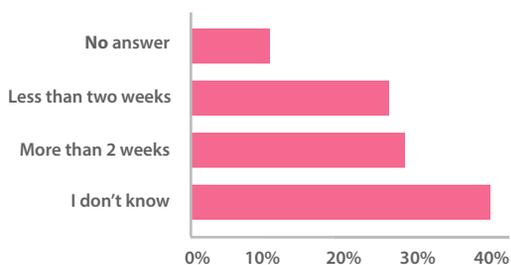


The decline in income appears to be driven by a range of factors including workplace closures, travel restrictions and reduced sales or income from their activities. Further, over half the sample reported reasons outside of the typical responses (see left) - suggesting new disruptions are emerging that are impacting people's earnings. Iteration 3 of the survey (in October 2020) will look to get greater visibility of these issues.

The situation of declining income on the one hand and rising costs on the other suggests an enduring economic shock for Congolese households as a result of the COVID-19 pandemic. Indeed, since the appearance of the first cases in the country in March 2020 and the first response measures taken by the government, productive activities for many households were forced to come to an abrupt halt.

In DRC, as in other countries hit by the pandemic, this unprecedented situation has had a major, negative economic impact for the majority of households. The vast majority of Congolese households are now questioning their ability to continue purchasing basic necessities (e.g., food, water and housing) in the event of a decline in income.

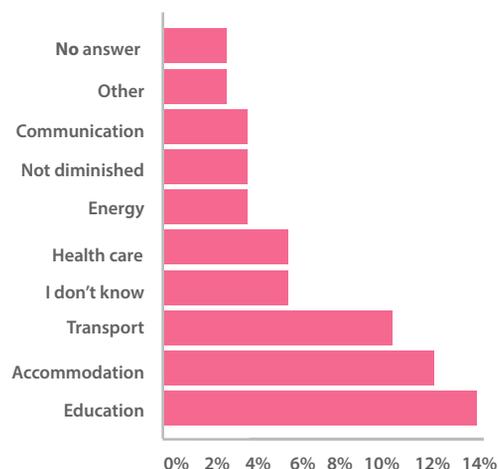
If you lost all your income, how many weeks would you be able to pay for essentials, such as food, clothing, housing, transportation, and children's education from available savings?



A quarter of Congolese households (and 40% of low-income households) could not be self-sufficient following a sudden fall in revenue for more than 2 weeks. Beyond this period, they will no longer be able to meet their usual expenses for access to basic consumer goods such as food, housing, transport, etc. However, the COVID-19 pandemic and its direct and indirect consequences have also increased the likelihood of such a scenario occurring for a large number of people.

The health emergency has exposed the Democratic Republic of Congo and its people to adverse economic headwinds. Of all the households surveyed, only 4% said they had not reduced their consumption of basic goods and services. This result indicates a strong overall decline in household consumption, with the probable consequence of a drop in demand for goods and services across the DRC more generally.

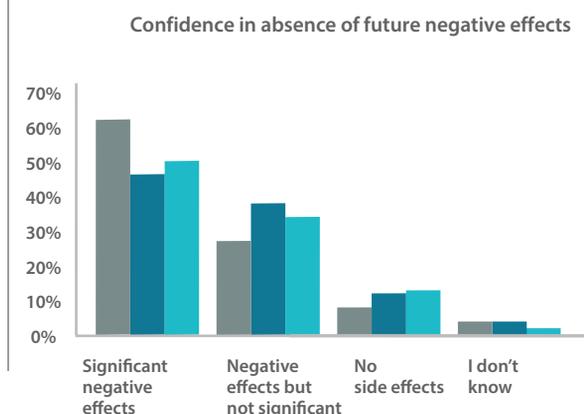
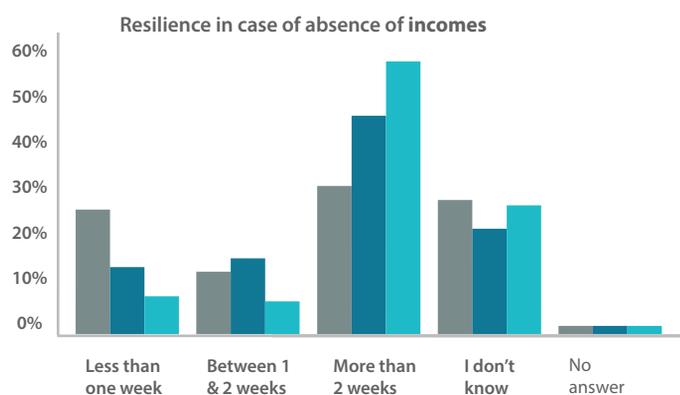
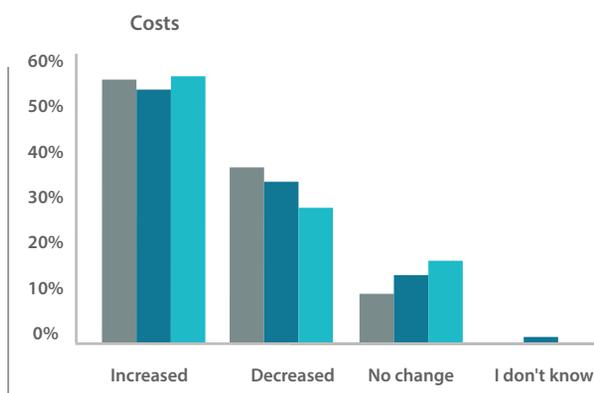
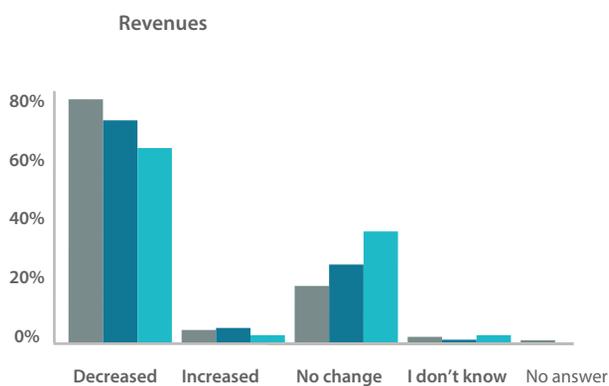
Has your household consumption in one of the following categories significantly decreased since the coronavirus pandemic?



LOW-INCOME HOUSEHOLDS ARE THE MOST AFFECTED BY THE CRISIS

Access to basic necessities is made particularly difficult for households that fall into the low-income category². Indeed, the crisis has negatively impacted this part of the population the most. Their vulnerability is visible through the economic indicators captured in the survey.

- Households with incomes below USD 200
- Households with income between USD 200 and USD 500
- Households with incomes over USD 500

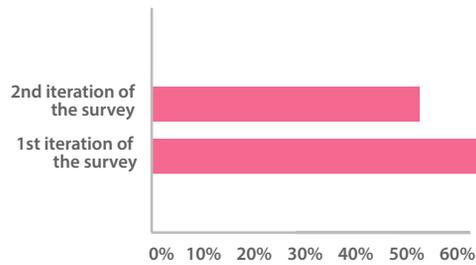


Compared to other socio-economic categories, low-income households are more heavily exposed to the adverse consequences of the pandemic. As a result, their access to basic necessities are much more limited than those of households in higher income groups.

² Refers to the category of households with a monthly income of less than USD 200.

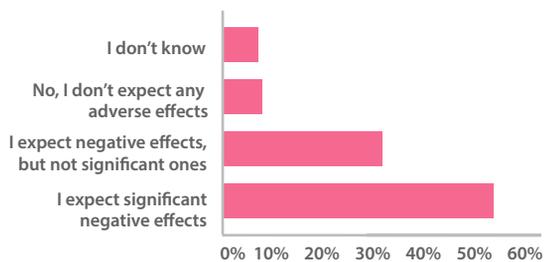
LIMITED SIGNS OF RECOVERY

The proportion of households that experienced a drop in income between the first and the second iteration of the survey.



A comparison between the results of the first iteration of the survey with the results of the present iteration shows signs of a limited recovery in terms of the proportion of households who have experienced a decrease in their income. Although more than half of the households say their household revenue has gone down in this iteration (55%), this is a lower proportion than the level seen in the first iteration in mid August (68%).

Overall, do you think the crisis will adversely affect your financial well-being and that of your household?



This improvement in the situation of households can be linked to the lifting of restrictive measures put in place at the start of the pandemic. Indeed, internal and external flights have returned and offices and shops have reopened at near-normal hours and capacity. However, the crisis seems to have undermined the confidence of households, 84% of whom say that they expect negative effects over time.



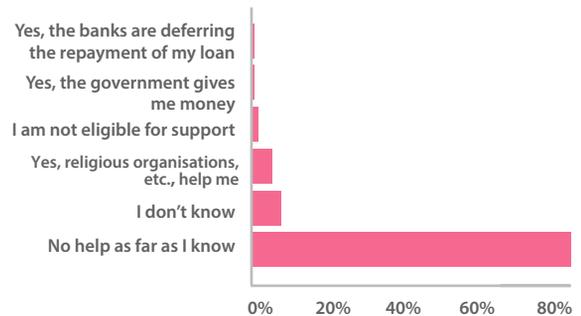
POPULATION UNAWARE OF ANY SUPPORT INITIATIVES IMPLEMENTED BY THE GOVERNMENT

Interventions by government or international organisations appear to be largely unknown to a significant proportion of households (80% of respondents said they weren't aware of support in their area). This rate remained the same between the previous iteration and those contacted after mid August.

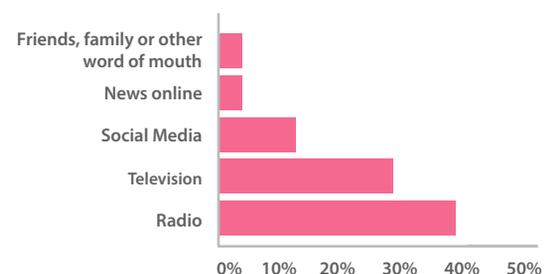


However, the majority of households in the survey have access to various information channels. They prefer radio and television as their main sources of information. These channels might be most useful for reaching people about help.

Are you, or someone in your household, accessing support to help you deal with the financial effects of the crisis?



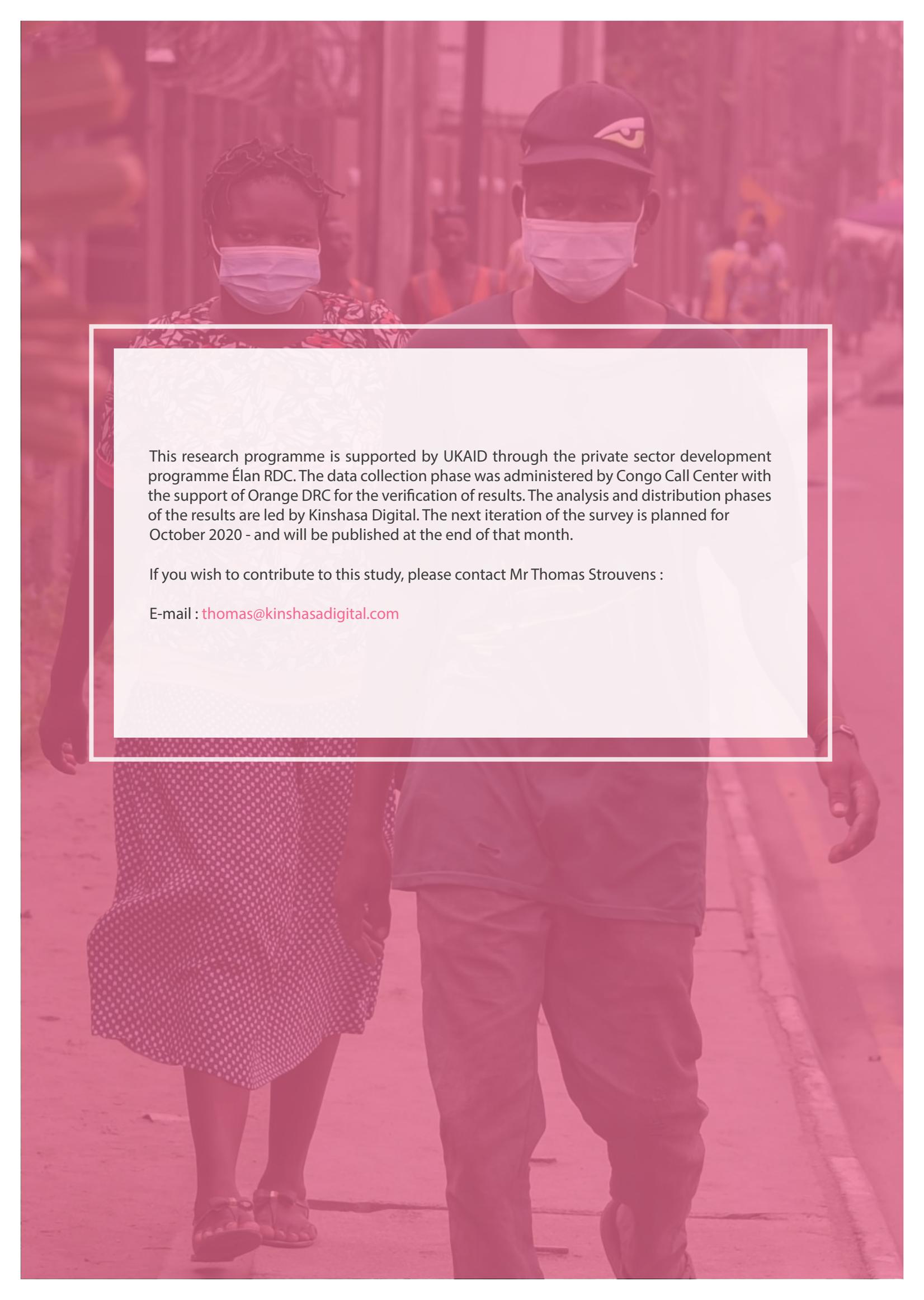
What is your primary sources of information on COVID-19?



AREA FOR FURTHER CONSIDERATIONS

Policy makers are faced with the challenge of reviving the economic activities of households that have been heavily affected by the COVID-19 pandemic. This recovery must happen in a context where public resources are in deficit and where the return to equilibrium seems to be part of a medium-term, rather than immediate goal. As such, the results of these surveys represent an opportunity to feed into public sector decision-making processes aimed at designing responses to the COVID-19 pandemic. The opportunity is to be seen in the accessibility of factual data showing the socio-economic dynamics at work in the daily lives of the Congolese population.

Private actors are also facing a diversity of challenges. At the enterprise level, the series of surveys conducted by **Élan RDC** and the **Fédération des Entreprises du Congo (FEC)** shows that the issue of falling revenues is the main challenge that Congolese firms have to deal with. However, economic shocks may also bring opportunities for innovation in their business model or they may pave the way for the advancement of certain specific strategic issues. On both levels, access to factual information adds great value to the thinking process.



This research programme is supported by UKAID through the private sector development programme Élan RDC. The data collection phase was administered by Congo Call Center with the support of Orange DRC for the verification of results. The analysis and distribution phases of the results are led by Kinshasa Digital. The next iteration of the survey is planned for October 2020 - and will be published at the end of that month.

If you wish to contribute to this study, please contact Mr Thomas Strouvens :

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