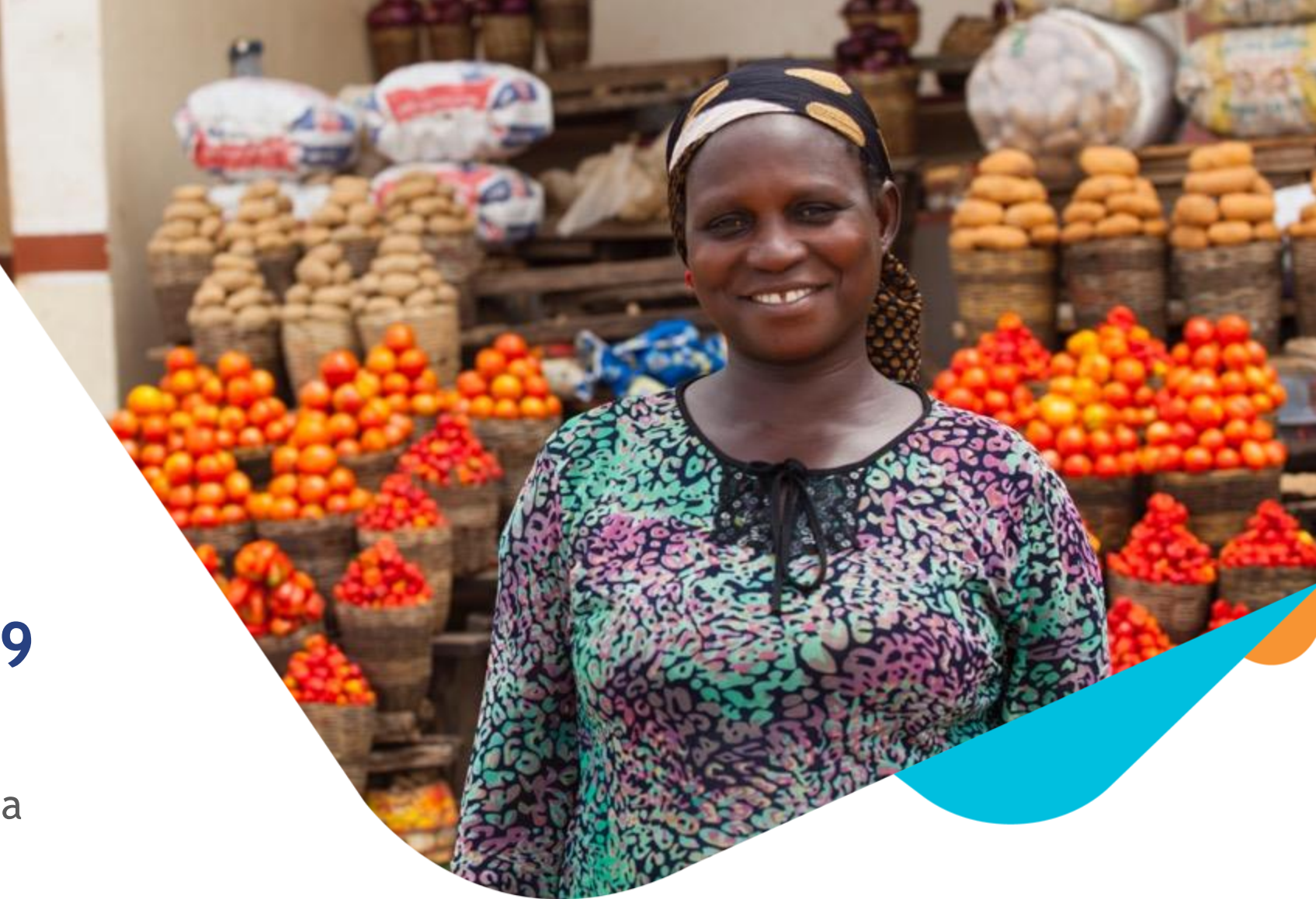


# Coping with COVID-19 in Uganda

A demand-side view from Uganda

June, 2020



**SCBF** 

**SWISS CAPACITY BUILDING FACILITY**  
Innovating Financial Inclusion

**MSC**   
MicroSave Consulting

# About this report

- Uganda's first COVID-19 case was detected on 21<sup>st</sup> March, 2020. Since then, the government has taken swift and decisive measures to control the rapid spread of the pandemic. It is worth noting that Uganda has not seen a single reported death from COVID-19, as of 20th June, 2020.
- In this report, we analyze the impact of the COVID-19 outbreak in Uganda, particularly on the low- and moderate-income (LMI) households, which have uncertain and irregular incomes.
- While the pandemic did not have a massive impact on health and the spread of the pandemic has been arrested, the measures have had a detrimental impact on the economy. Sustained lockdowns and curfews have affected the sale of non-essential goods and services. The revenue of businesses has reduced considerably. Businesses responded to minimize losses and this resulted in pay cuts and job losses.
- We spoke to over 147 respondents from LMI households across Uganda to assess their perspectives and responses to the COVID-19 situation. We have synthesized the findings to provide recommendations and opportunity areas for policymakers to strengthen their efforts further. Please see [Annex 1 for the study design](#) and [Annex 2 for the sample characteristics](#) and see [here](#) for the detailed data analysis.

## Lead authors

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## Special thanks to

**Data Quality Manager:** Mohak Srivastava

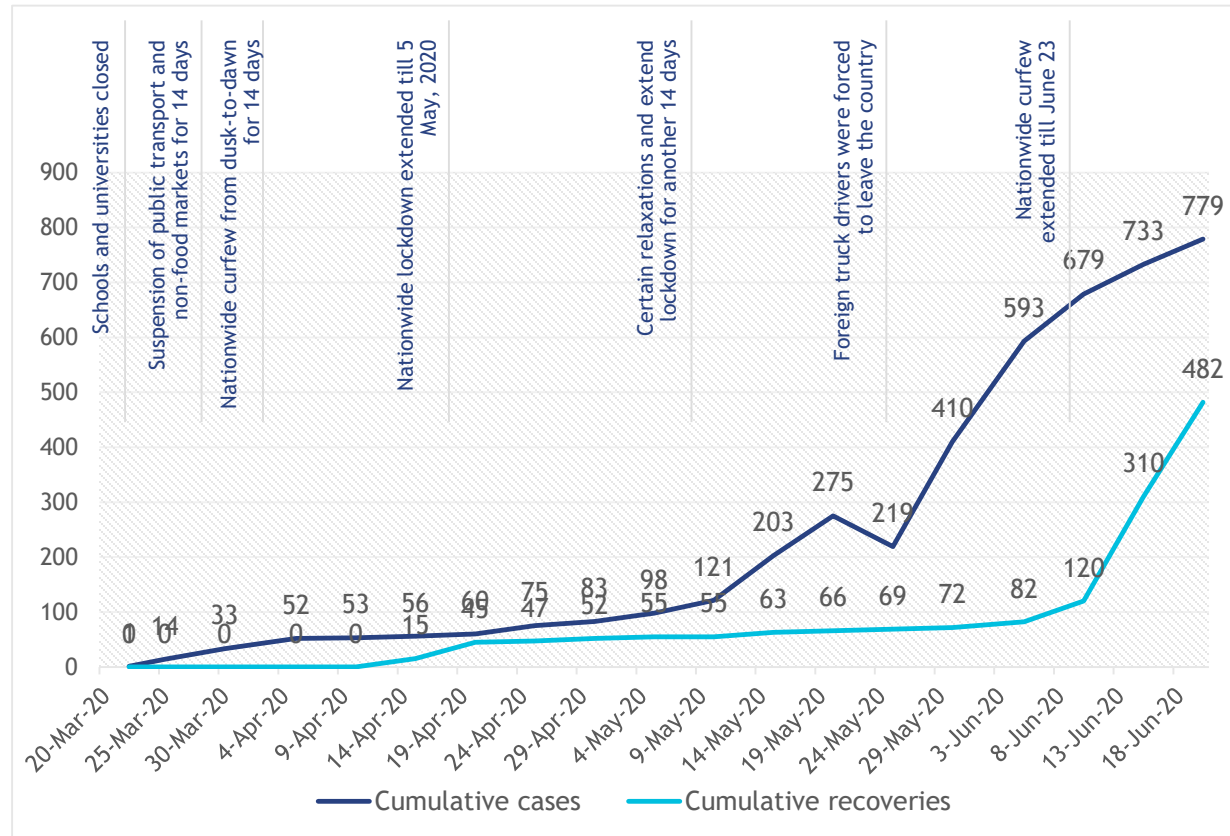
**Review support:** Graham A. N. Wright

**Design support:** MSC design team

# The Government of Uganda managed the COVID-19 situation well. The response of the government has been proactive, suitable, and effective

The government took several swift and appropriate measures. It announced shutdowns, delivered stimulus packages, and developed testing capacities

## COVID-19 cases in Uganda (as on 20<sup>th</sup> June, 2020)



As on 20<sup>th</sup> June, 2020

Source: COVID-19 dashboard, Ministry of Health, Uganda

- In light of the COVID-19 pandemic, Uganda, which has a population of more than 43 million, enforced a pre-emptive lockdown on 18th March, 2020. The proactive measures include restricted travel to 16 virus-hit countries, suspension of public gatherings for 32 days, and a 14-day mandatory quarantine for all travelers arriving from outside the country.
- The first case of COVID-19 was reported on 22<sup>nd</sup> March, 2020. Since then, the government took immediate measures to contain the spread of the pandemic.

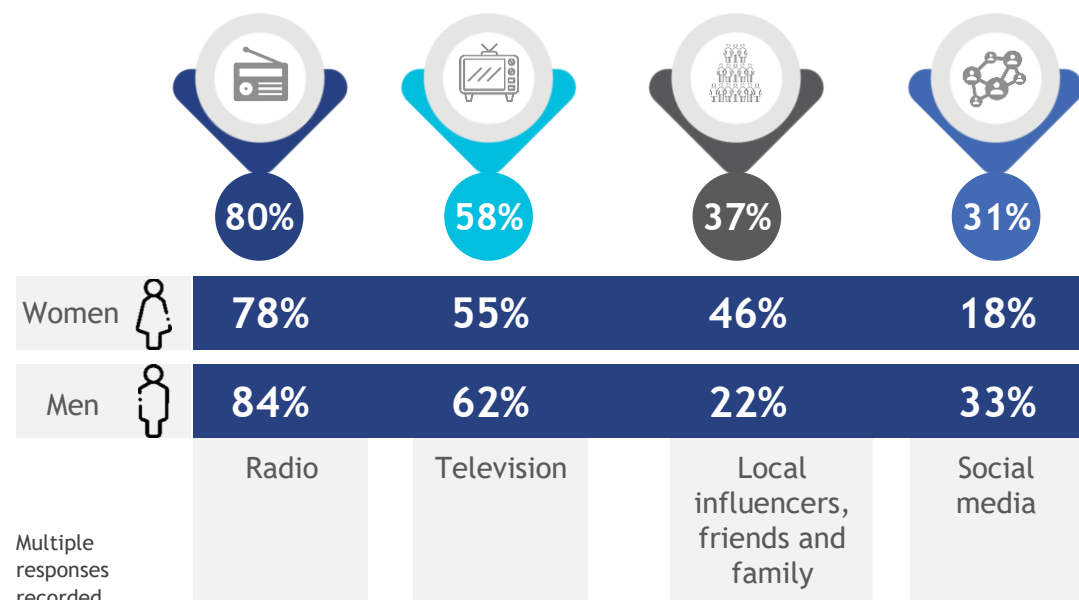
The swift and appropriate measures included the closure of non-essential businesses and services, suspension of public transport, dusk-to-dawn curfews, and a massive campaign to spread awareness. Meanwhile, the government also took other key steps:

- **Social protection measures** in the form of food for over 1.5 million households.
- **Rescheduling social security fund contributions without any penalties.**
- No penalties on non-payment of taxes by businesses.
- Loan defaults not to result in property seizures.

# The government has succeeded in creating awareness about the disease; further awareness will help remove some of the misconceptions

Radio is the most common source of information about the disease, while local influencers also play a critical role

## Sources of information about COVID-19



Most people heard about COVID-19 from radio and television. The flow of information about COVID-19 is different for women and men. More women had heard about the pandemic outbreak from local influencers as compared to men.

“I heard about this diseases and its spread from my friends from the local community, who had heard it on the radio.”  
- A women respondent

## Most respondents are aware of the symptoms of COVID-19, though several have misconceptions

- 48% of the respondents (40% women vs 59% men) said anyone can be infected. 29% of respondents (34% women vs 22% men) said elderly members were the most at-risk group for COVID-19 infection.
- While everyone should be aware of the sources of COVID-19 infection, a significant proportion (66%) identified doorknobs and currency notes, among others, as vectors. Only 29% of people knew that it spreads through human touch.
- 3% of people (1% women vs 7% men) perceive little or no risk and believe people are overreacting.
- Only 26% (31% women vs 17% men) of respondents were aware of breathlessness as a symptom of COVID-19.

## What can policymakers do to enhance awareness and knowledge?

### Push for proactive engagement to spread awareness

- Develop and implement awareness programs with focused and simple messaging. These messages can be shared through drama shows and [comics](#) that are entertaining yet educational. The government can also use radio to deliver these messages.
- Explore options for local influencers, such as local council chairpersons to engage with women and men. This can be through local council meetings and the use of social media that may also feature question and answer sessions.

### Sensitize the community and change beliefs

- Sensitize people through community meetings, radio, and television shows to remove misconceptions about the spread of the disease and to change the beliefs and attitudes

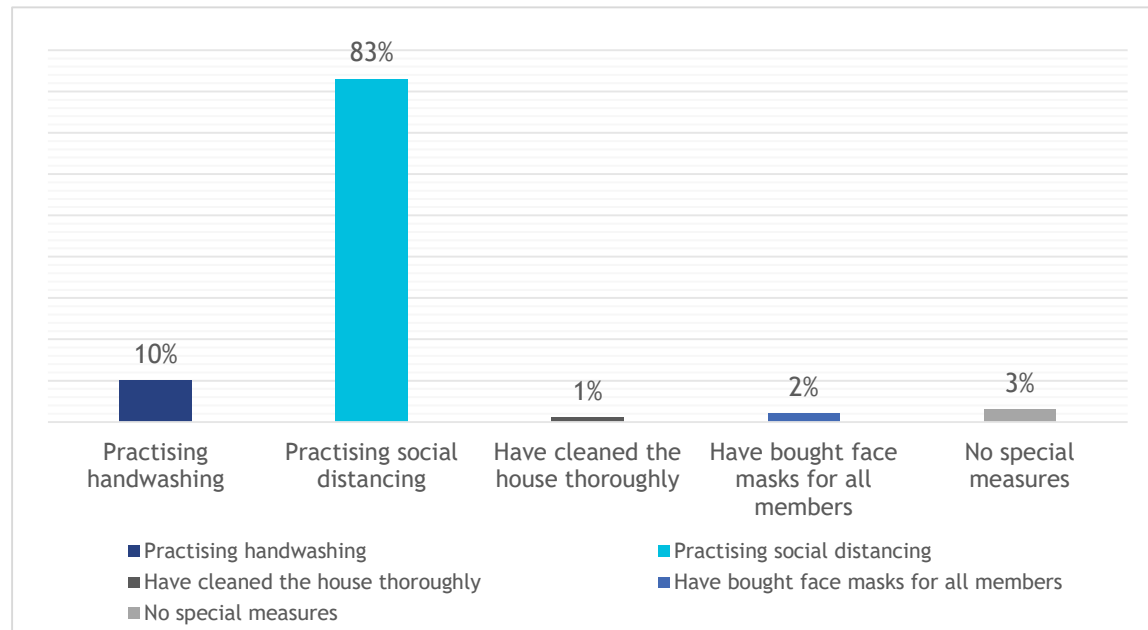
For detailed data analysis, please visit [this](#) page.



# Only 1% of the respondents use face masks; the government should sensitize people through a mix of communication strategies

People know that staying at home and social distancing is most effective to prevent the spread of the pandemic. However, there is a lack of awareness that masks are most effective to prevent the spread

## Measures taken to prevent the spread of COVID-19



“I understand that staying indoors and going out only in case of an emergency is the most effective way of arresting the spread.”  
- A woman respondent in the study

## How have Ugandans ensured they break the chain of spread through handwashing and social distancing?

- All respondents mentioned using soap for handwashing
- 48% mentioned going out for emergency requirements alone, 39% go out regularly while maintaining social distance, 9% have completely locked themselves in their homes, and 3% occasionally go out to meet friends

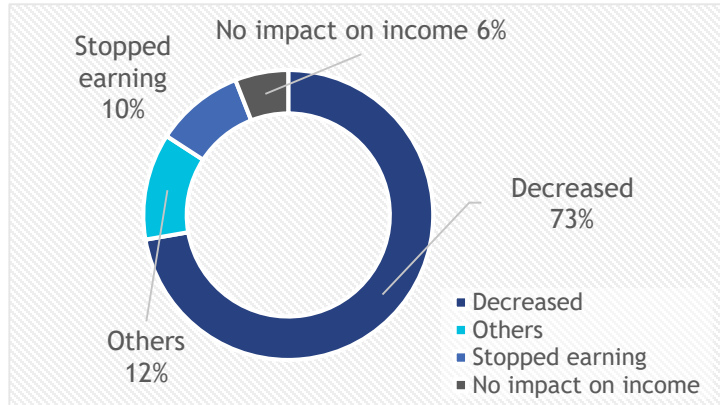
## The government needs to take proactive steps to promote the use of face masks

- Propagate information about the use of mask, since people lack awareness about masks as a simple, cheap, and effective way to prevent the spread of the pandemic
- Ensure that semi-urban and rural population segments are aware of the use of face masks as a preventive measure
- Consider working with local collectives to train them to manufacture good quality, low-cost face masks. In India, [rural entrepreneurs and self-help groups](#) make such masks.
- Publicize the COVID-19 helpline numbers to ensure that people can reach out for help or inquiries easily. As of now, only 14% know and recall the COVID-19 helpline number.

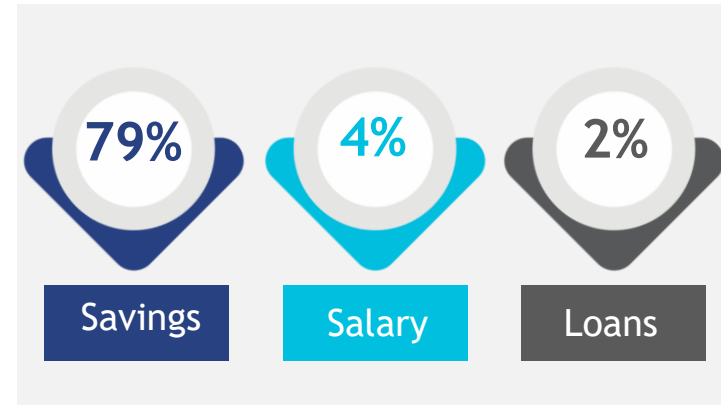
For detailed data analysis, please visit [this](#) page.

# Both men and women are in a financial crisis; however, women bear the greatest burden of ensuring the wellbeing of the household

## Impact on income



## Options for providing for the family



“I am currently surviving on my savings. I used to sell *matoke* for a living, but due to the travel restrictions, I cannot go to my garden. It is just one week since the lockdown was announced but my savings are almost used up. What will I feed my children on?”  
- A female respondent

“I used to work as an office attendant. However, since the lockdown was announced, my employer stopped paying my salary. I have no savings at all. We are going to starve.” - A female respondent

## Key findings

- 73% of women respondents indicated that their income has decreased because they either cannot go to work or have fewer people purchasing their goods. Their responsibilities to maintain and protect their family’s health have also increased.
- 76% of women have been relying on their savings. They worry that they will have nothing to fall back on for survival if the situation persists even for a few more weeks. A [study](#) by FSDU and Altai consulting (2020) also indicates that the pandemic is leaving women worse off. **The study shows that women have six times less savings than men**
- 37% said that the female member is more likely to take proactive steps to maintain the family’s health through steps, such as regular check-in by a doctor, providing nutritious food, and tending to the sick and the elderly.
- **54% of women face food shortage**

## The government needs to direct benefits to women to manage these difficult times

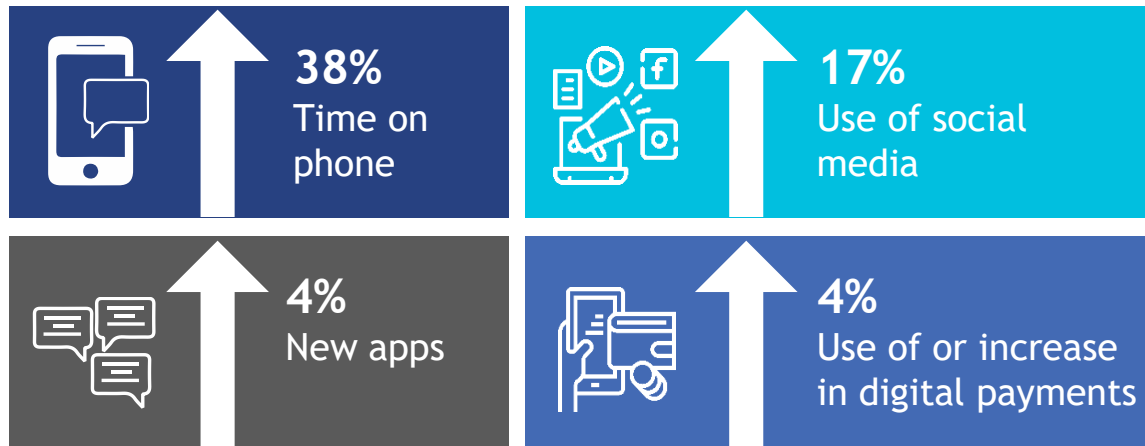
- The government may design and direct benefits to women through digital channels. In Kenya, for example, the Kenyan government decided to [transfer cash to the vulnerable using](#) mobile money services after realizing that food distribution was being mismanaged. Uganda faces similar issues and may consider a similar solution. This way, low- and moderate-income segments have the power to make their own decisions on utilizing the money.
- The government should use both digital and face-to-face channels to reach out to more women through skilling projects. The government can ensure that in addition to new skills, the women are also trained on business continuity measures to recover and revive their businesses, use a value-addition approach to enhance incomes, and embrace the use of digital platforms to reach the market.

For detailed data analysis, please visit [this](#) page.

# While the behavior of respondents around digital payments has changed, a significant proportion of respondents still use cash

We are at a “teachable moment.” The use of physical cash has decreased and the epidemic presents an opportunity to promote digital payments.

The use of phones has increased slightly for most respondents, which implies an opportunity to use the penetration of mobile phones for digital financial inclusion and digital payments.



- 25% of females and 33% of males said that they have smartphones.
- 75% of females and 67% of males said that they have feature phones.
- 50% said the use of DFS agent points, that is, banking agents and mobile money agents has decreased
- 61% said that the use of physical cash has reduced
- 63% continue to not use apps on their phones.

For detailed data analysis, please visit [this](#) page.

## What may be done to encourage users to transact digitally?

The Ugandan population is at a stage where effective nudges may help them adopt digital financial services. To encourage users to transact digitally, the government together with the private sector players like mobile network operators (MNOs) and financial institutions may:

- **Focus on building digital literacy**, especially:
  - How to make digital payments using a step-by-step illustration to include sign up, KYC, and a demonstration on the workings of the solution;
  - How to avoid fraud—keeping PIN secret, changing PINs regularly, and detecting fraudulent text messages or calls;
  - Whom to reach out to in case of a problem—people to contact, helpline numbers, and social media channels through which support can be extended;
  - Cost of transactions, transparency through display of transaction pricing;
  - Benefits of digital payments: convenience, safety, privacy
- Digital literacy campaigns aired over the radio, through talk shows, advertisements, quizzes, and competitions, among other ways.
- The government and the private sector should promote the usage of digital payments channels. They should use community digital payment promoters, possibly including youth and local leaders to promote digital payments through local council meetings and door-to-door visits. These promoters may also serve as a point of contact in case a user faces challenges.

## Annex 1: Study design

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# Study design

## The objective of the research



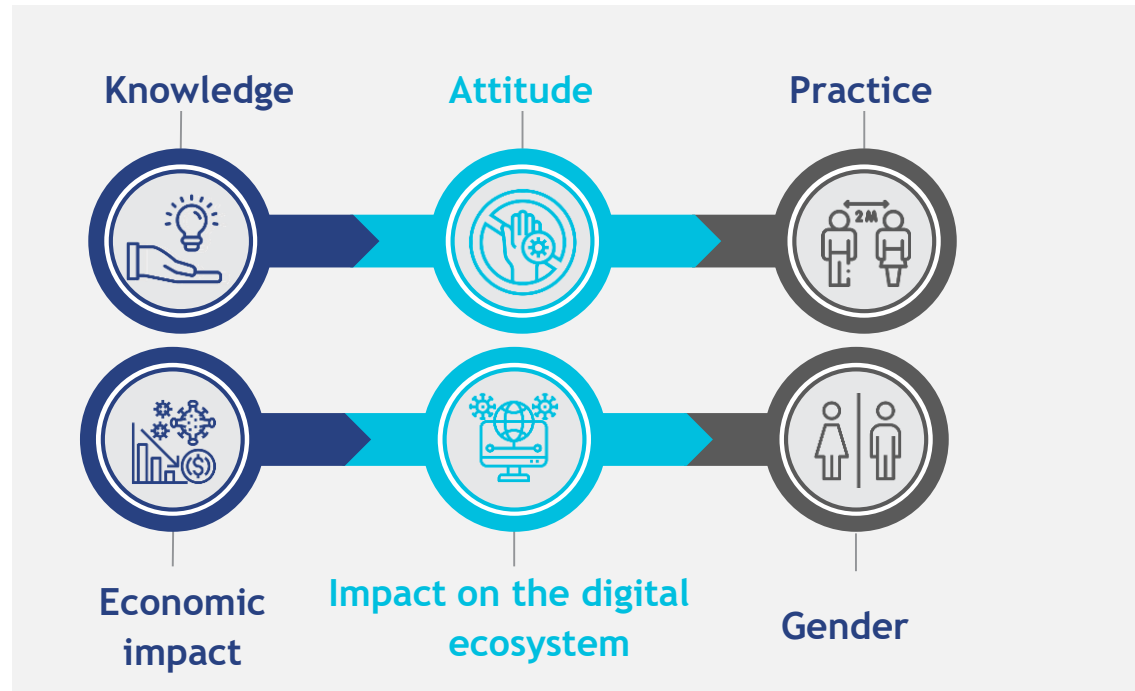
The objective of the research was to assess the following:

- Knowledge, awareness, and attitudes towards COVID-19
- Practices adopted to prevent COVID-19
- Impact on social behavior, gender roles, digital life, and household economics
- The government's expected and actual response

## Approach



- **Location divide:** Rural, urban, and semi-urban areas
- **Sample size:** 147 respondents of which 58 were males and 89 were females
- **Average family size:** 5
- **Median family income per month:** UGX 300,000 (USD 80)
- **Method:** Telephonic survey
- Data collectors were trained in detail about how to ask questions, where to probe, how to record responses, etc.
- Data quality was assured through virtual spot checks, telephonic back checks, review of audio recordings, and concurrent checking of data



## Annex 2: Sample characteristics

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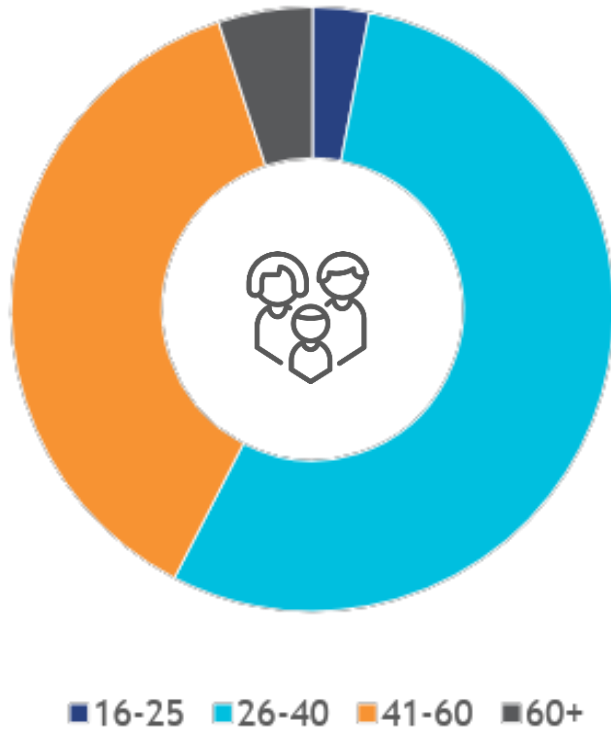
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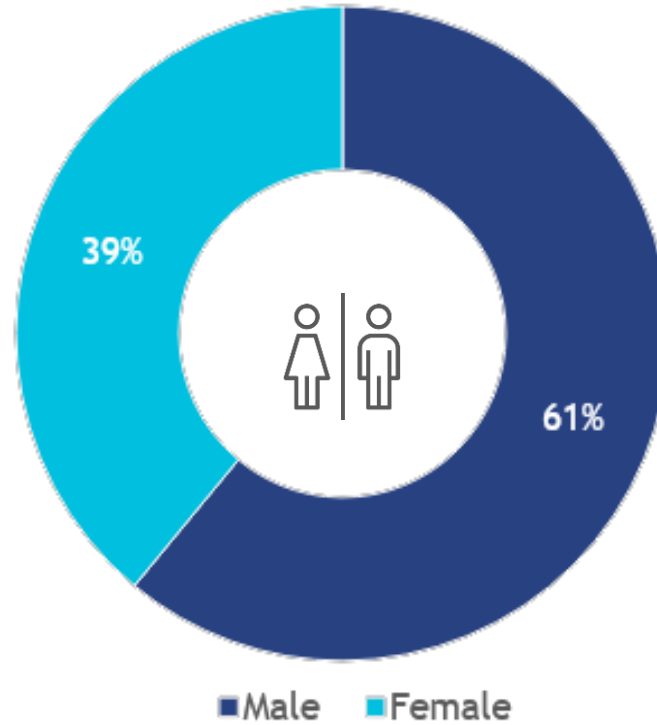
# Sample distribution

The sample comprises mostly middle-aged people, male, from urban areas

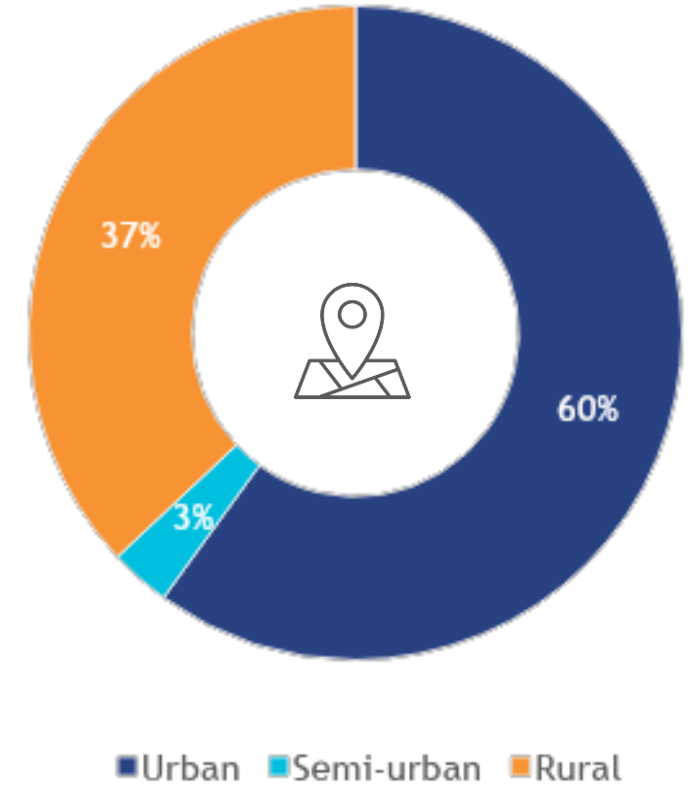
Age (in years)



Gender



Location



# MSC is recognized as the world's local expert in economic, social and financial inclusion



International financial, social & economic inclusion consulting firm with **20+** years of experience



**180+** staff in **11** offices around the world



Projects in **~65** developing countries

## Our impact so far

**550+**  
clients

**>850**  
publications

Assisted development of digital G2P services used by **875 million+** people

Implemented **>850 DFS projects**

Developed **275+ FI products** and channels now used by **55 million+** people

**Trained 9,000+** leading FI specialists globally

## Some of our partners and clients





## This is SCBF

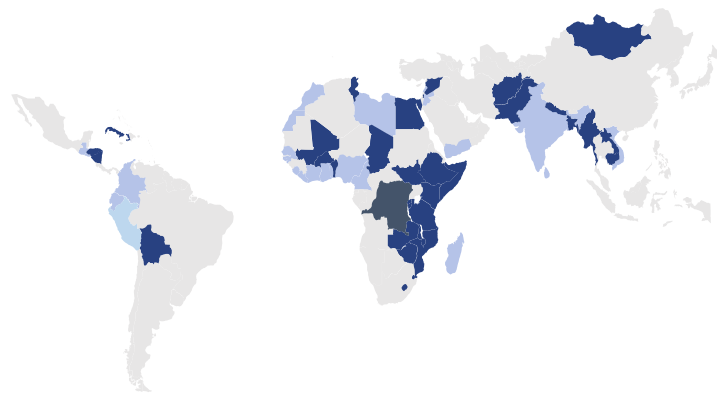
- SCBF co-funds **technical assistance (TA) grants** to develop client-centric **financial products, channels, and services** for low-income clients in developing countries
- Target end-clients:** Low-income populations, particularly women, smallholder farmers, micro, small, and medium enterprises (MSMEs), and rural populations
- Goals:** Build resilience, economic empowerment, and access to essential services



## Outreach

<b>2.1M+</b> Low-income clients	<b>91+</b> Partner financial institutions	<b>43</b> Countries
<b>59%</b> Low-income women	<b>36+</b> Technical assistance providers	<b>55%</b> Rural clients

## Eligible countries



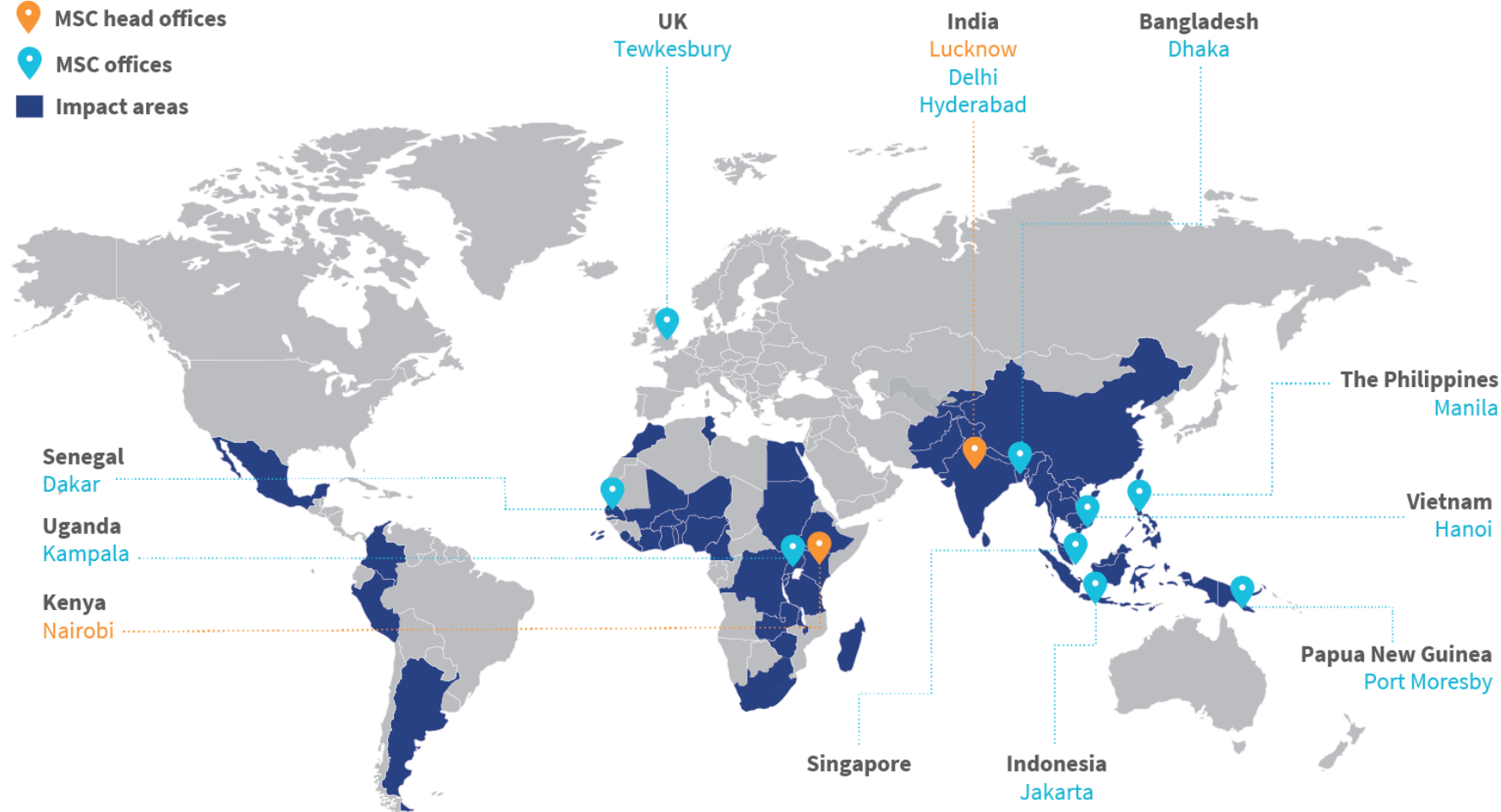
## SCBF members



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