

Democratic Republic of Congo

KINSHASA  
DIGITAL



## ITERATION N°5 OF THE SERIES OF SURVEYS ON THE SOCIO-ECONOMIC IMPACTS OF COVID-19 ON HOUSEHOLDS

January 12 to February 02, 2021

Supported by



### KEY RESULTS

The second wave of COVID-19 is having a negative impact on households in the DRC, many of whom are in a vulnerable position at the start of 2021.

**59%** households reported a drop in income compared to pre-pandemic levels in January 2021. This was an increase from 47% of households who reported their income had fallen in November 2020.

On average, almost **75%** of low-income households reported a fall in income in January 2021, compared to prior to COVID-19.

For **58%** of the households surveyed, a decline in business performance or the temporary closure of their workplace was the main reason the wage-earner's income had fallen.

There has not yet been a significant increase in prices as a result of the second wave.

**47%** of households reported costs had increased in January 2021 compared to before the pandemic. This was a similar level than was seen in November 2020. Food and water continue to be the largest expenditure for most households.



One worrying trend was that prices appear to be rising in North and South Kivu. **50%** of households reported higher expenses than pre-pandemic, compared to 29% in November 2020.



Overall data suggests that, though there may be some inflation in prices for basic goods and services, that this is less severe than seen in the first wave of the pandemic.

The disruption to incomes and inflation seen in 2020 has decreased the overall financial health of many households.

**77%** of households in North and South Kivu provinces report being in debt, compared with 62% overall.

**78%** of households in rural areas and 58% in urban areas are currently in-debt. This has risen from 60% and 42% reported in August 2020.

**94%** of respondents expect the pandemic to have negative long-term impacts on their financial well-being.

Many households are aware that COVID-19 cases have been rising in the DRC. Most respondents think the measures in place will help stop the spread, but that they come at a high economic price.

**59%** of households think that the number of people affected by COVID-19 in the DRC has increased in January compared to December.

**45%** of households believe that the measures currently in place (curfews) to control the spread of COVID-19 are sufficient to stop the spread of the disease.



**69%** of households think the measures taken to protect against the virus are hurting the economy in their local area.

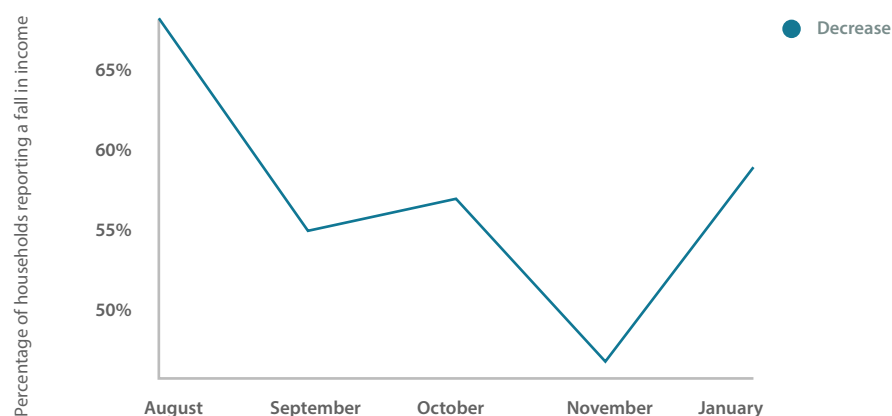
## OVERVIEW OF THE SURVEY RESULTS

### The economic shock from the second wave prompts a further fall in income for many households

While the socio-economic situation of Congolese households showed a fragile recovery in November 2020, the arrival of the second wave of the pandemic since the end of last year has broken this trend.

Indeed, during this period, the proportion of households reporting a decrease in income increased to similar levels as seen at the end of last summer.

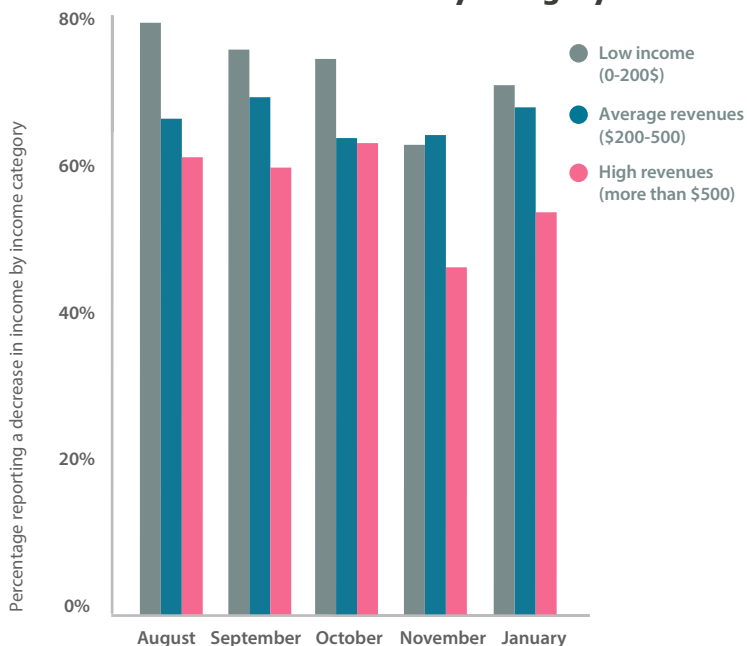
### Households report a drop in income



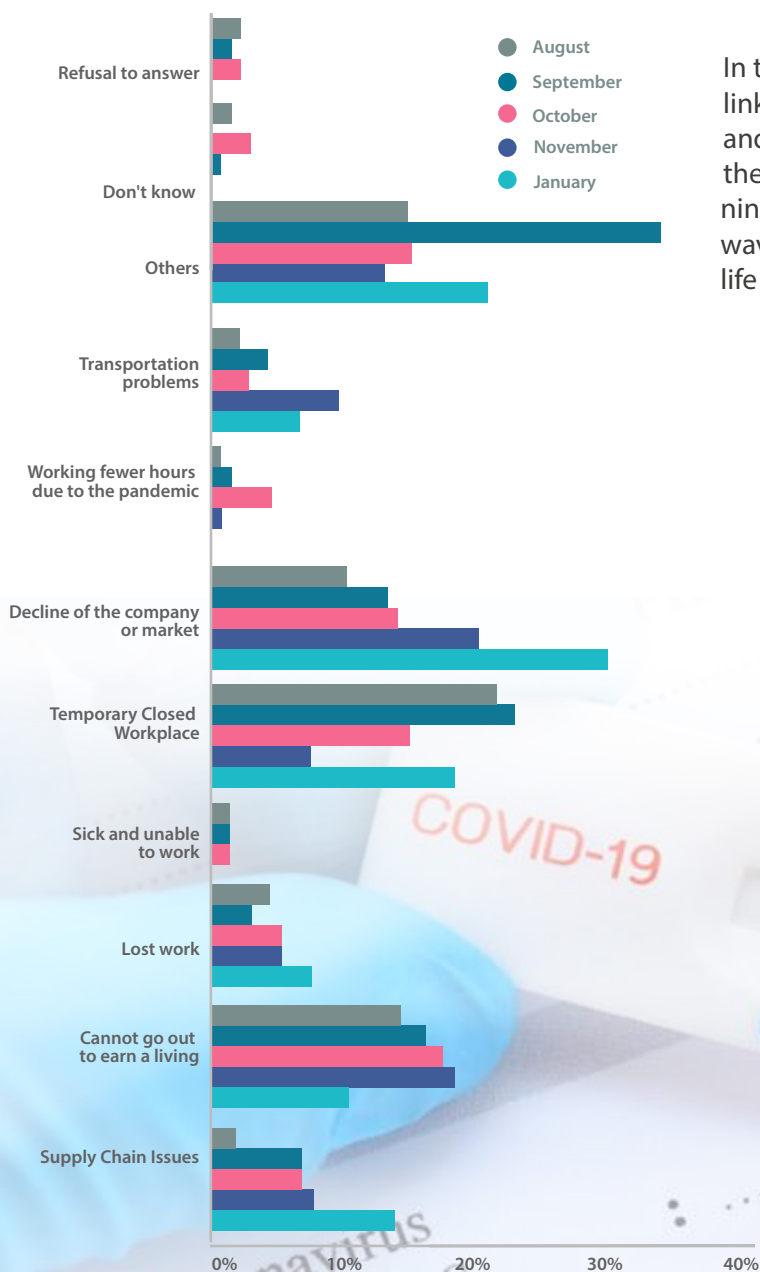
Low-income households are in a particularly fragile position. This group has, in the majority of iterations, reported a higher level of income decline than other households.

Lower-income households are less likely to have savings to help cover expenses when incomes fall. Therefore this revenue disruption is a worrying trend. In January, seven-in-ten low-income households reduced their consumption of basic necessities to help them cope with the impact of the pandemic.

**Decrease in revenues by category**



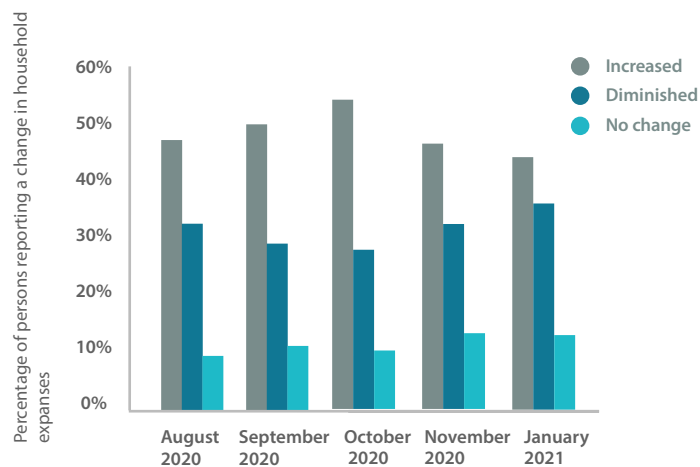
**Different reasons among households for lower incomes**



In this respect and in most cases, the reasons linked to the decline of the business or market and those relating to the temporary closure of the workplace seem to confirm, since the beginning of 2021, the breakthrough of the second wave of COVID-19 in the daily socio-economic life of Congolese households.

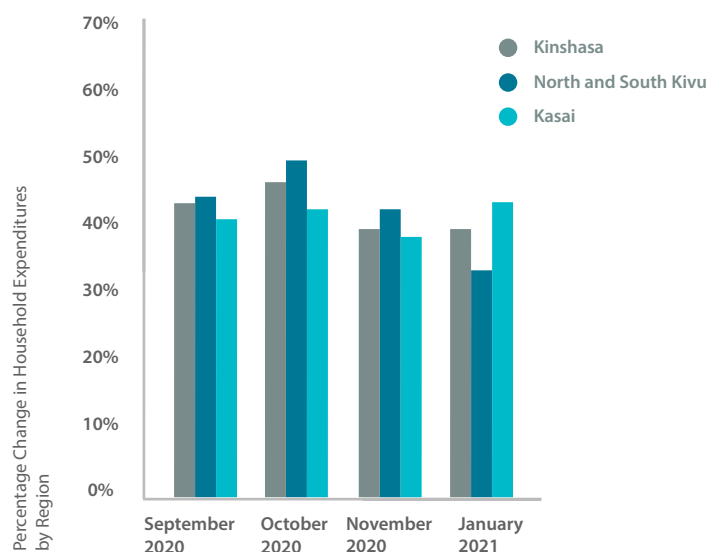
## A slight decrease in costs

### The number of households reporting



The percentage of households reporting higher prices remains lower than in the first wave. Households reporting increasing costs fell from 57% in October to 49% in November and 47% in January. This gradual decline indicates that some of the inflationary pressure seen in mid-2020 are yet to resurface – likely due to a better macro-economic situation for the mining sector.

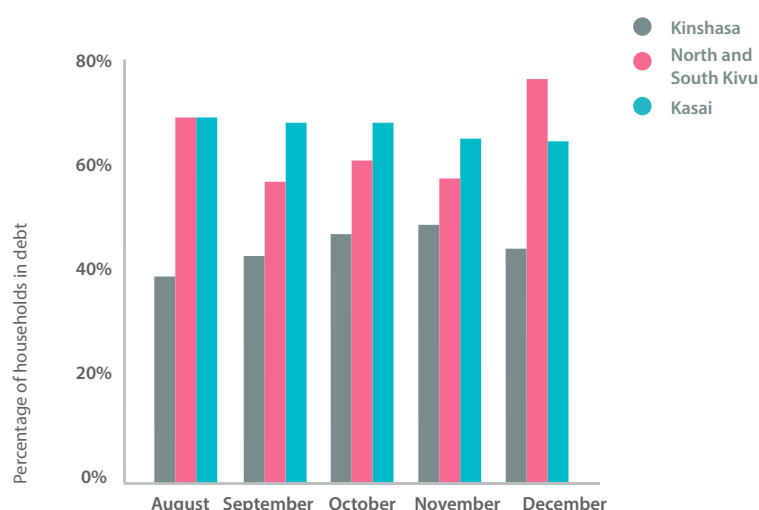
### Trends in household spending by region



This improvement was particularly marked in North and South Kivu, where households reporting increase in costs fell from October 2020 (61%) to 41% in February 2021. This was the lowest rate seen so far in this study.

## Household debt has increased only marginally since August 2020: is this good news or a reason for concern?

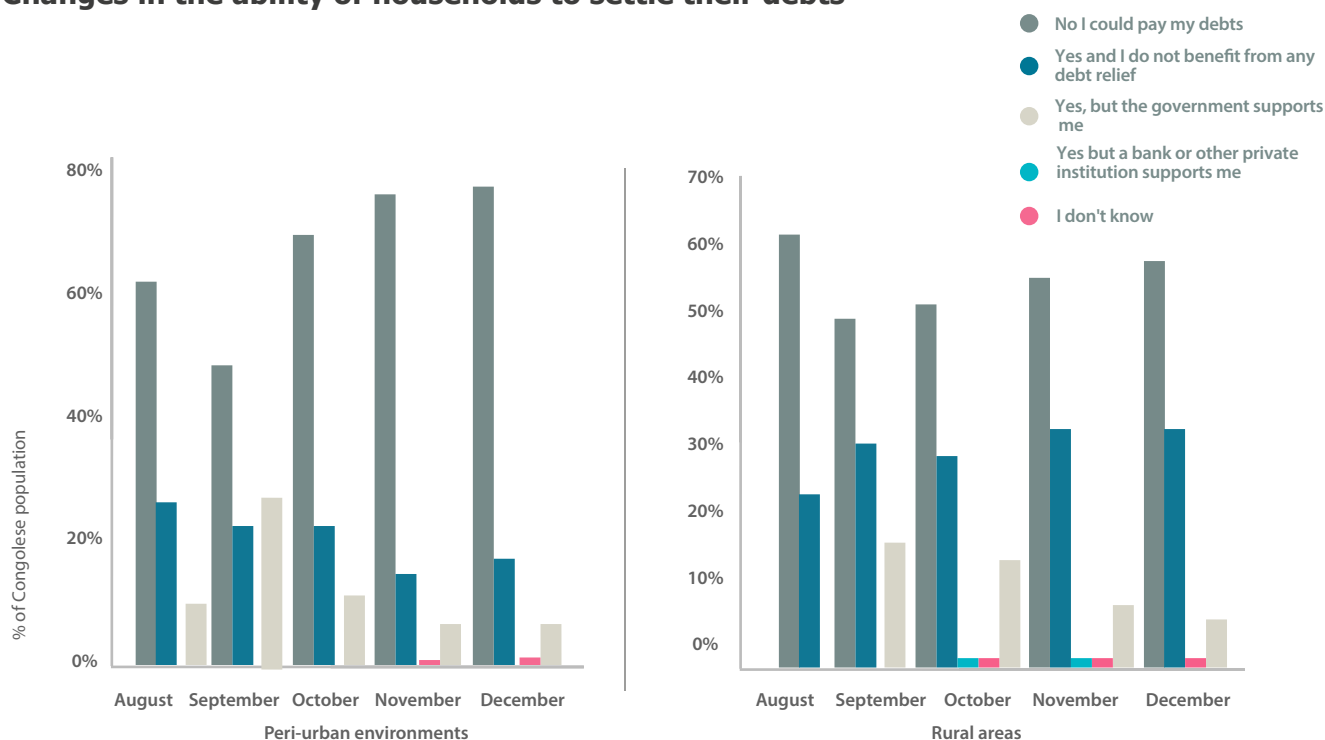
### Change in the number of indebted households



The Kivu region, already significantly weakened by the Ebola epidemic, has seen some of the greatest economic disruption from border closures introduced to try and contain COVID-19 as well as high debt levels, financial resilience is also low. Only 23% of households in this province declared that they could meet their primary needs for more than two weeks should they experience a fall in income.

However, the details of this rate tell us that this timid increase hides another very strong 77% in Kivu province. As this region has already been particularly weakened by the Ebola epidemic, the arrival of the coronavirus has frightened the population as well as the neighboring countries. The possible reasons for this indebtedness are multiple. Moreover, only 23% of households in this province declared that they could meet their primary needs for more than 2 weeks, in the event that they found themselves without an income.

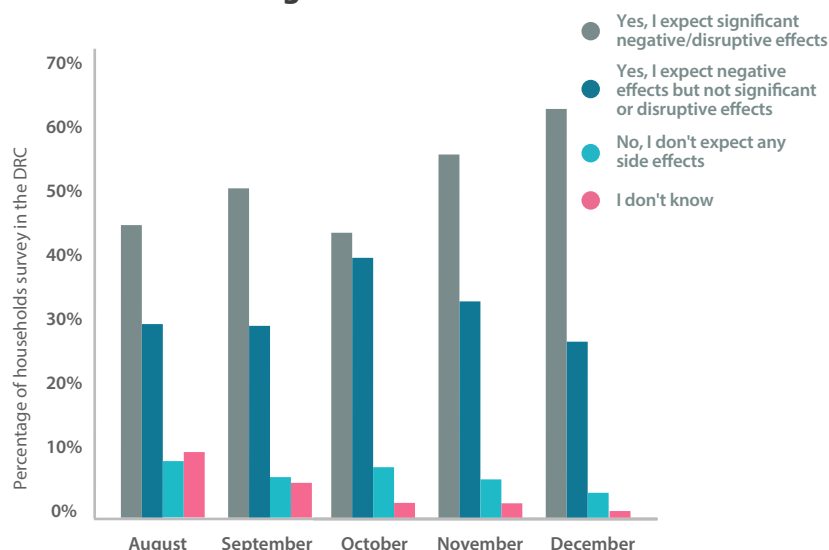
### Changes in the ability of households to settle their debts



Rural and peri-urban areas in general are experiencing the most issues around indebtedness. Though modest improvements were seen in September, the situation shows signs of worsening again. Currently, 78% of indebted households in peri-urban areas and 61% in urban areas say they cannot repay their debts on time, compared to 77% and 39% respectively last November.

This worrying increase should be seen in the context of the already critical food security situation in DRC, as presented in our November report.

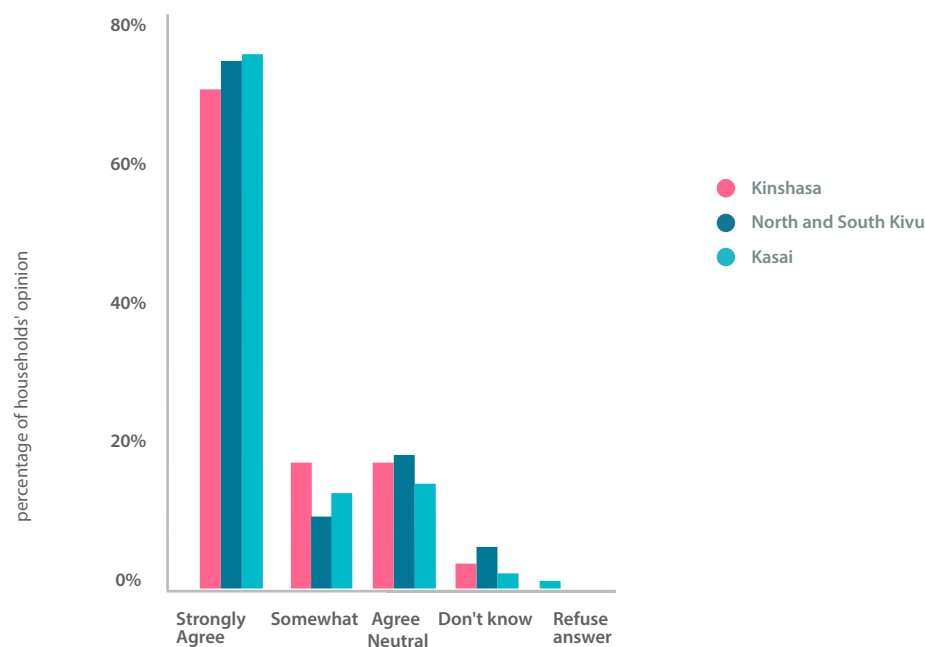
## Evolution of the impact of the crisis on well-being



The Congolese population is worried about its current and future financial situation. The second wave seems alarming, particularly for the already fragile populations/regions of the country. Overall, 66% of households expect the crisis to have a significant negative impact on their well-being.

## Negative impacts on the economy due to measures taken to combat COVID-19

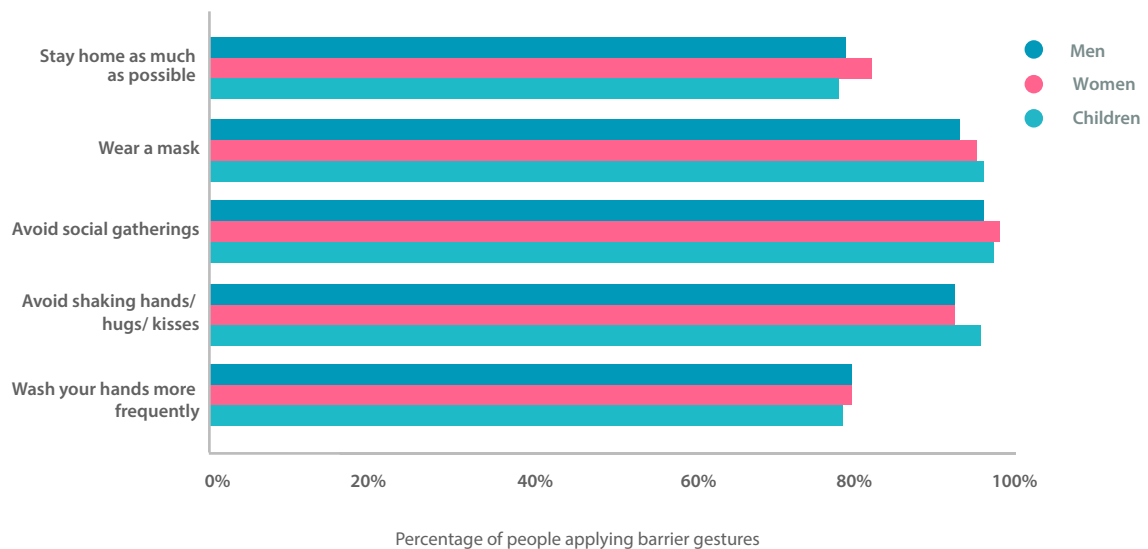
### Negative impacts on the economy of households



On average, 70% of households strongly agree that their regions' measures to protect against COVID-19 are having negative impacts on the economy.

## Personal protective equipment becomes routine in the DRC

### Routine of barrier gestures in households



In the last two weeks, 97% of respondents say they have avoided social gatherings, and 80% say they have stayed at home as much as possible. 94% say they have worn a mask. On average, 92% of people say they have avoided gestures too close together (such as shaking hands, hugging or kissing). Finally, 75% of the people report having frequently washed their hands.



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.

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

E-mail : [thomas@kinshasadigital.com](mailto:thomas@kinshasadigital.com)