

# Responding to COVID-19 in Kenya

A demand-side view from Kenya: Wave 2

November, 2020



**SCBF** 

**SWISS CAPACITY BUILDING FACILITY**  
Innovating Financial Inclusion

**MSC**   
MicroSave Consulting

## About this report

- Kenya's first COVID-19 case was detected on 12th March, 2020. In the initial months, following the confirmation of the first case, the government took swift and decisive measures to control the rapid spread of the disease in the country. These measures included partial lockdowns in the three counties of Nairobi, Mombasa, and Mandera and the imposition of a countrywide curfew. These measures to manage the spread of the pandemic have had a detrimental impact on the economy.
- Kenya began a phased reopening of the economy in what H. E. President Uhuru Kenyatta termed a balance between safeguarding the health of the citizens and the economy. The lockdown in the three counties was lifted on 7<sup>th</sup> July, 2020, domestic airline travel resumed on 15<sup>th</sup> July, 2020, and international flights restarted on 1<sup>st</sup> August, 2020.
- In this report, we analyze the impact of the COVID-19 outbreak in Kenya on low- and moderate-income (LMI) households. We also examine if there have been any changes since our previous survey in April, 2020.
- In wave 2, we spoke to 162 respondents from LMI households across Kenya to assess their perspective of the COVID-19 situation and their response to it. We have synthesized the findings to provide recommendations and opportunity areas for policymakers to strengthen their efforts further. Please see [Annex 1: Study design](#) and [Annex 2: Sample characteristic](#).

### Authors:

Thomas Murayi, Nancy Kiarie, Juliet Ongwae

### Special thanks to:

Data collection support: Geopoll

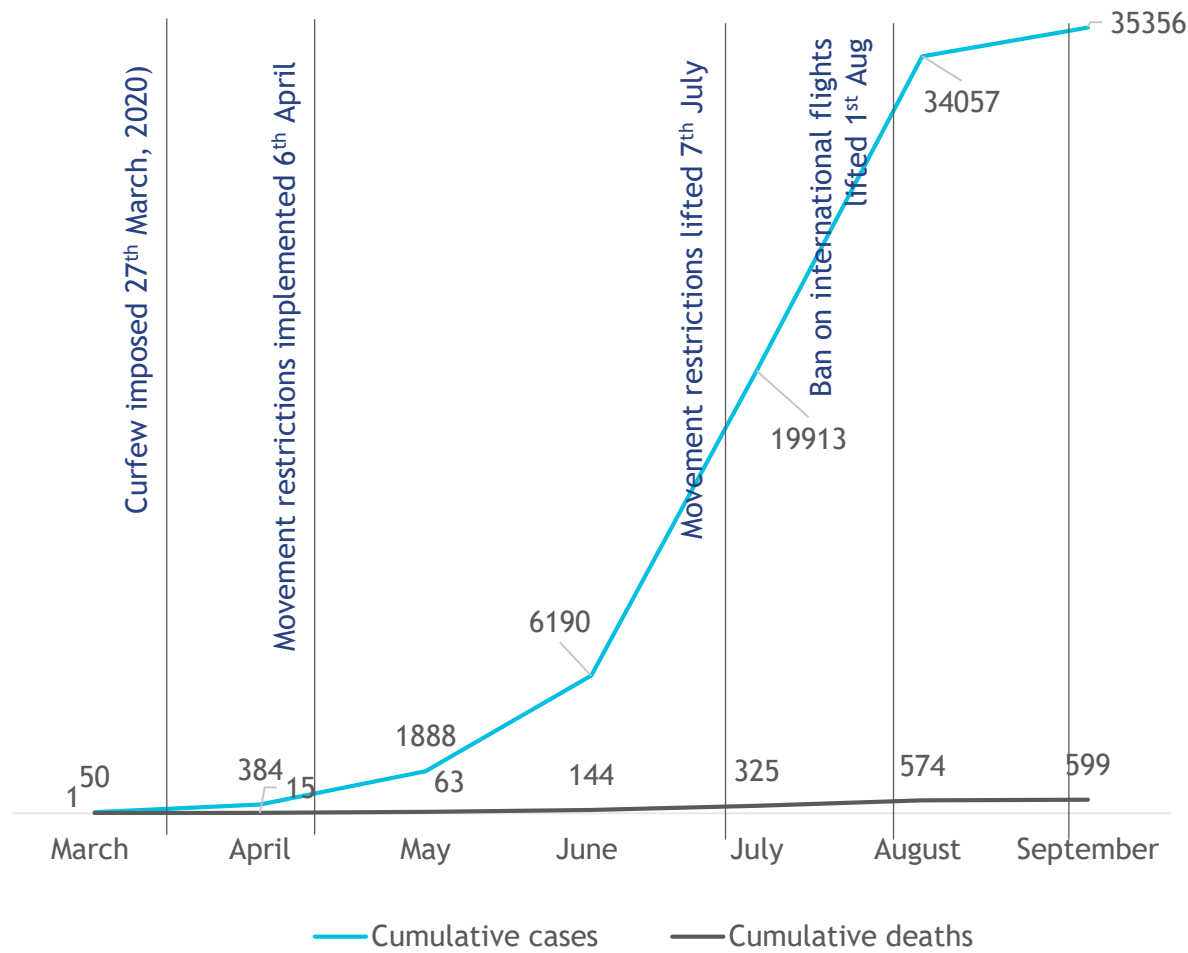
Data Quality Managers: Mohak Srivastava and Rahul Chatterjee

Review support: Anup Singh, Graham Wright

Design support: MSC design team

# Proactive responses have led to a reduction in the number of new COVID-19 cases and reduced deaths in Kenya

Measures put in place by the government resulted in a decrease in cases from August, 2020



Timeline	The government has embraced a progressive reopening of the economy
7 <sup>th</sup> July	The government lifted the restriction of movements in and out of the counties of Nairobi, Mombasa, and Mandera
1 <sup>st</sup> August	The ban on international flights from several countries is lifted, effectively opening up Kenya to the world again.

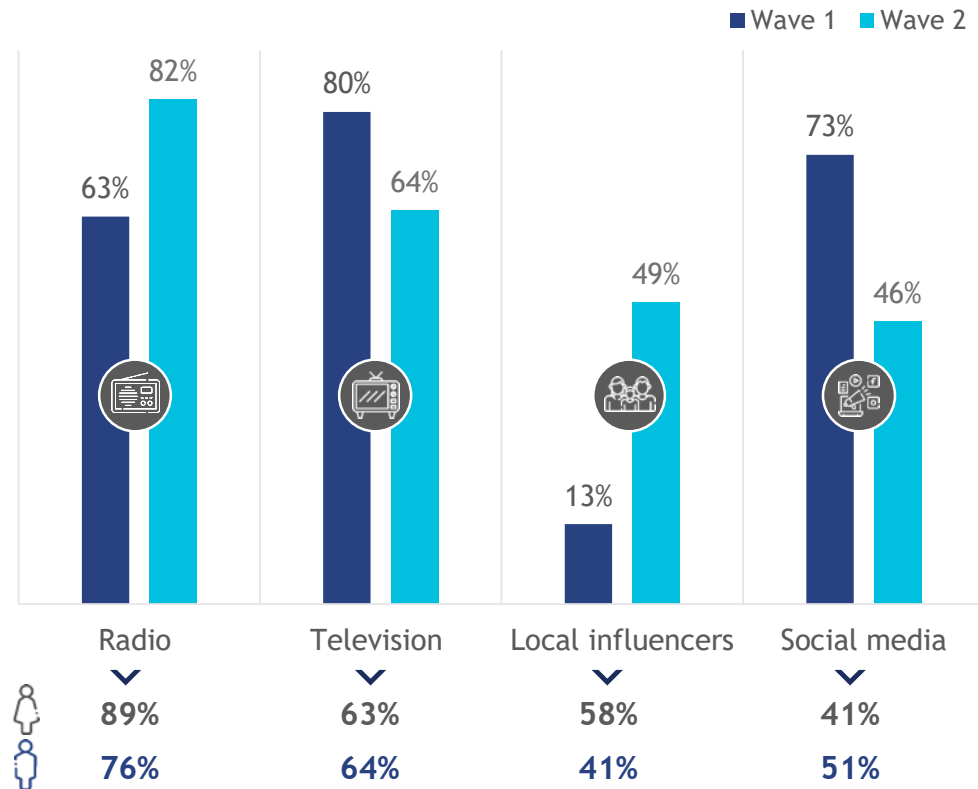
- The President announced an [Economic Stimulus Program](#) to help the economy bounce back and cushion the LMI segment from the adverse effects of the pandemic. The objective of the eight-point program amounting to KES 53.7 billion (USD 530 million) is to stimulate economic growth.
- The government has undertaken several activities to support the LMI segment. Among other things, it has:
  - Hired local labor to rehabilitate roads at KES 5 billion (USD 50 million).
  - Hired 10,000 additional teachers and 1,000 interns.
  - Allocated KES 10 billion (USD 100 million) to support MSMEs through a [SME credit guarantee scheme](#).
  - Allocated KES 1.7 billion (USD 17 million) to increase bed capacity in hospitals, to be sourced from the *Jua Kali* (informal small scale traders) sector
  - Allocated KES 3 billion (USD 30 million) to farmers for supply of farm inputs through e-vouchers that target 200,000 small-scale farmers.

Source: World Health Organization, Kenya.

# People have increasingly relied on radio and local influencers as sources of information on the pandemic

People's increased reliance on local influencers as sources of information calls for efforts to mitigate misinformation

Sources of information about COVID-19



Radio and television, the main channels of communication for the government, continue to be the main sources of information on the pandemic

- There is an increased reliance by women on the proximal local influencers, friends, and family to obtain information on COVID-19.
- There is a prevalence of misinformation on COVID-19, such as [COVID-19 is dangerous only to the elderly](#). This has led to many people disregarding protective measures, such as proper use of face masks and mandated social distancing at gatherings, such as political rallies.
- WHO has put in place strategies to deal with the [infodemic](#) that hampers effective public health response. According to [Médecins Sans Frontières](#), misinformation is rife and it increases the vulnerability of already vulnerable populations.

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

### Enhance the capacities of local influencers to provide accurate information on COVID-19

- Policymakers should empower local influencers like religious leaders and local administration officials through training and dissemination of accurate information on COVID-19 to help deal with misinformation

### Tailored messages for radio, television, and social media

- The government should disseminate tailored messaging on the spread and management of COVID-19 to complement existing campaigns on electronic media and strengthen messaging on community transmission. It should use local languages for better reach and that citizens can relate to regarding the spread of COVID-19 and preventive measures against the disease. This will enhance acceptability and close the knowledge gap.

### Clarification on conspiracy theories

- People incorrectly believe that the government could be [exaggerating the numbers to keep donor funding flowing](#). The government should demystify and disprove conspiracy theories being spread through social media by laying out the facts on the transmission, management, and status of the pandemic in the country. It should use electronic and social media as well as community leaders and opinion influencers to enhance the reach of the message.

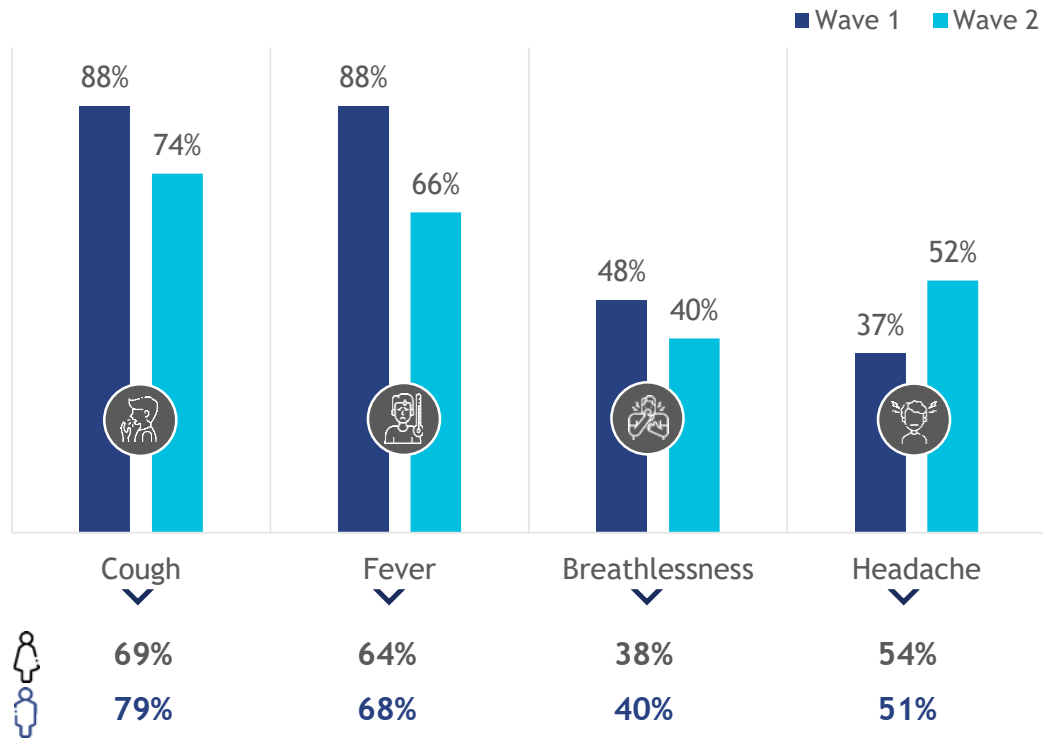
“Social distancing is important as coronavirus is highly contagious” - A respondent



# More men are aware of the top-two symptoms of COVID-19 compared to women, which indicates a need for targeted communication and awareness efforts

A gender gap in the levels of knowledge of the most common symptoms could undermine preventive actions among the segment

## Awareness of symptoms



## Respondents exhibit awareness of the most common symptoms of COVID-19

- High awareness of the common symptoms of COVID-19 indicates that initial communication efforts by the government achieved their objectives. There is, however, a drop in the percentage of those who are aware of the symptoms in wave 2 compared to wave 1. This could be attributed to a shift in efforts to sensitize the public from the government to the private sector. There is increased awareness of headache as a symptom, which could be attributed to an increased focus on sensitization on non-primary symptoms of COVID in recent efforts.
- Only a small proportion of respondents (33%) indicate that they know the COVID-19 helpline number compared to 61% in wave 1. This could be attributed to a reduced knowledge gap about the pandemic and its management due to intensified awareness campaigns eliminating the need to call in for information. Further, county governments have [provided hotline numbers](#) that serve as alternatives to the COVID-19 helpline.

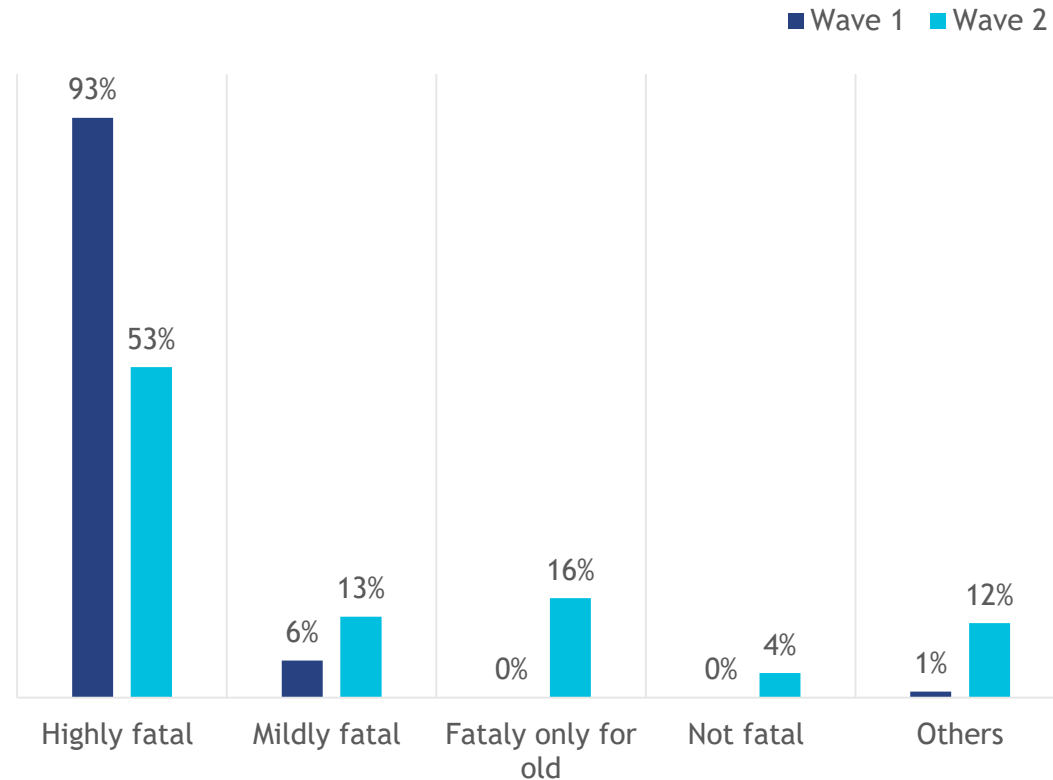
## More sensitization efforts are needed on testing and treatment procedures for those exhibiting symptoms

- The government should complement sensitization efforts on COVID-19 with clear information on the next steps on testing and seeking treatment for those who suspect that they are infected.
- The government should provide guidance on [home-based care protocols](#) to deal with patients with mild symptoms who do not need hospital care. Such guidance will help to address misconceptions on the management of the disease and will reduce stigma.
- The government should provide targeted and tailored information for women, who are typically the primary caregivers in the household. This would ensure inclusivity and awareness of the symptoms of COVID-19. The government should consider the use of channels, such as community leaders, MFI staff, and affinity group leaders to share detailed information on the transmission and management of COVID-19 through direct interactions with these segments. These people can educate women and provide customized and contextualized information on the symptoms, prevention, and management of COVID-19.

# The number of people who think the disease is highly fatal fell sharply

53% of the respondents in Wave 2 believe that the disease is highly fatal compared to 93% in Wave 1 of the survey

## Knowledge of fatality of COVID-19



### High level of awareness on the fatality of the disease

- A lower-than-expected death rate and a high number of recoveries for those who have contracted COVID-19 have contributed to a reduced perception of COVID-19 as fatal.
- The Ministry of Health [announced the first COVID-19 death](#) on 26<sup>th</sup> March, 2020. The country has seen 599 deaths recorded as of 11<sup>th</sup> September, 2020. The fatality rate is 2%, which is relatively low.
- The Ministry of Health [announced that more than half of the deaths due to COVID-19](#) have been from patients with pre-existing conditions, such as diabetes and hypertension. This could contribute to a more relaxed perception of the danger of COVID-19 and its fatality.

### The government should encourage continued adherence to preventative measures among the populace to contain the spread of COVID-19

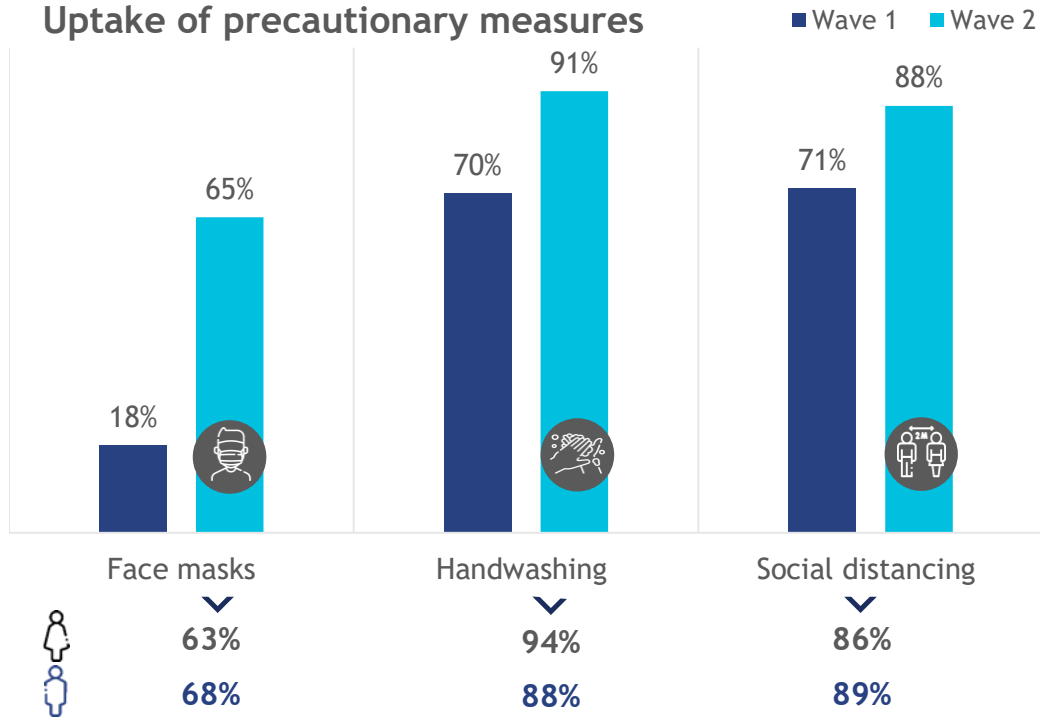
- The government should increase the involvement of the youth through different government and donor programs to support sensitization campaigns on COVID-19. The [World Bank](#) reports that the youth have emerged as champions in the fight against the virus in Africa through individual acts, such as programs that promote handwashing in slum areas.
- The government should increase testing capacities at public health facilities to encourage testing and reduce the risk of asymptomatic patients spreading the disease to the elderly and those with pre-existing conditions.
- Government and partners need to put more resources into mental health programs and psychosocial support.

Most respondents believe that the disease is highly fatal. The population is increasingly aware that the disease is not only dangerous for the elderly (above 60 years), and those with pre-existing non-communicable diseases such as diabetes, hypertension, and high blood pressure, but also for the young population with no pre-existing conditions.

# People have increasingly adopted precautionary measures, such as the use of face masks, regular handwashing, and social distancing

Improper implementation of precautionary measures could hinder positive changes in their adoption

## Uptake of precautionary measures



Preventive measures, such as wearing face mask and handwashing, are mandated legally. A [similar research study](#) on preventive measures adopted by *boda boda* operators indicates that [appeals based on fear were more effective](#) in making these low-income earners adopt COVID-19 preventive measures as they fear susceptibility to the virus, police arrests, and quarantine.

## Respondents reported practicing regular handwashing to curb the spread of the pandemic

- Respondents reported regular handwashing and use of face masks. However, anecdotal evidence suggests that even in cases where people wore masks, they wore it improperly, such as under the chin, which negated their effectiveness.
- In Kenya, government and religious groups have donated water tanks and soap to support regular handwashing as a precautionary measure among LMI segments. [One Acre Fund](#), which works with low-income farmers has complemented the distribution of seeds and other services with the provision of soap to their farmers to support precautionary measures for COVID-19.
- At the time of writing, the government had been enforcing social distancing through a ban of public gatherings, such as political rallies, sporting events, weddings, and funerals to help curb the spread of the virus.
- Government-issued guidelines on the [public use of face masks](#) and inclusion of the lack of a mask in the penal code as a criminal offense increased their usage.

## Strict and consistent enforcement of policy measures will further curb the spread of the disease

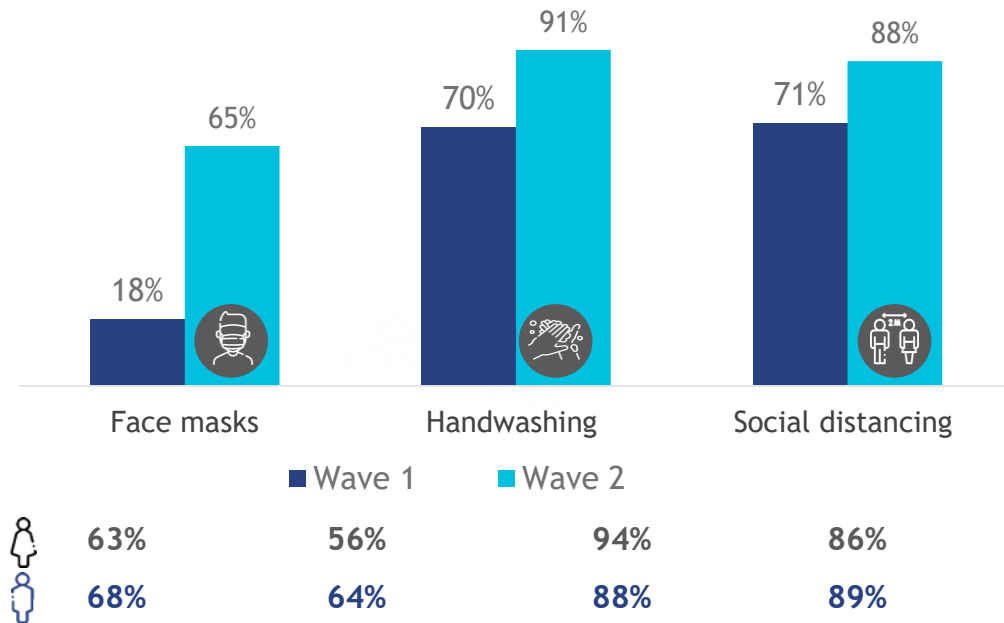
- Despite gains made in the fight against the virus, more needs to be done to control the availability of preventive supplies, such as sanitizers and face masks. For example, there have been instances of unscrupulous businessmen taking advantage of the increased demand for sanitizers to sell adulterated sanitizers. Kenya Bureau of Standards [banned eight brands of sanitizers](#) after they were found to be substandard. Some businessmen were also accused of [recycling used face masks](#) in Kenya.
- The government should enhance the availability of sanitary services, particularly in the slums and other low-income settlements to mitigate the challenges of social distancing.

Source: [Efficacy of fear appeals on the adoption of COVID-19 preventive measure: A case of Boda-Boda riders in Nairobi County, Kenya](#)

# There is increased adoption of precautionary measures such as use of face masks, regular handwashing, and social distancing

Positive changes in adoption of precautionary measures could be hindered by improper implementation of these measures

## Uptake of precautionary measures



Preventive measures e.g. wearing face mask and handwashing, are mandated legally. A [similar research](#) on preventive measures adopted by boda-boda operators indicate that [fear appeals were more effective](#) in making low income boda-boda operators adopt COVID-19 preventive measures as they fear susceptibility to the virus, police arrests and quarantine.

### Respondents are practicing regular handwashing to curb the spread of the pandemic

- Respondents are practicing regular handwashing and wearing face masks. However, anecdotal evidence suggests that even where masks are worn, many are wearing the mask below the chin negating the relevance of the mask.
- In Kenya, government and religious groups have donated water tanks and soap to support regular handwashing as a precautionary measure among LMI segments. [One Acre Fund](#) which works with low-income farmers has complemented the distribution of seeds and other services with provision of soap to their farmers to support the precautionary measures for COVID-19.
- The government is enforcing social distancing through a ban of public gatherings such as political rallies, sporting events, weddings, and funerals to help curb the spread of the virus.
- Government-issued guidelines on [public use of face masks](#) and inclusion of the lack of a mask in the penal code as a criminal offence, has increased their usage.

### Strict and consistent enforcement of policy measures will further curb spread

- Despite the gains made in the fight against the virus, more needs to be done to control the availability of preventive supplies such as sanitizers and facemasks. For example, there have been instances of unscrupulous businessmen taking advantage of the increased demand for sanitizers to sell fake sanitizers. Kenya Bureau of Standards [banned 8 brands of sanitizers](#) after they were found to be substandard. Some businessmen were also accused of [recycling used face masks](#) in Kenya.
- Enhance the availability of sanitary services, particularly in the slums and other low income settlements, to mitigate the challenges of social distancing in slums.

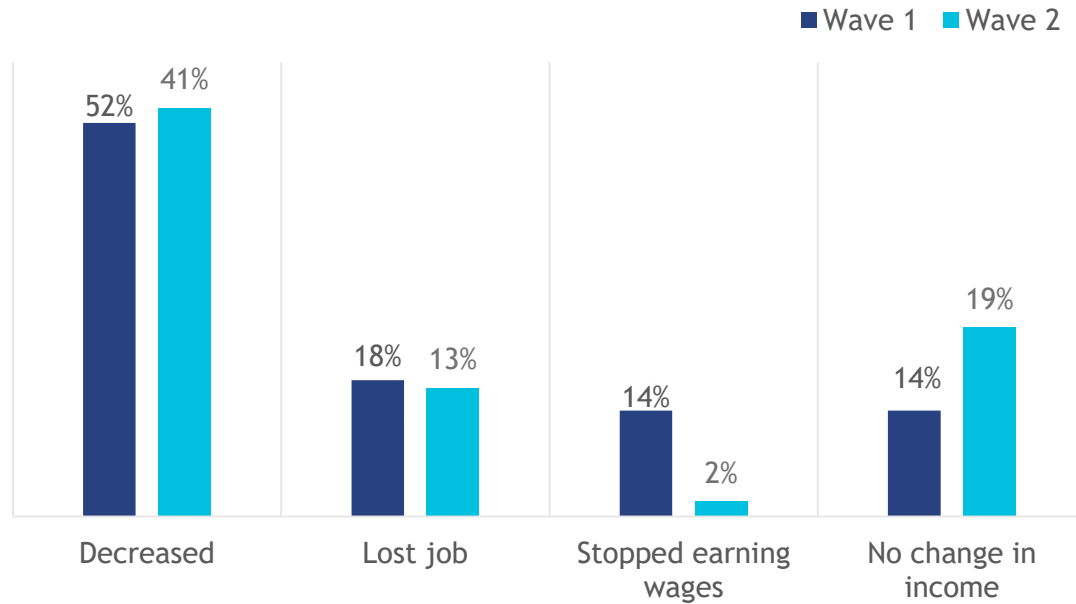
Source: [Efficacy of fear appeals on adoption of COVID-19 preventive measure: A case of Boda-Boda riders in Nairobi County, Kenya](#)



# Respondents indicate that their income reduced throughout the pandemic

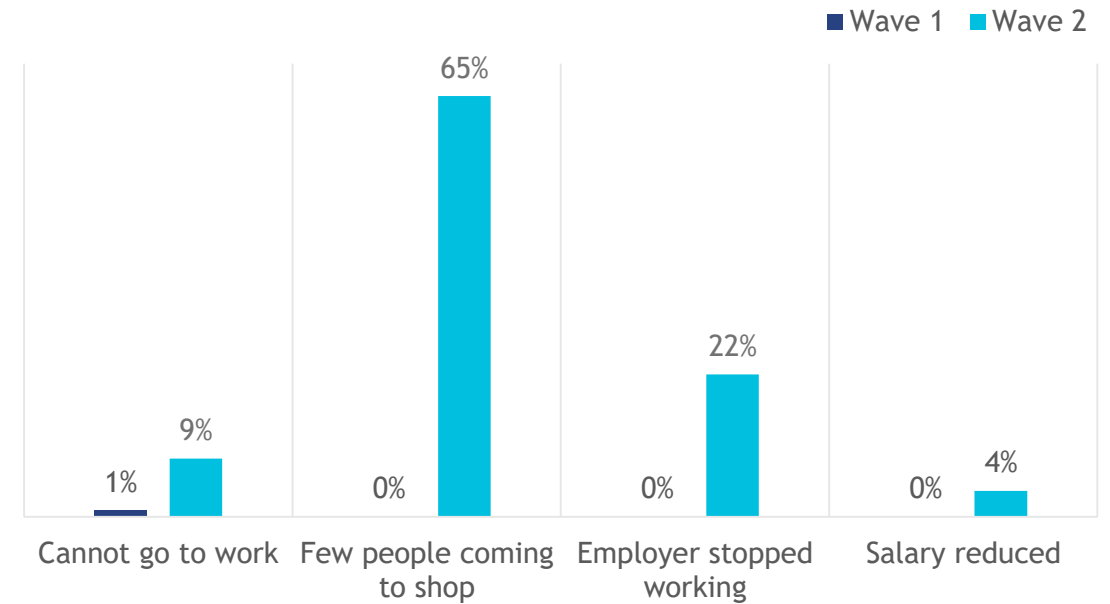
Respondents have innovated ways to drive and maintain business operations, such as the use of social media

### Change in income among respondents



- A study by [Alliance for Science](#) indicates that farmers have been shifting to social media to market and sell their produce to curb post-harvest losses incurred during the pandemic as a result of restrictions on movement.
- [A study by MSC](#) on CICO agents indicates that 40% of agents reported a decline in income due to reduced commissions on transactions brought about by fewer customer transactions.
- The proportion of people who reported a decline in income between Wave 1 and Wave 2 fell sharply by 11%. This can be attributed to businesses that reopened after restrictions on movement lifted and operating hours increased.

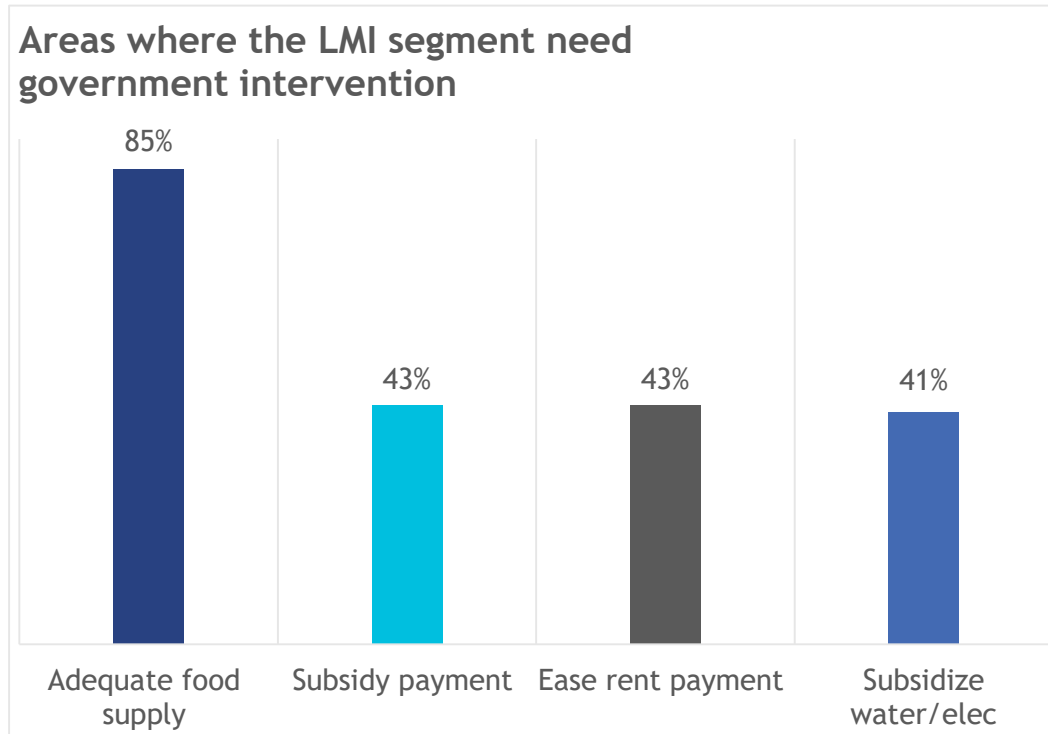
### Reasons for reduction in income



- The [FSD Kenya post-COVID-19 recovery report](#) indicates that most business owners of non-essential goods and services like wigs and embroidery reported that sales had come to a standstill. This is attributed to customers spending less on luxury goods and concentrating on providing for basic needs.

# Most respondents have not received any assistance from the government to cushion them against the effects of COVID-19

The LMI segment expressed concerns about their ability to meet their basic needs during the period of the pandemic



Despite several efforts driven by the government and other partners, the LMI segment has received limited assistance, with 88% indicating that they did not receive any assistance. This could indicate gaps in the process of identification of recipients or diversion of the intended assistance.

Source: [Economic stimulus program](#)

## Respondents indicate that they require varied support from the government to survive the pandemic

- Respondents indicate that they have struggled to cover utility payments and meet rent or mortgage payments and require assistance to manage the effects of the pandemic. [FSD Kenya's post-COVID recovery report](#) indicates that things had become challenging for rural families as stocks of dry goods ran low.
- The government has been working with partners, such as the [World Food Program](#) to ensure the LMI segment is cushioned adequately. Additionally, the government has prioritized KES 3 billion (USD 30 million) for the supply of farm inputs through e-vouchers that target 200,000 small-scale farmers to secure food supply chains in the post COVID-19 period.
- [According to FSD Kenya](#), the distribution of relief has been skewed to urban areas and most of the low- and moderate-income population has received assistance from relatives and not from the government.

## Concerted efforts are needed to cushion the low- and moderate-income population from the adverse effects of the pandemic

- The Government of Kenya has collaborated with the private sector and humanitarian organizations to provide support to ensure the LMI population has enough basic necessities to survive the pandemic.
- The [Economic Stimulus Program](#) targets the LMI populations, among others, through a provision of KES 10 billion (USD 100 million) for youth through the *Kazi Mtaani* program, KES 3 billion (USD 30 million) worth seed capital for an SME credit guarantee initiative, and the supply of farm inputs through e-vouchers to small-scale farmers. The program needs to be scaled up to include more beneficiaries to assist in their recovery.
- Subsidies for utilities and easing rent and mortgage payments are other initiatives that are suggested to cushion small businesses against the losses incurred during the pandemic.
- More gender-intentional responses are needed. The [FSD COVID-19 impact recovery pathways report](#) indicates that only 19% of the fiscal and economic measures to help businesses recover are focused on women's economic security.

# Women face an increased domestic burden with more members of the household at home

The COVID-19 pandemic has introduced several challenges for women who are the traditional caregivers for the households. The increased pressure on women's income has been as a result of increased numbers of household members at home, and less income as a result of job loss and business slowdowns. On the other hand, the pandemic has had a positive social impact, as more men have now been involved in domestic work and spend more time with the family. A report by [FSD](#) indicates that positive gender relations at home have increased with more men taking on caregiver duties and household chores, which were previously undertaken by women.



## The roles of women have increased during COVID-19

- As resources dwindle, women have had to ultimately bear the responsibility of feeding the families.
- Women have experienced challenges in feeding larger households as children are now at home.
- Women have found ways to continue earning an income by working informal businesses while balancing other household responsibilities.

## Economic impact



The income from work has decreased by 71% for women compared to 39% for men.



62% of women indicate more controlled expenditure with the purchase of essential items compared to 54% of men.

## Social impact



Women have received more help in domestic work during the COVID-19 period, with 13% of male members reporting that they took up increased domestic work.



Women reported they are happy that men are spending more time at home and are more involved in family matters.



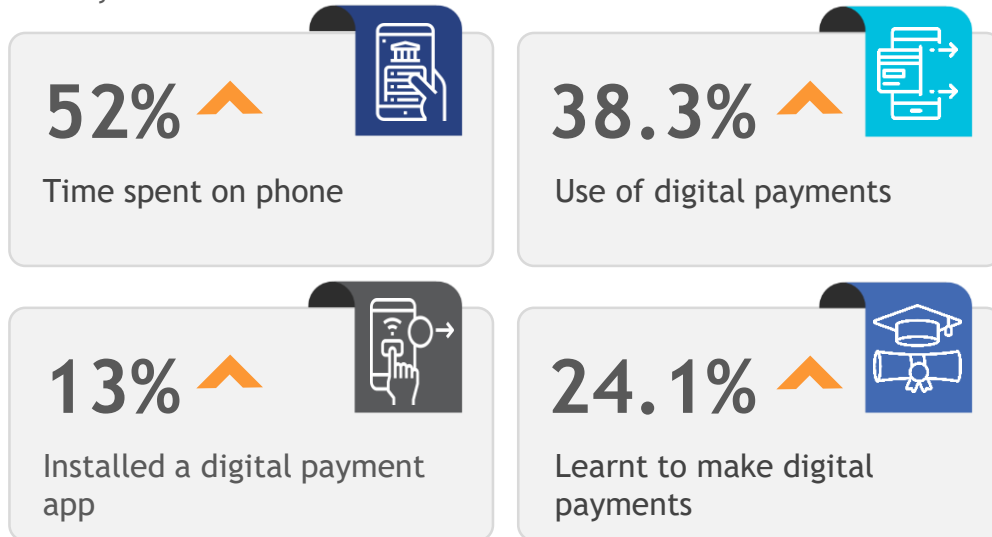
Recent studies by FSD Kenya indicate that the pandemic has led to a significant [economic impact](#) on women. The economic impact has resulted in a delicate balancing act as women feed and take care of their families. [UN Women](#) indicates that women have undertaken three times more unpaid care and domestic work as men. A study by [BFA Global](#) shows that women are more economically resilient than men due to their ability to adjust their business models and save on costs during tough times.

Women need gender-sensitive responses to ease the burden on them during the pandemic period. The [FSD COVID-19 impact recovery pathways report](#) indicates that only 16% of social protection and labor market measures were gender-sensitive, which called for measures to encourage [equitable access to credit](#) to supplement income, social protection, and labor market measures that specifically address women's needs.

# The COVID-19 pandemic has presented an opportunity to scale up the adoption of digital financial services, which will benefit the LMI segment greatly

38.3% reported that they use digital payments more now while 24.1% have learned to make digital payments

The time that LMI people spend on the phone has increased as the use of physical cash and bank branches has reduced while the use of digital payments has grown significantly



A relatively lower number of LMI people have installed digital payment apps and have learnt to make digital payments compared to the number of people who own smartphones at 55%, which could signify most users prefer to use USSD without necessarily installing the payment apps.



Glovo, an online on-demand delivery start-up reported [a steep increase in deliveries and cashless payments](#) with cashless payments made by bank cards increasing by 50% and mobile payments by 14%. This underscores the increasing number of people who use cashless payments.

## Digital financial services offer greater benefits to the economy than financial inclusion alone

- The COVID-19 pandemic has presented an opportunity to scale up the adoption of digital financial services. According to the [IMF](#), the adoption of digital financial services has benefits beyond financial inclusion and is associated with higher economic growth.
- The data that is generated from digital financial services has enabled fintechs to introduce lending products that target the low- and middle-income segment.
- A recent study by [FSD Kenya](#) has revealed a 35% increase in digital payments for food and groceries and a 54% increase in digital payments in agricultural businesses and cooperatives, which is evidence of a growing shift to digital payments.
- A study by [McKinsey](#) shows that consumer preferences have changed with more people using e-commerce and digital financial services. A similar study done by [MSC](#) on CICO agents indicates a steep increase in customers who prefer to transact digitally as opposed to cash.

## Concerted efforts are needed to accelerate the adoption of digital financial services in Kenya

- The government should implement interoperability to ensure that payments can be used across various platforms. According to the [Gates Foundation](#), governments need to design and build interoperable payments systems to develop inclusive interoperable payment systems.
- There is a need to increase customer benefits and usage. According to the [IFC](#), the market is asking for more sophisticated and relevant products beyond person-to-person payments. More use-cases, such as digitization of value chain financing are necessary
- According to the [European Investment Bank](#), a comprehensive and coherent multi-stakeholder approach is needed to provide interoperable adaptive and scalable solutions in Africa, including the development of a shared vision.

# Annexes

SCBF 

MSC 





# Annex 1: Study design



## The objective of the research

The objective of the research was to assess the following:

- Knowledge, awareness, and attitudes toward COVID-19
- Practices adopted to prevent COVID-19
- Impact on social behavior, gender roles, digital life, and household economics
- The government's response and its impact on the low- and moderate-income populations



Knowledge



Attitude



Practice



Economic impact



Impact on digital ecosystem



Gender

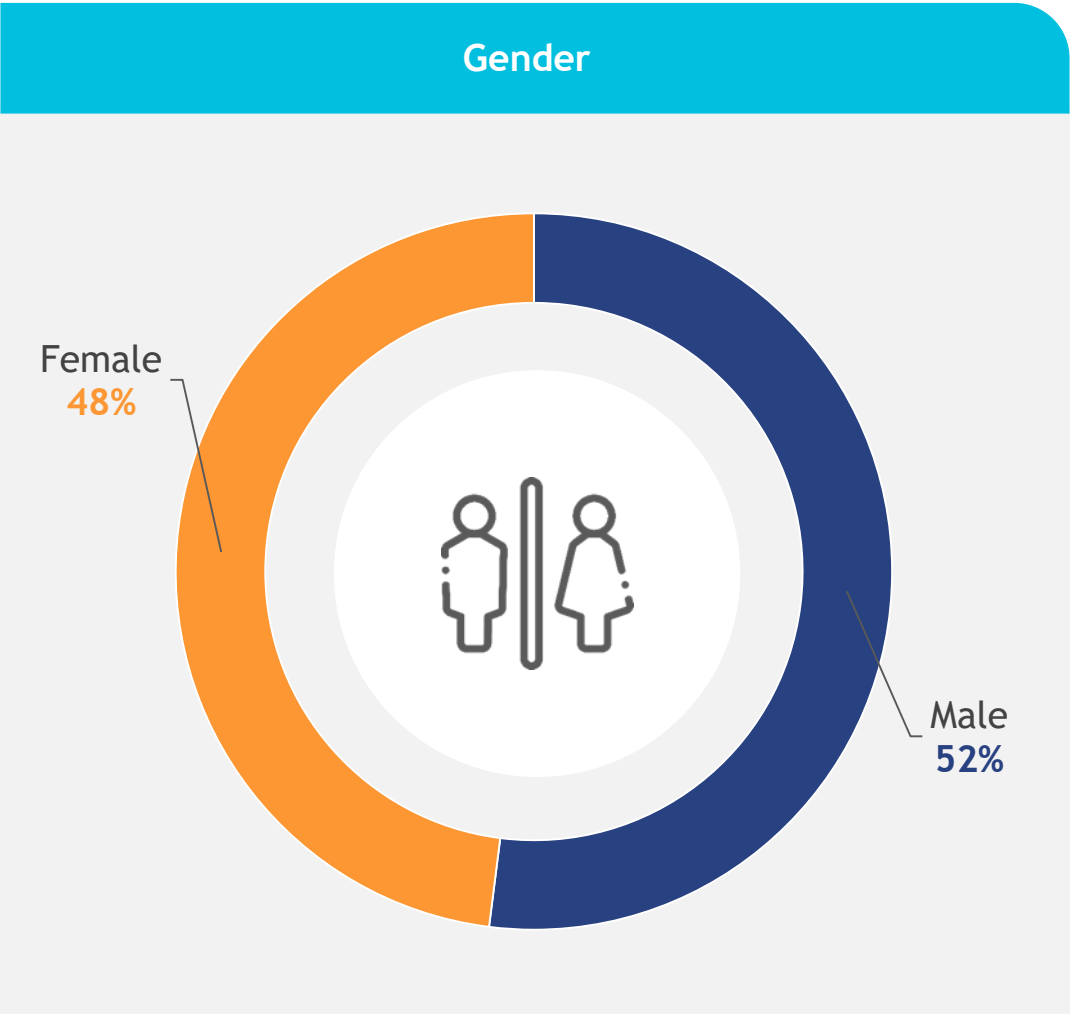
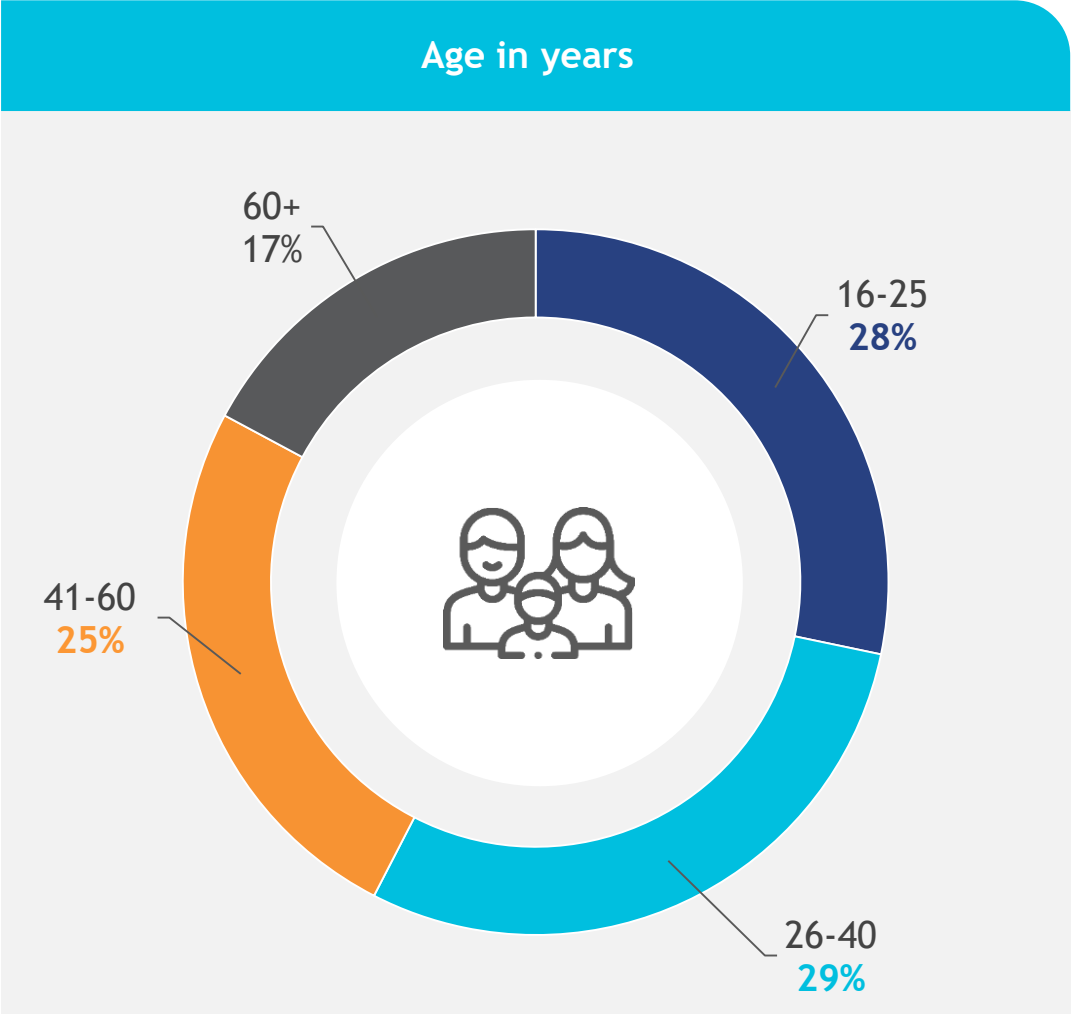


## Research methodology

- **Country in focus:** Kenya
- **Location divide:** Rural, urban, and semi-urban areas
- **Sample size:** 162 respondents of which 84 were men and 78 were women
- **Average family size:** 4
- **Median family income per month:** KES 40,000 (USD 400)
- **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 survey methodology, testing, and concurrent
- checking of data

# Annex 2: Sample distribution

The sample comprised mostly middle-aged people and men from rural areas



# 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

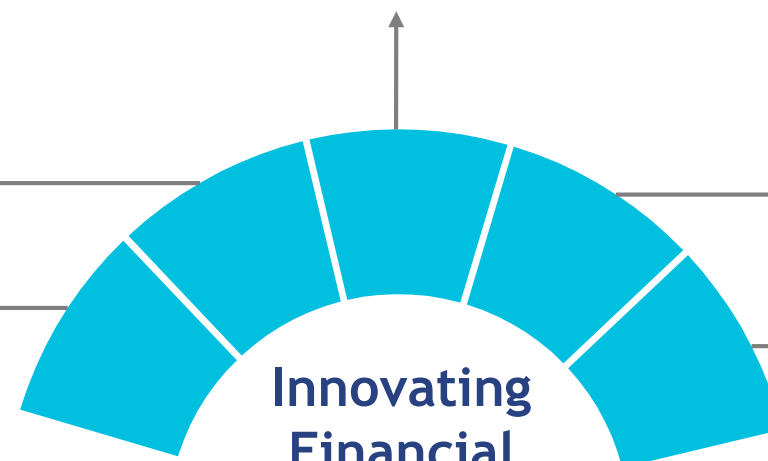
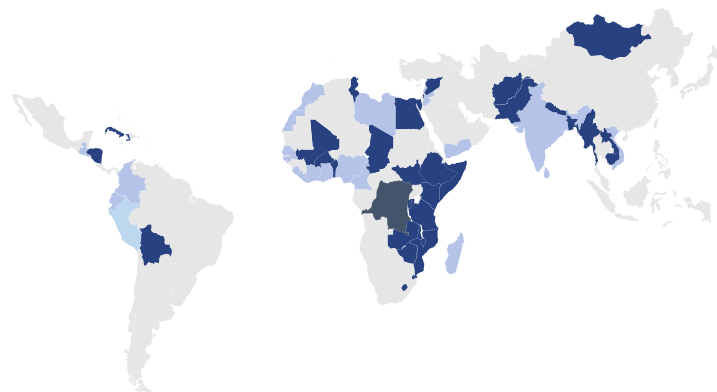
- SCBF co-funds **technical assistance (TA) grants** to develop client-centric **financial products, channels, and services** for low-income clients in developing countries
- Target end-clients:** Low-income populations, particularly women, smallholder farmers, micro, small, and medium enterprises (MSMEs),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






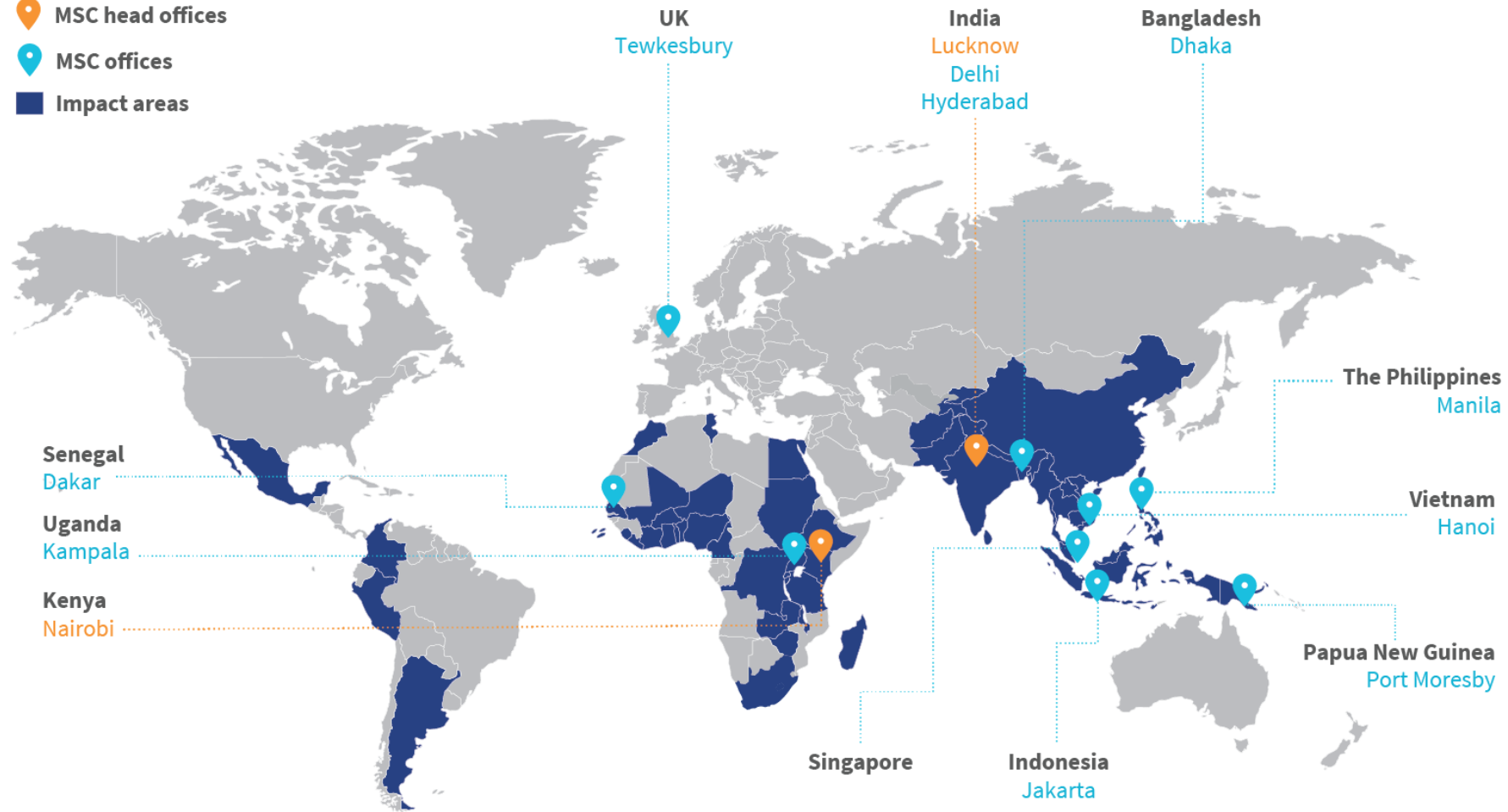
Innovating  
Financial  
Inclusion

SCBF+

## SCBF members



-  MSC head offices
-  MSC offices
-  Impact areas



MSC corporate brochure | Contact us at [info@microsave.net](mailto:info@microsave.net)

### Asia head office

28/35, Ground Floor, Princeton Business Park,  
16 Ashok Marg, Lucknow, Uttar Pradesh, India 226001  
Tel: +91-522-228-8783 | Fax: +91-522-406-3773 | Email: [manoj@microsave.net](mailto:manoj@microsave.net)

### Africa head office

Shelter Afrique House, Mamlaka Road,  
P.O. Box 76436, Yaya 00508, Nairobi, Kenya  
Tel: +25-420-272-4801 | Fax: +25-420-272-0133 | Email: [anup@microsave.net](mailto:anup@microsave.net)



**SCBF** 

**MSC**   
MicroSave Consulting