

in the Informal Economy in Kenya, Uganda & India



ABOUT THE ISSUE

The COVID-19 pandemic has wrought a global socio-economic crisis, with profound implications for the well-being of individuals, households, and communities. It has further deepened existing social inequalities and has heightened the risks for gender-based violence (GBV) and violation of sexual and reproductive health and rights (SRHR) among marginalized groups. As countries move to mitigate the health costs of the pandemic, the policy choices they make carry economic and social costs that are largely borne by vulnerable and low-income populations, among whom women are the most affected. Immediate policy responses have focused on COVID-19 clinical management, quarantine, mobility restrictions/lockdowns, social protection in the form of cash payments or transfers and economic stimulus packages.

In this context, the International Center for Research on Women (ICRW) is undertaking a three-country research study with the support of the Bill and Melinda Gates Foundation (BMGF) and the International Development Research Centre (IDRC). The study aims to understand how COVID-19-related health and economic shocks, and the policy responses to them, interact with pre-existing gender and other social norms to impact livelihoods, experience of GBV and SRHR outcomes for women who work in the urban informal economy.

Women are more engaged than men in informal employment and comprise more than 90 percent of informal employment in sub-Saharan African countries, 89 percent in South Asian countries and almost 75 percent in Latin American countries (International Labor Organisation [ILO], 2018). Women engaged in this type of work suffered both immediate and medium-term financial losses resulting from the restricted movement of goods, produce and people. The disruption in livelihoods and lack of access to protective networks have undermined the bargaining power of women, exposing them to increased vulnerabilities.

The lockdown brought economies to a grinding halt, impacting women within the informal economy, including daily- and hourly-wage workers, those paid per task and micro-entrepreneurs. For example, according to the World Bank's 16th Uganda Economic Update, Uganda recorded a domestic revenue shortfall of UGX 288.3 billion (USD 79 million) in the financial year 2019-20 due to COVID-19 related reduction in economic activity and the Economic Policy Research Centre (EPRC) at Makerere University reported that 75 percent of micro- and small-businesses had laid off employees (Uganda Business Climate Index, May 2020).

WHY KENYA, UGANDA AND INDIA?



The informal economy generates over **84** percent of employment (**66** percent being women)

87 percent of women workers part of informal economy which contributes43 percent of GDP

92 percent of women workers part of informal economy

60 percent of unlicensed business establishments are solely female-owned, thus increased economic vulnerability

3.5 percent of the GDP spent on social protection, covering **3** percent of the population and informal sector is excluded

Minimal expenditure and coverage under social protection schemes (2.5 percent of GDP, 22 percent of population)

Kenya's financial commitment to social protection stands at **0.4** percent of GDP with an annual expenditure of KES **26** billion (USD **233** million) 75 percent of micro- and small-businesses laid off employees as a result of the pandemic and women workers are at a heightened risk of GBV.

With loss of livelihoods and lack of access to relief and social protection, women in the informal economy were the hardest hit

KES **10** billion (USD **90** million) earmarked for social protection for the elderly, orphans and vulnerable members of society

COVID-**19** responses by the government less likely to address the vulnerabilities of informal workers

COVID relief and recovery packages provided little in terms of cash transfer, food subsidy or specific support for informal workers

Government COVID-**19** response in terms of fiscal, monetary, and social response policies do not benefit the informal economy (workers and owners)



NEED FOR GENDER-RESPONSIVE POLICIES

Early evidence also shows that health sector responses to COVID-19 have disrupted the access to essential services, resulting in unplanned pregnancies, unsafe abortions, maternal deaths and other negative outcomes. Reports of increased GBV (ILO, 2020) and state-inflicted gender-based violations during this pandemic have also been reported (The Daily Monitor, April 04, 2020; Krishnan, The Atlantic, 2020).

Policy responses to the crises in the wake of COVID-19, both in terms of the public health and socio-economic emergencies, have been largely gender blind. The responses fail to include language or directives to respond to the disproportionate impacts on women in the informal economy. While economic relief programs such as cash transfers, moratoriums on credit and provision of credit have been implemented to mitigate livelihood impacts, they have not addressed gender concerns such as segregation of labor markets, wage gaps, lack of access to markets, credit and social security, low bargaining power and prevalence of GBV. Cash disbursements have not accounted for women's limited access to institutions, lack of documentation and limited decision-making power to access and utilize these funds.

As countries adapt to the long-drawn pandemic situation, there is an increasing need for a more comprehensive and intersectional policy response to COVID-19. In order to rebuild economic and social systems for the better, response and resilience mechanisms need to change.

REBUILD aims at understanding the social and economic impact of policy responses to COVID-19. To do this, we will be looking at welfare responses for mitigating employment and income losses, relief and social security measures, specifically for women workers in the urban informal services sectors (henceforth referred to as women workers). In addition to this, we would be looking at the GBV and SRHR risks associated with COVID-19, and the extent to which policy directives reduce or exacerbate these risks. Further, we will use an analytical framework where we locate women workers at the center of an ecosystem, that is influenced by norms and structures, comprising the market (private), the state (public) and social relations in the community and family. This will allow us to identify the actors, institutions and networks that are significant for them to cope with the situation. The project will generate evidence on the ways in which pre-existing inequalities and vulnerabilities experienced by women workers have been exacerbated due to the COVID-19 pandemic and translate into an actionable agenda through periodic dissemination and high-level meetings with policy and advocacy stakeholders.

KEY OBJECTIVES

The project will undertake policy research, informed by a contextual analysis of the gendered impacts of the COVID-19 crisis on female workers in informal urban economies, including deepening gender inequalities, economic vulnerabilities, risk of GBV and restricted access to SRH services. The specific objectives are:

 To map and analyze the scope and nature of policies, strategies, implementation challenges and mitigation methods, used by various actors (state, private sector and civil society) that have affected female workers in specific urban informal economies in India, Kenya and Uganda.

- To generate evidence on the ways in which pre-existing inequalities and vulnerabilities experienced by women in urban informal economies have been exacerbated due to the COVID-19 pandemic and the resilience strategies women have adopted to cushion themselves and their households from further economic shocks.
- To analyze state and local mechanisms and mitigation measures implemented in response to the pandemic (including responses to the social crisis, GBV and SRH) and the roles played by various actors and institutions in the ecosystem of these women in facilitating or hindering the coping process.
- To synthesize research evidence including best practices and turn them into actionable agenda through periodic dissemination and high-level meetings with policy and advocacy stakeholders.

PROJECT APPROACH

The project will have three phases, which will involve various activities in order to achieve the objectives listed above. During the different phases, we anticipate conducting research and sharing evidence for policy uptake as parallel processes. The project will follow an interdisciplinary, phased, exploratory and iterative process that allows us to continuously reflect and refine the research questions within the broad areas of inquiry. This agile approach will enable us to identify and answer the most salient questions in the evolving COVID-19 context.

PHASE 1

In the first phase of the study, research team will undertake a scoping of the policy responses in the three countries

Research Approaches Uncover the socioeconomic impact of COVID-19 response on women workers

Policy & Advocacy Approaches

Identify
institutions for
evidence-informed
policymaking to
respond to the

economic crisis

PHASE 2

Using primary research methods, we will explore how resilience and coping strategies of women workers are inhibited or enabled by the ecosystem

Analyze how pre-existing vulnerabilities of women workers have been exacerbated due to COVID-19 and the coping strategies used by women within the household

Analyze
interactions of
workers with
other actors to
build knowledge
partnerships with
policymakers and
advocacy groups

PHASE 3

The objective of phase 3 is to inform policy about the condition, and the enablers and barriers of workers. We will also recommend strategies for building back better

Consolidate and disseminate learnings based on the knowledge generated in the previous two phases

In-depth
engagement with
key stakeholders—
informal workers'
organizations,
policymakers and
advocacy groups
— to develop our
learnings into an
actionable agenda



EXPECTED OUTCOMES

This policy research will advocate for positioning gender analysis at the center of COVID-19 policy discussions, mitigation, and rebuilding measures focusing on vulnerable women workers in the informal economy. Following are the specific outcomes:

- Uncover conceptual links between economic precarity and vulnerability to GBV and SRH access uncovered to support gender responsive policy formulation and action.
- Advise and inform the policy community about best practices, as well as implementation challenges and the mitigation methods in other contexts.
- Advocate for centering of gender analysis in policy debates and policy measures adopted and implemented by recovering economies.
- Utilize evidence to inform global debates on restructuring economies post-COVID-19 and address emerging needs of women workers.

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