

# How useful the stimulus packages have been for women in tackling the impact of COVID-19: *Findings from a rapid assessment in Bangladesh*

Presented by

***Fahmida Khatun***

Executive Director

Centre for Policy Dialogue (CPD)



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# Study Team and Acknowledgements

- **Study Team**

- *Dr Fahmida Khatun*, Executive Director, CPD
- *Mr Syed Yusuf Saadat*, Senior Research Associate, CPD
- *Mr Md Jahurul Islam*, Former Programme Associate, CPD

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3. Methodology and Analytical approach
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5. Findings from survey of women entrepreneurs
6. Findings from key informant interviews
7. Policy recommendations
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# **1. Introduction**

# 1. Introduction

- The health and economic impacts of the COVID-19 pandemic are clearly visible around the world.
- However, the pandemic has differential impact on various sections of the society. The poor and the marginalised people are bearing the brunt of the coronavirus more than the other sections in the society.
- Women, particularly from the poor and low income groups are among those who have been affected disproportionately due to the pandemic.
- Various studies in several countries indicate that the impacts of the pandemic on women are many, that span in areas such as loss of income, higher burden of household work, loss of education, and increase in early marriage.
- Besides, there is a surge in domestic violence, additional care work owing to the closure of schools and exposure on the front lines in fighting the virus.

# 1. Introduction

<b>TARGET 5.2</b>	<b>TARGET 5.3</b>	<b>TARGET 5.4</b>	<b>TARGET 5.6</b>	<b>TARGET 5.A</b>	<b>TARGET 5.B</b>
<b>END ALL VIOLENCE AGAINST AND EXPLOITATION OF WOMEN AND GIRLS</b>	<b>ELIMINATE FORCED MARRIAGES AND GENITAL MUTILATION</b>	<b>VALUE UNPAID CARE AND PROMOTE SHARED DOMESTIC RESPONSIBILITIES</b>	<b>UNIVERSAL ACCESS TO REPRODUCTIVE HEALTH AND RIGHTS</b>	<b>EQUAL RIGHTS TO ECONOMIC RESOURCES, PROPERTY OWNERSHIP AND FINANCIAL SERVICES</b>	<b>PROMOTE EMPOWERMENT OF WOMEN THROUGH TECHNOLOGY</b>

**49%** women and girls reported unsafe during lockdowns in Bangladesh

In Bangladesh, early marriage may increase by **58%** and early pregnancy may increase by **30%**

**58%** women in Bangladesh reported an increase in the time spent to do unpaid care work

COVID-19 may cause maternal mortality to increase by **8.3%** in 118 countries

**54%** female housemaids & **19%** female garment workers in Bangladesh lost their jobs between March & September 2020

Only **2%** children in rural areas of Bangladesh have watched online educational programmes



Source: i) [https://www.unescap.org/sites/default/files/South%20Asia%20Covid-19%20Paper\\_5.pdf](https://www.unescap.org/sites/default/files/South%20Asia%20Covid-19%20Paper_5.pdf); ii) <https://data.unwomen.org/resources/surveys-show-covid-19-has-gendered-effects-asia-and-pacific>; iii) <https://unstats.un.org/sdgs/report/2020/The-Sustainable-Development-Goals-Report-2020.pdf>; iv) <https://www.campebd.org/page/Generic/0/38/53>; v) [https://bigd.bracu.ac.bd/wp-content/uploads/2020/06/COVID-19-Schooling-and-Learning\\_June-25-2020.pdf](https://bigd.bracu.ac.bd/wp-content/uploads/2020/06/COVID-19-Schooling-and-Learning_June-25-2020.pdf)

# 1. Introduction

- It is thus feared that many achievements in case of women's advancement in the society and economy may be reversed due to the pandemic and achievement of SDG5 (women's empowerment) may be difficult.
- As the pandemic rages on, governments around the world have stepped up to the occasion and provided relief, liquidity support and fiscal stimulus.
- However, in most countries these packages have not considered the gendered impact of the pandemic and thus have not put special attention to women.
- In this context, this study explores how much the stimulus packages announced by the government have helped women to tackle the impact of the pandemic.

## **2. Objectives**



## 2.1 Objectives of the study

The broad objective of the research is to understand whether the government support measures during COVID-19 have been gender sensitive and how they have helped women in facing the impact of the pandemic.

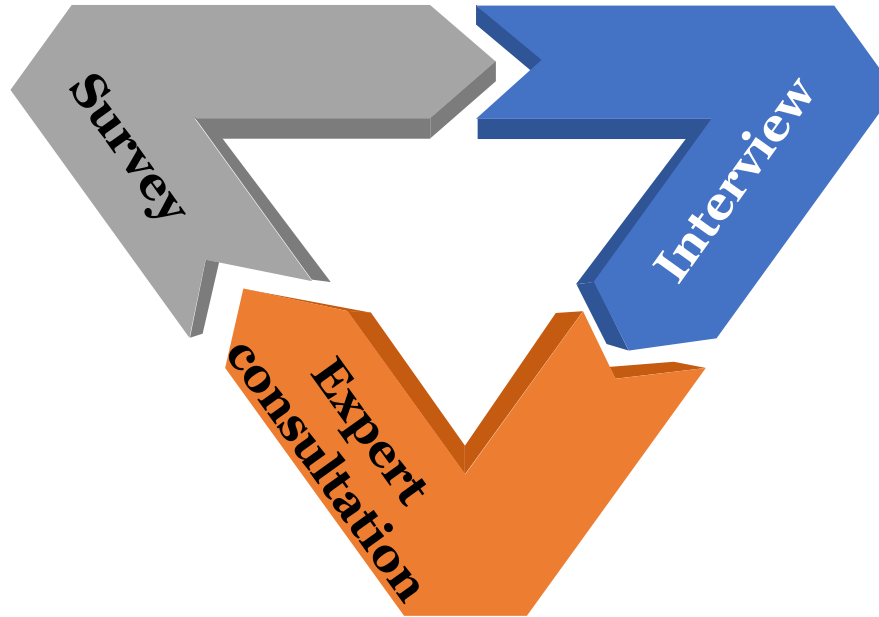
More specifically, the study seeks to respond to the following questions:

- ❑ How have the proposed support measures addressed areas of concern of poor women and women in the informal sector?
- ❑ Have the stimulus packages been useful to the women led micro, small and medium enterprises (MSMEs)? What are the bottlenecks for successful use of such measures?
- ❑ How can the delivery mechanism for the announced stimulus packages be made impactful, inclusive, transparent and accountable?

## **3. Methodology and Analytical Approach**

# 3.1 Methodology of primary data collection

**Telephonic  
survey of female  
entrepreneurs**



**Key Informant  
Interviews (KIIs)  
with government  
officials, gender  
rights activists, bank  
officials, leaders of  
women chambers of  
commerce and  
trading associations**

**Expert Group Meeting (EGM) with representatives  
from the government, central bank, women's rights  
associations, community based organizations working  
on women's issues and non-governmental  
organizations working at the grassroots level**

## 3.2 Analytical approach of the study

- The analytical frame of the report is a **holistic human rights** and **gender-responsive** approach to respond to the crisis and support the building of a more **equal and inclusive society** that is more **resilient** in the face of crisis of different kinds, and support progress on efforts towards 2030 Agenda for **Sustainable Development Goals**.
- While analysing stimulus and relief measures from the point of their adequacy and effectiveness, other **gender specific issues** during crisis are also highlighted.
- The study makes recommendations for **impactful, inclusive, transparent and accountable delivery mechanisms for the announced stimulus packages** so that the affected sectors can recover from the COVID-induced shocks.

## **4. Review of proposed socio-economic recovery measures by the government**

# 4.1 Summary of Stimulus packages

**Total stimulus packages:** Tk 1,24,053 crore or 4.44 percent of Bangladesh's GDP

**Fiscal support:**

for doctors, nurses and health workers, and distribution of free food items, rice at Taka 10 per kilogramme, and cash among the poorest people; resources for allowance programmes, construction of houses for homeless people, procurement of boro paddy and rice, farm mechanisation, agricultural subsidies, and social safety net programmes.

## 4.2 Fiscal support to the poor

- Fiscal support was announced for doctors, nurses and health workers, and distribution of free food items, rice at Taka 10 per kilogramme, and cash among the poorest people.
- An amount of Tk 1250 crore has been allocated for direct cash transfer. A total of 50 lac households were to be provided Taka 2500 as cash support.
- The government also allocated resources for allowance programmes, construction of houses for homeless people, procurement of boro paddy and rice, farm mechanisation, agricultural subsidies, and social safety net programmes.
- Recently, a fiscal support of Tk 1,200 crore has been announced for the poor. All disadvantaged elderly people, widows and female divorcees in the country's 150 upazilas will be brought under the package. This will, be implemented in fiscal year 2021-2022.

## 4.3 Liquidity Support for the small businesses

- Liquidity support has been provided to the export-oriented industries, large industries and service sector organisations, and cottage, micro small and medium enterprises (CMSMEs).
- Support has been announced in the form of increased Export Development Fund of Bangladesh Bank, pre-shipment credit refinance scheme, refinancing scheme for the agriculture sector, low-income farmers and small traders, loans for job creation, government subsidy for interest waiver of deferred bank loans and credit guarantee scheme for SMEs.
- Liquidity support worth USD 2,353 million or BDT 20,000 crore, equivalent to 19.43% of total COVID-19 funding and 0.72% of GDP.
- Another package amounting to Tk 1,500 crore has been announce in January 2021 for the CMSMEs.



## 4.3 Liquidity support for small businesses

### **Purpose**

Working capital to ensure smooth continuation of usual business operations

### **Target group**

Any medium, small, micro or cottage enterprise

### **Maximum loan amount**

Will vary depending on the enterprise

### **Interest rate**

9%;  
borrower will pay 4%;  
government will pay 5%

### **Eligibility of loan defaulters**

Yes; even borrowers with “no capacity or inclination to repay” are eligible

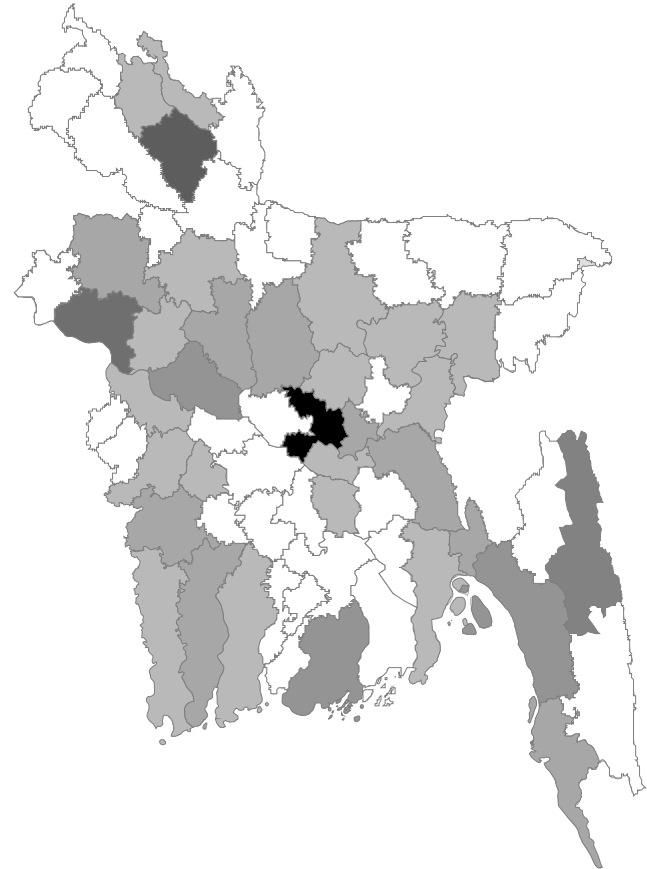
### **Accountability mechanisms**

None

## **5. Findings from survey of women entrepreneurs**

## 5.1 Geographic distribution of respondents

- Rapid response telephonic survey of female entrepreneurs was conducted in October 2021.
  - **70** female entrepreneurs
  - **34** districts of Bangladesh
  - **8** divisions of the country



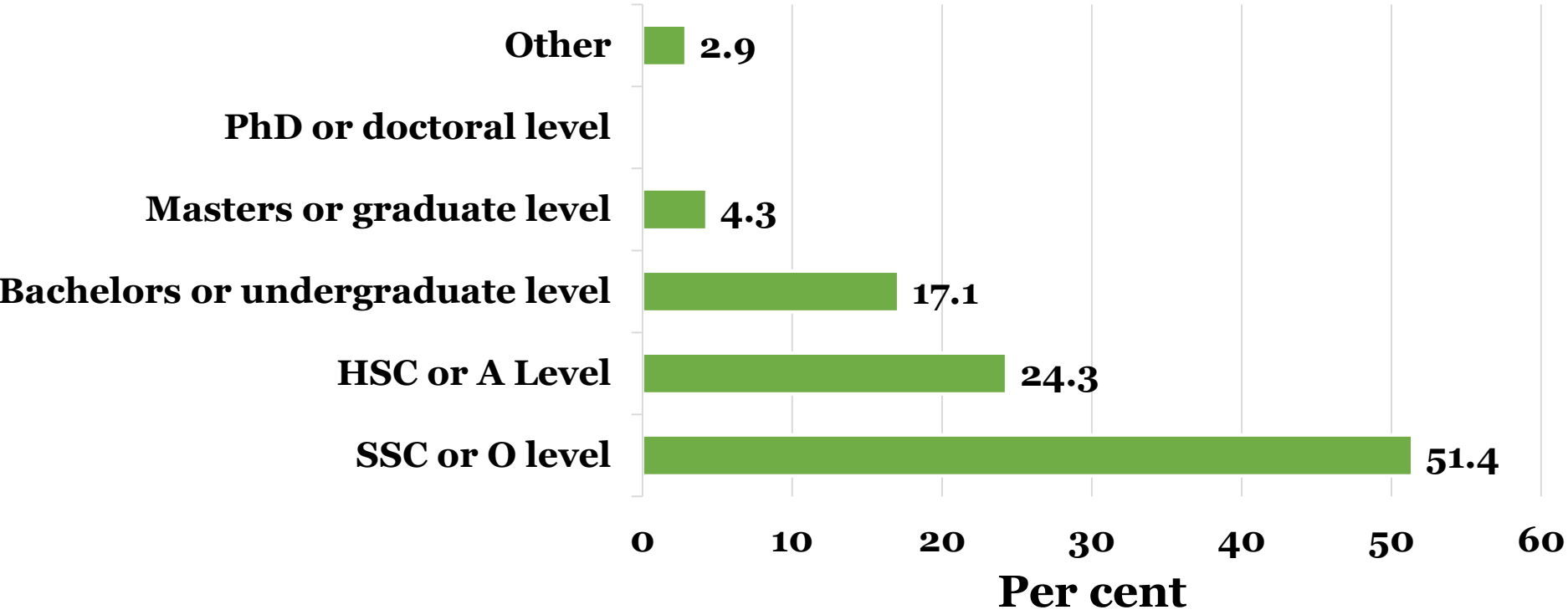
# 5.2 Sectors of business involvement

Sectors of business involvement	Percentage of surveyed female entrepreneurs involved
Clothing or textile	21
Beauty parlour	14
Trade (import & export)	11
Manufacturing	11
Handicrafts	10
Cosmetics	10
Agriculture	9
Dairy and livestock	9
Products made from wood	6
Jewelry	6
Food	4
Footwear	4
Dealer of ice cream	3
Hotel or accommodation	1
Repairs and maintenance	1
Products made from leather	1

## 5.2 Sectors of business involvement

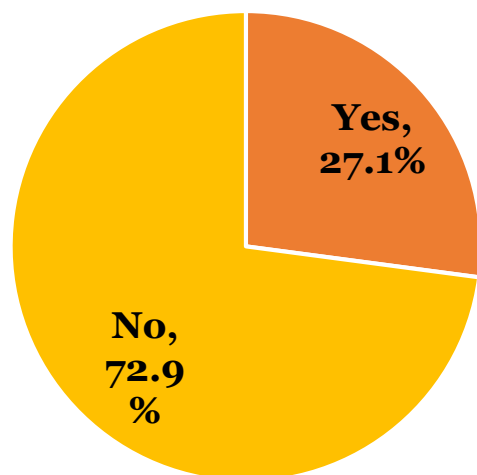
Sectors of business involvement	Percentage of surveyed female entrepreneurs involved
Products made of jute	1
Products made from bamboo	1
Homeopathy medicine	1
Cutlery business	1
Flower business	1
Chemical and fertilizer	1
Sales of motorcycle parts	1
Distributor of telecom operator	1
Retail selling of cement, rod	1
Stationary products and books	1
Rod, cement, angle bar, flat bar	1
Gift items	1
Primary school	1
Distributor	1
Grocery business	1
Computer training	1

# 5.3 Education level of respondents

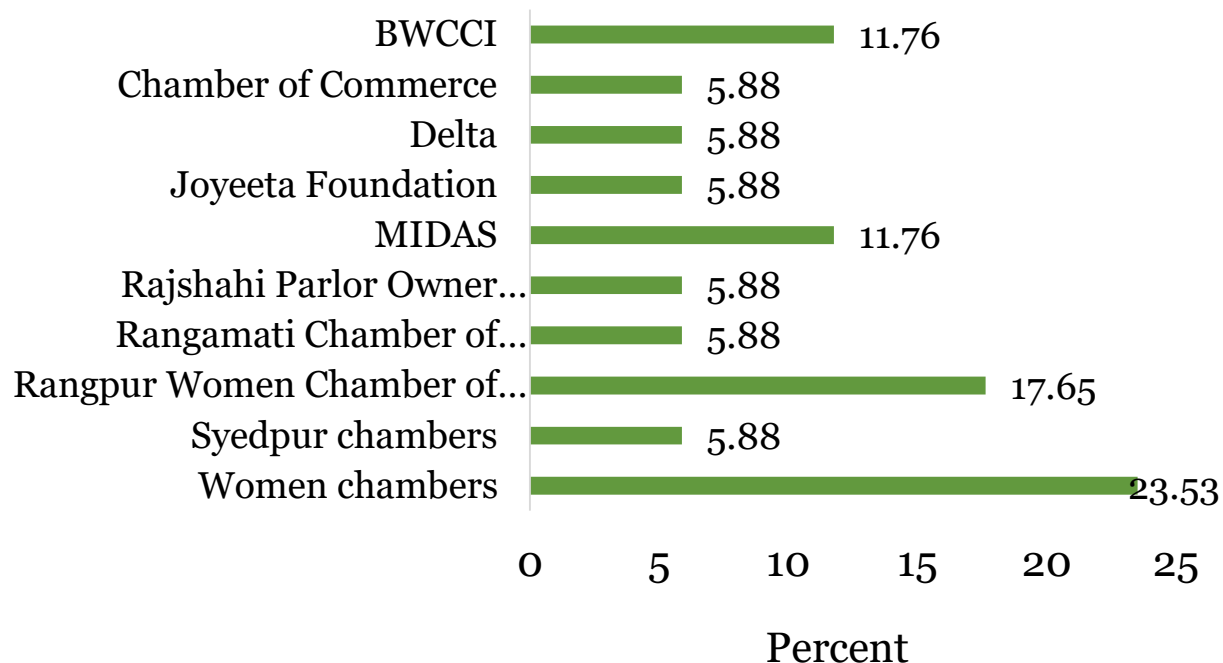


# 5.4 Involvement with business associations

Are you member of any business association or chamber?

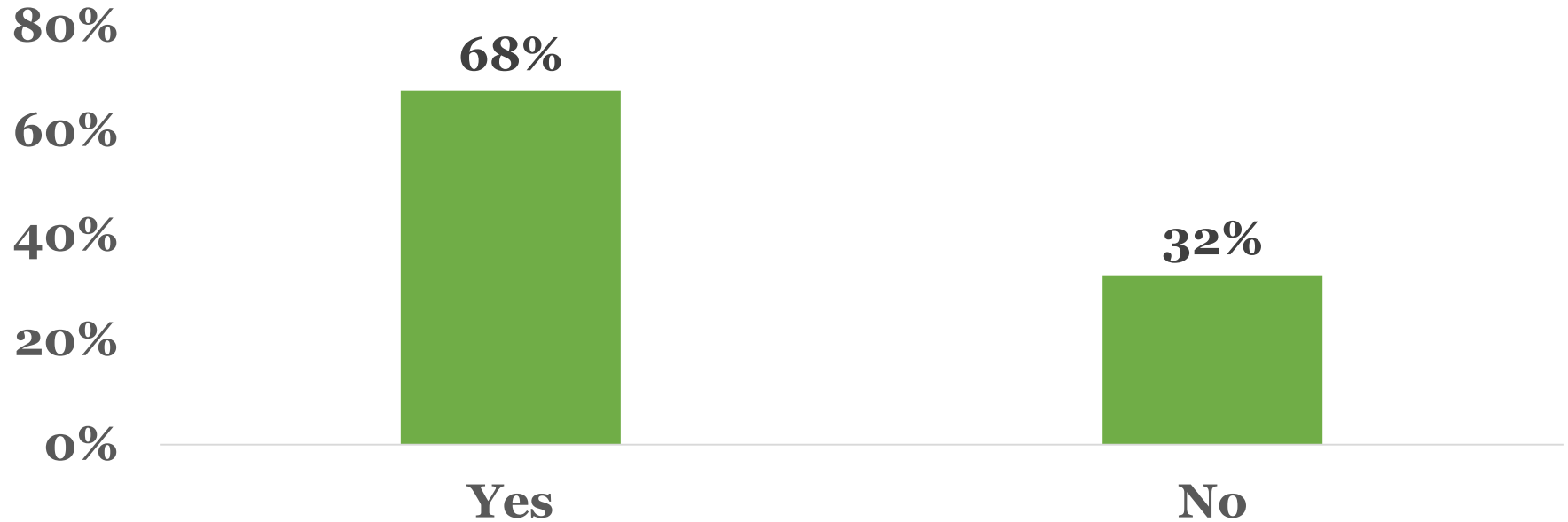


If yes, then which business association or chamber are you a member of?



## 5.5 Collateral or mortgage for loan application

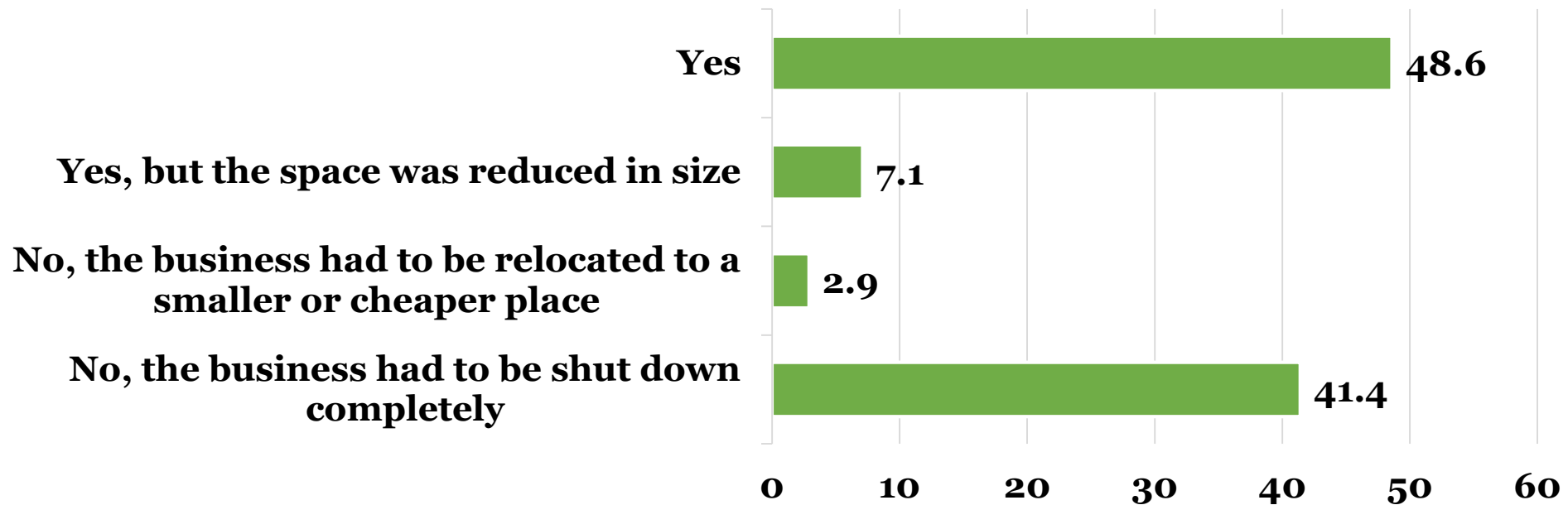
Do you have any collaterals or mortgages to take loan from bank?





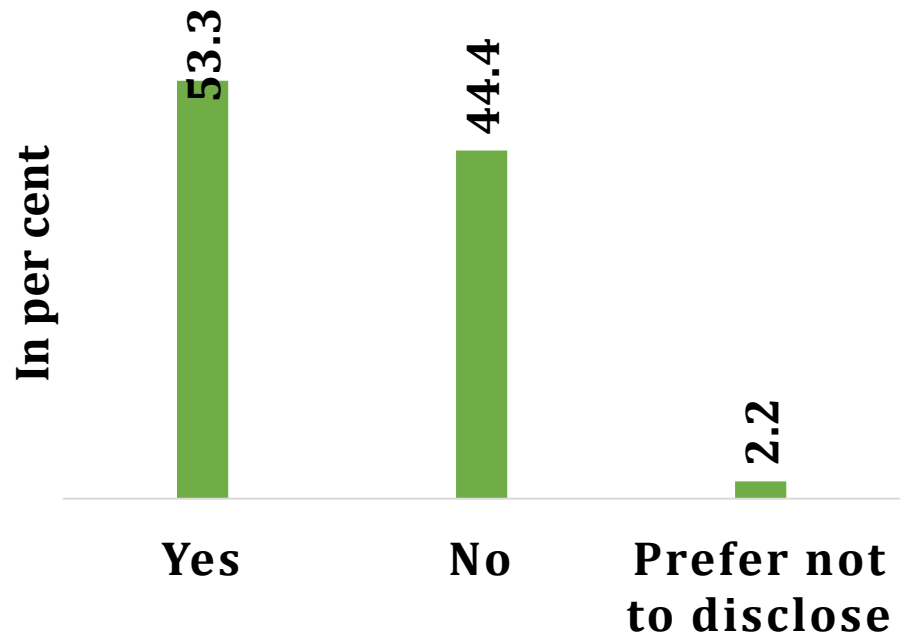
## 5.6 Status of the business operation after COVID

**Have you continued business operations in your usual premises even after the start of the COVID-19 pandemic?**

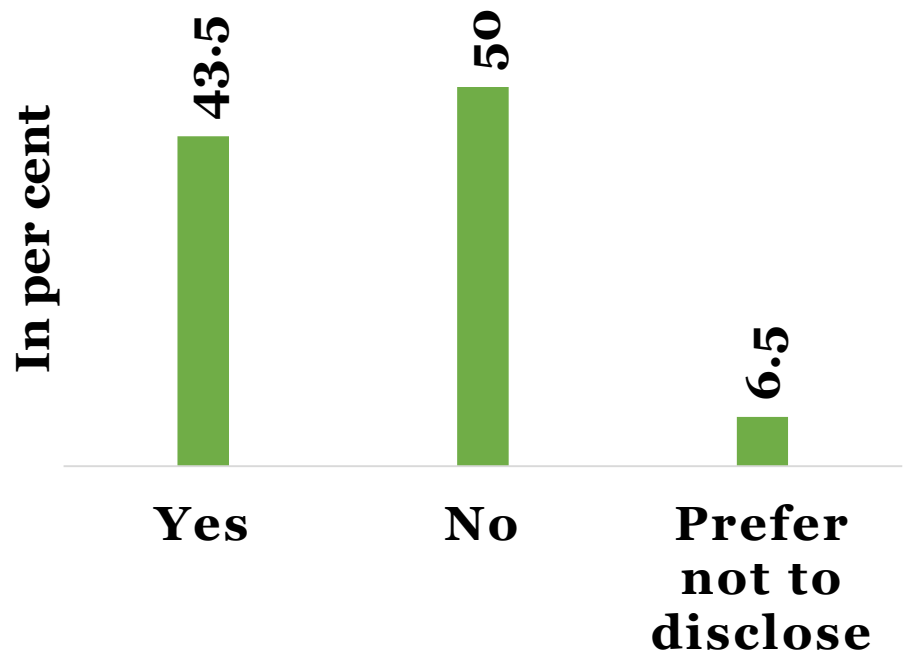


# 5.7 Payment of rent, taxes and utility bills after COVID

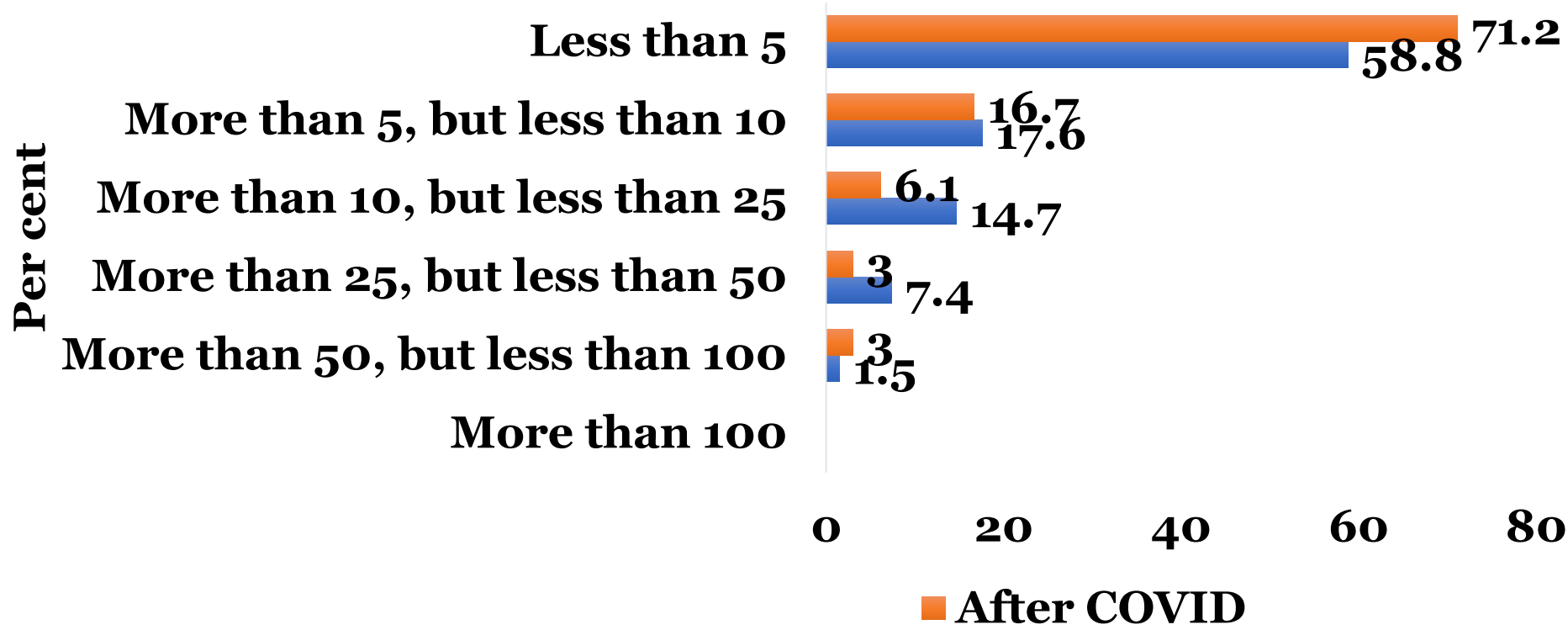
Have you managed to pay rent regularly?



Have you managed to pay all government taxes and utility bills?

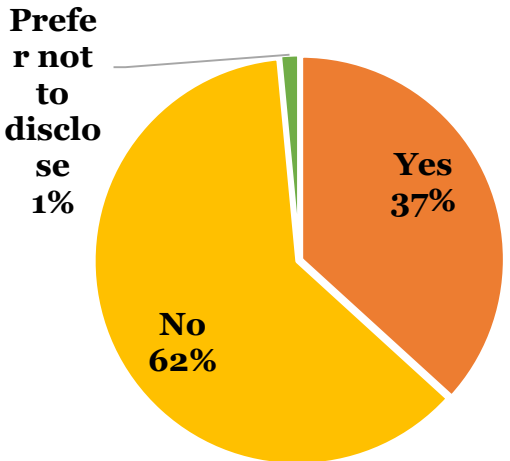


# 5.8 Proportion of employees before and after the COVID

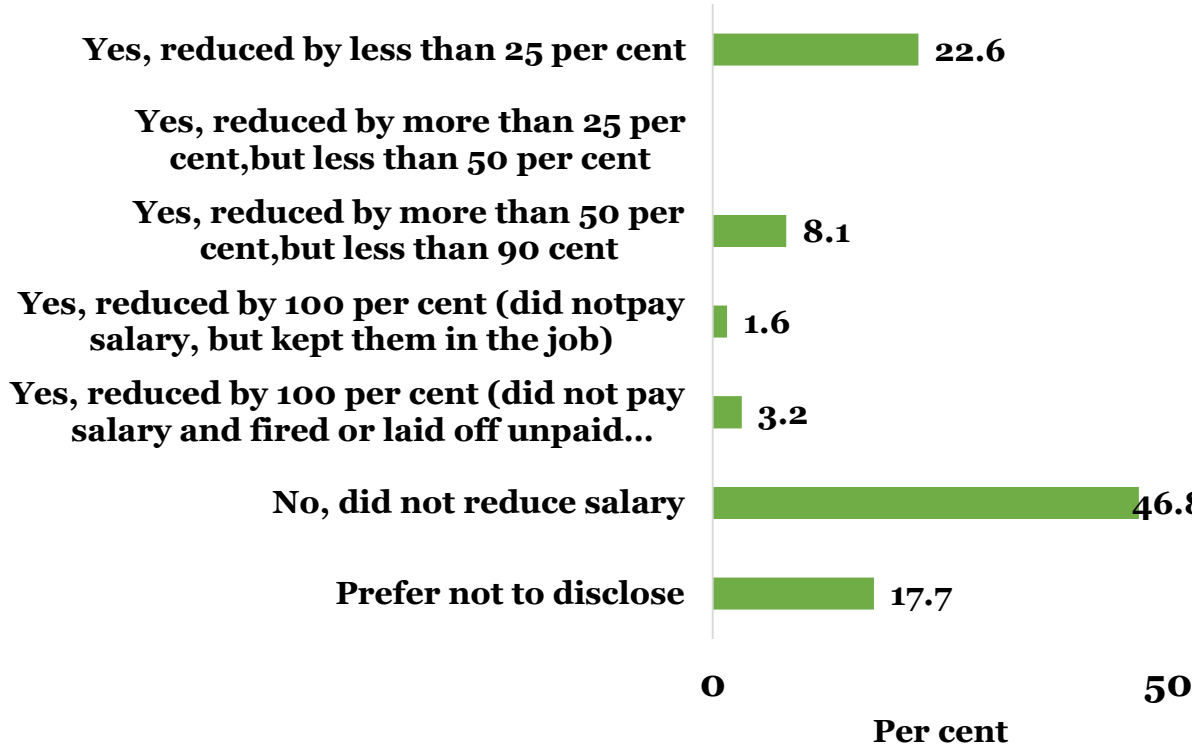


# 5.9 Layoffs and salary cuts

**Have you fired or laid off your employees because of COVID-19?**

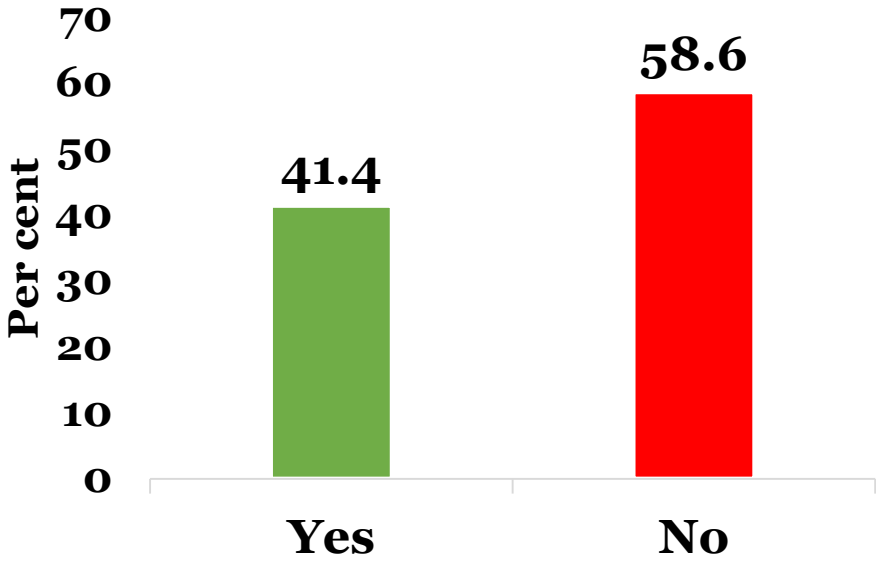


**Have you reduced your employees' salaries after the start of the COVID-19 pandemic?**

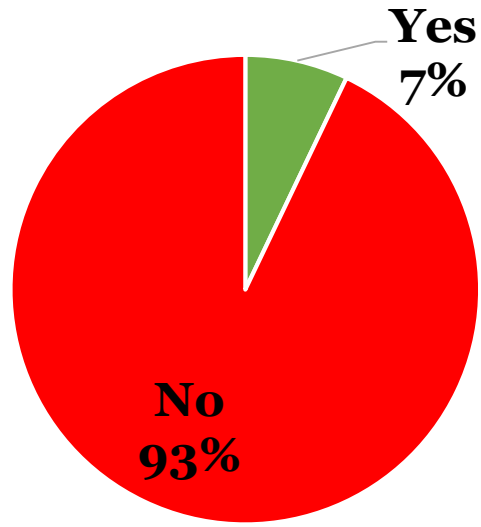


# 5.10 Stimulus package: awareness and loan application

Have you heard about the stimulus package announced by the government for Women CMSMEs in view of COVID-19?



Have you applied for any loan under the stimulus package?



# 5.11 Reasons for not applying for loan under the stimulus package

- Some think of it as **lengthy process**
- **Bank officials do not encourage** to take loan saying that there is no such loan for women SMEs yet
- Some entrepreneurs think that they did not get loans since they were **single women**
- Lack of information regarding **where to go, who to ask, what to do and how to apply for it**
- **Banks are unwilling** to provide the amount of money which they need
- Most of their income has fallen, and so they are **worried about monthly repayment** of loan
- Some are not interested to take any loan as they have **contracted their businesses**
- Bank officials told them that there were **no orders from the authority to give loans to women**
- Due to the existing loans they **cannot take the burden of repaying new loans**
- **Bank officials create extra hassle** which do not encourage them to apply for loan
- Some women felt that they do not have any need for taking the loan as **business can run without loan**

## **6. Findings from key informant interviews**

# 6.1 Problems faced by women and girls before and during the pandemic

		Problems	
		Gender-specific	Gender-neutral
<b>Existence</b>	<b>Before COVID-19</b>	<ul style="list-style-type: none"> <li>• Social stigma limiting women's civic space</li> <li>• Rape, domestic violence by partners and violence against women and girls</li> <li>• Burden of unpaid care and domestic work</li> <li>• Child marriage</li> </ul>	<ul style="list-style-type: none"> <li>• Digital divide—lack of devices and connectivity</li> <li>• Hunger and starvation</li> </ul>
	<b>After COVID-19</b>	<ul style="list-style-type: none"> <li>• Increase in rape, domestic violence by partners and violence against women and girls in general</li> <li>• Increase in burden of unpaid care and domestic work</li> <li>• Increase in child marriage</li> <li>• Inability to purchase sanitary napkins during lockdowns</li> </ul>	<ul style="list-style-type: none"> <li>• Delay in education and dropouts from educational institutions</li> <li>• Decline in state of mental health</li> <li>• Economic hardship due to loss of jobs and income</li> <li>• Increase in hunger and starvation</li> </ul>



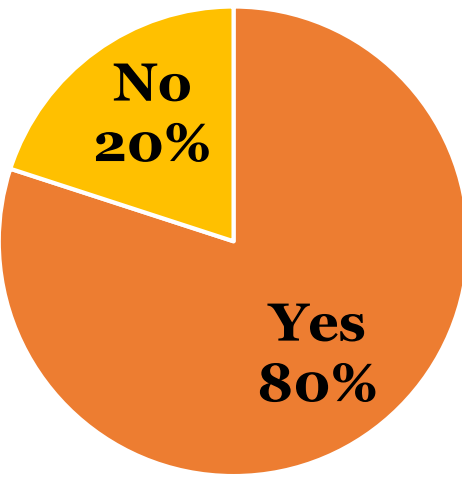
# 6.2 Spectrum of women's vulnerability

	Least vulnerable				Most vulnerable		
<b>Before COVID-19</b>	<ul style="list-style-type: none"> <li>• Women who are small business owners</li> </ul>	<ul style="list-style-type: none"> <li>• Urban women working in formal jobs</li> </ul>	<ul style="list-style-type: none"> <li>• Middle class housewives</li> </ul>	<ul style="list-style-type: none"> <li>• Lower-middle class housewives</li> </ul>	<ul style="list-style-type: none"> <li>• Women working in Informal or semi-formal jobs</li> </ul>	<ul style="list-style-type: none"> <li>• Women from climate vulnerable regions</li> </ul>	<ul style="list-style-type: none"> <li>• Ultra-poor women in rural areas</li> </ul>
<b>After COVID-19</b>					<ul style="list-style-type: none"> <li>• Urban women working in formal jobs</li> <li>• Women who are small business owners</li> </ul>	<ul style="list-style-type: none"> <li>• Lower-middle class housewives</li> <li>• Middle class housewives</li> </ul>	<ul style="list-style-type: none"> <li>• Ultra-poor women in rural areas</li> <li>• Women from climate vulnerable regions</li> <li>• Women working in Informal or semi-formal jobs</li> </ul>

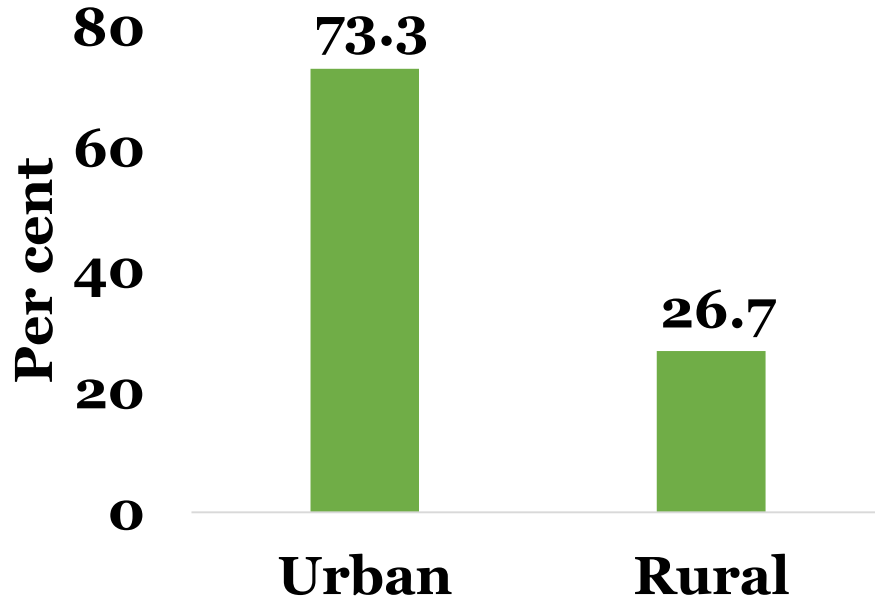


# 6.3 Burden of unpaid care work during COVID

Do you think COVID-19 has increased women's burden of work, particularly the burden on unpaid care work?

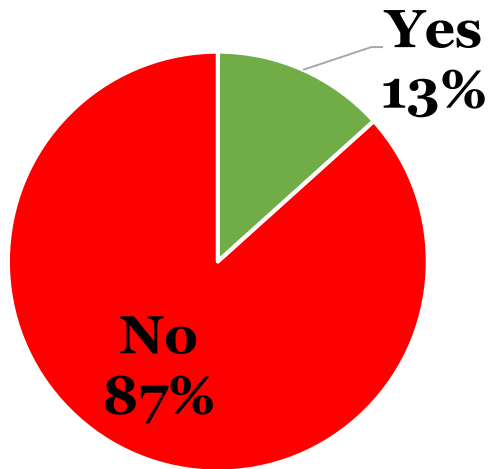


In which type of geographical region is the burden of women's unpaid work higher?

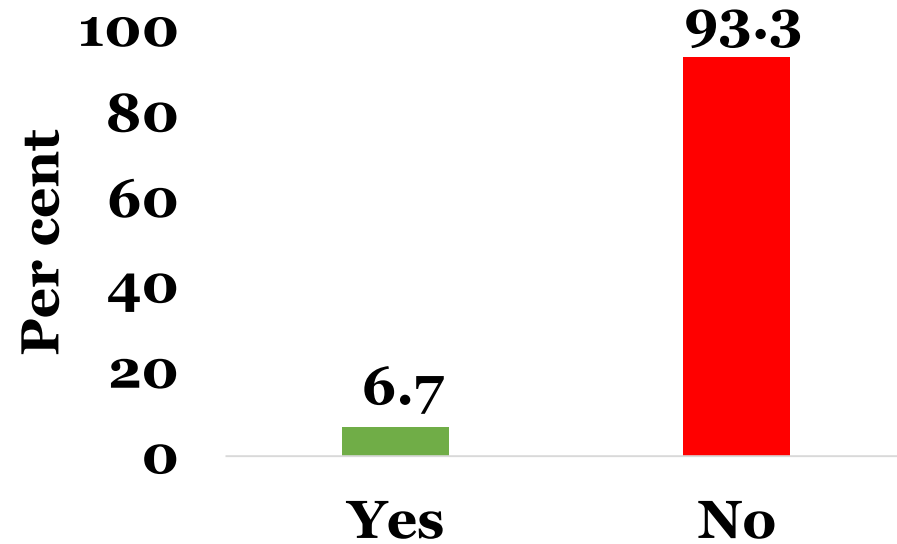


# 6.4 Have women benefitted from the government's liquidity or stimulus packages?

Do you think that women-led Cottage, Micro, Small and Medium Enterprises (CMSMEs) are being able to benefit from the COVID-19 stimulus package announced by the government?



The government has allocated BDT 2,500 per household for 50 lakh (5 million) households. Do you think women have been benefitted from this?



## **7. Policy recommendations**

## 7.1 Validation of findings and recommendations from panel of experts

Findings	S	KIIs	EGM	Recommendations from experts
Increase in child marriage after COVID-19	✓	✓	✓	<ul style="list-style-type: none"> <li>Public awareness regarding child marriage, women's burden of unpaid care and domestic work, and violence against women and girls should be created through nation-wide campaigns using all forms of media available</li> </ul>
Increase in violence against women and girls after COVID-19	✓	✓	✓	
Increase in the burden of unpaid care and domestic work after COVID-19	✓	✓	✓	
The implications of the digital divide are worse for women and girls compared to men and boys	✓	✓	✓	<ul style="list-style-type: none"> <li>Public awareness should be created so that women and girls are not excluded from the use of technology such as mobile phones</li> <li>Training should be provided to women entrepreneurs so that they can benefit from the fourth industrial revolution</li> </ul>
There is a lack of awareness among women, and the general public at large, regarding the government's liquidity support and stimulus packages	✓	✓	✓	<ul style="list-style-type: none"> <li>Public awareness on the liquidity support and fiscal stimulus packages should be increased through nation-wide campaigns so that the general population can clearly understand what kinds of support are being provided by the government, who are eligible for such support and how to obtain the support</li> </ul>

## 7.1 Validation of findings and recommendations from panel of experts

Findings	S	KIIs	EGM	Recommendations from experts
Government's existing COVID-19 related liquidity support and fiscal stimulus packages are inadequate for women	✓	✓	✓	<ul style="list-style-type: none"> <li>• New liquidity support and fiscal stimulus packages, with a dedicated focus on women, should be designed and announced immediately</li> <li>• The quota for women in the existing liquidity support package for CSSMEs should be increased</li> </ul>
Unless women entrepreneurs are supported by the government through liquidity support or fiscal stimulus, many of them will not be able to continue business operations	✓	✓	✓	
A large portion of people who are actually poor and in dire need, did not receive any form of support from the government—whether in the form of relief items, liquidity support or fiscal stimulus	✓	✓	✓	<ul style="list-style-type: none"> <li>• A needs assessment should be conducted to understand the extent of damage done by COVID-19, the amount of support required and the people who need the support</li> <li>• Government should work in collaboration with NGOs, international development partners and other stakeholders to ensure efficient allocation of COVID-19 related support</li> <li>• The status of COVID-19 support disbursement, along with the lists of beneficiaries should be made publicly available in order to ensure transparency and accountability</li> </ul>
Widespread corruption has taken place in the distribution of government's relief items	✓	✓	✓	

## 7.1 Validation of findings and recommendations from panel of experts

Findings	S	KIIs	EGM	Recommendations from experts
Banks cannot find women entrepreneurs who meet all the necessary eligibility requirements and are suitable for providing loans		✓	✓	<ul style="list-style-type: none"> <li>More women entrepreneurs should be brought under the ambit of the formal banking system with the support of business associations</li> </ul>
Women entrepreneurs feel that banks are reluctant to provide loans	✓		✓	<ul style="list-style-type: none"> <li>Bank officials should be trained on gender-related issues so they become more gender-sensitive and take women entrepreneurs seriously</li> </ul>
Definition of “trading” and “traders” puts many small businesses, including those owned by women, at an unfair disadvantage in terms of obtaining loans from banks—both during ordinary circumstances as well as during the pandemic		✓	✓	<ul style="list-style-type: none"> <li>The definition of trading should be revised so that small retailers are recognized as retail service providers and not traders</li> <li>The quota for providing loans to traders should be increased, considering that a vast portion of entrepreneurs may fall under this category</li> </ul>
COVID-19 has increased women’s existing vulnerabilities and also created new vulnerabilities for women		✓	✓	<ul style="list-style-type: none"> <li>New liquidity support and fiscal stimulus packages, with a dedicated focus on women, should be designed and announced immediately</li> </ul>

## 7.1 Validation of findings and recommendations from panel of experts

Findings	S	KIIs	EGM	Recommendations from experts
There are a lack of data and lack of transparency regarding the identity of the beneficiaries of government support, how much government support is required, and how much government support was provided		✓	✓	<ul style="list-style-type: none"> <li>• A needs assessment should be conducted to understand the extent of damage done by COVID-19, the amount of support required and the people who need the support</li> <li>• The status of COVID-19 support disbursement, along with the lists of beneficiaries should be made publicly available in order to ensure transparency and accountability</li> </ul>
The stimulus package for CSSMEs is exceedingly complex in terms of rules and regulations, and the eligibility requirements are stringent and vague		✓	✓	<ul style="list-style-type: none"> <li>• Public awareness on the liquidity support and fiscal stimulus packages should be increased through nation-wide campaigns so that the general population can clearly understand what kinds of support are being provided by the government, who are eligible for such support and how to obtain the support</li> </ul>
Some banks still require women to provide male guarantor for obtaining loans, which can be difficult for some women to arrange		✓	✓	<ul style="list-style-type: none"> <li>• Women should not be required to have male guarantor for obtaining loans; the central bank should issue a circular instructing all banks to phase out such requirements</li> </ul>



## 7.1 Validation of findings and recommendations from panel of experts

Findings	S	KIIs	EGM	Recommendations from experts
Banks will provide loans based on central bank's guidelines and bank-client relationship so small borrowers and new borrowers will find it more difficult to obtain loans compared to large borrowers and new borrowers		✓	✓	<ul style="list-style-type: none"> <li>Liquidity support is inappropriate for small borrowers and new borrowers, as well as those who are the poorest and most vulnerable. Therefore, direct cash support should be provided by the government so that these groups can adjust to the shocks of COVID-19</li> </ul>
Women use money differently from men; women are more likely to invest in their children's health and education			✓	<ul style="list-style-type: none"> <li>New liquidity support and fiscal stimulus packages, with a dedicated focus on women, should be designed and announced immediately</li> </ul>
Disabled individuals, including disabled women, have been unable to travel to the location of relief distribution and so could not get government support			✓	<ul style="list-style-type: none"> <li>Liquidity support is inappropriate for small borrowers and new borrowers, as well as those who are the poorest and most vulnerable. Therefore, direct cash support should be provided by the government so that these groups can adjust to the shocks of COVID-19</li> </ul>
The poorest and most vulnerable do not have national identity cards or mobile phones, so distributing relief or providing liquidity support or fiscal stimulus to such people in an efficient manner is challenging			✓	

## 7.1 Validation of findings and recommendations from panel of experts

Findings	S	KIIs	EGM	Recommendations from experts
Some women have always been in lockdown, even before COVID-19			✓	<ul style="list-style-type: none"> <li>Public awareness regarding the empowerment of women and girls should be created through nation-wide campaigns using all forms of media available</li> </ul>
Banks are not gender-sensitive—banks do not understand the needs of women, whereas women do not understand the needs of banks			✓	<ul style="list-style-type: none"> <li>Bank officials should be trained on gender-related issues so they become more gender-sensitive and take women entrepreneurs seriously</li> <li>Women entrepreneurs should be trained so that they open and maintain business-related bank accounts, keep records of business-related transactions with their bank and take steps towards obtaining a trade license</li> </ul>
Utilisation of government's gender-related funds is poor even during ordinary circumstances, so it is worse during COVID-19			✓	<ul style="list-style-type: none"> <li>The status of COVID-19 support disbursement, along with the lists of beneficiaries should be made publicly available in order to ensure transparency and accountability</li> </ul>
Women entrepreneurs are often associated together with marginalised women although they are driving economic growth instead of being a burden			✓	<ul style="list-style-type: none"> <li>Women entrepreneurs and women who are marginalised should be viewed separately, both during the design of government support and during the provision of loans</li> </ul>

## **8. Conclusions**

## 8.1 Conclusions

- The government's COVID-19 liquidity support and fiscal stimulus packages were not designed with women in mind, and hence have not been fully successful in addressing women's special needs during the pandemic.
- Most women are unaware of the government's COVID-19 liquidity support and fiscal stimulus packages.
- Women who were aware of the government's liquidity support packages were still reluctant to apply for loans.
- Due to the economic downturn and the uncertainty regarding the future, women need cash handouts more than loans and so fiscal measures would be more effective in easing the burden of the pandemic on women than monetary measures.

# THANK YOU



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