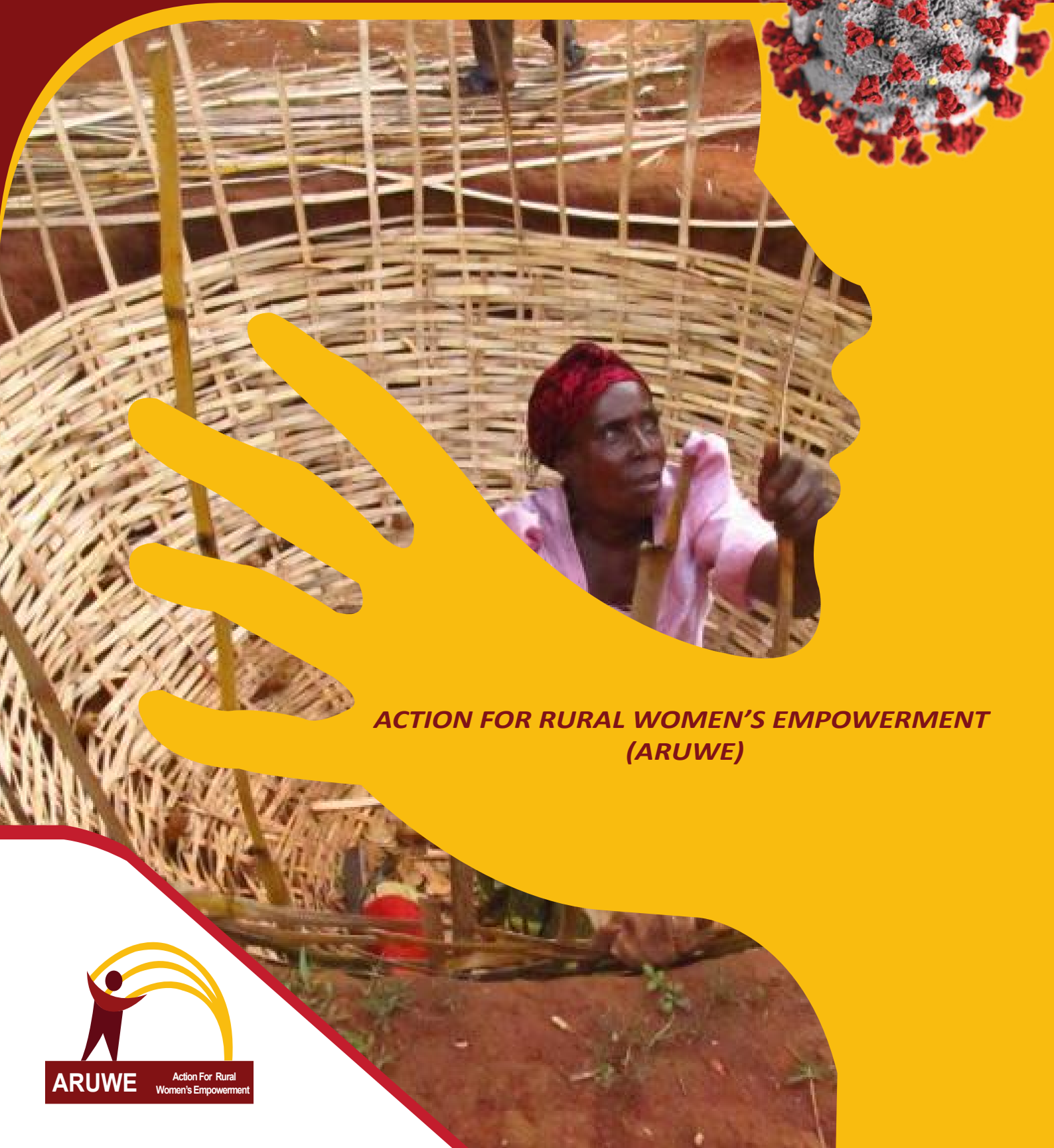
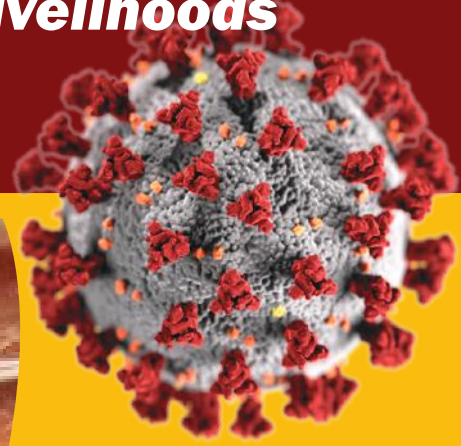


COVID 19: Policy Brief

Advancing inclusive and gender-responsive social protection for productive livelihoods

August 2021



***ACTION FOR RURAL WOMEN'S EMPOWERMENT
(ARUWE)***



Context

Since the declaration of COVID-19 as a global pandemic, there has been massive disruption of livelihoods occasioned by the stringent measures put in place to curb the spread of the disease. The government of Uganda's initial Covid-19 response measures included closing all educational institutions, banning public gathering and imposing travel restrictions to and from affected countries until May 2020 when the measures were relaxed in a phased manner. In June 2021, Uganda experienced a second wave and a lockdown was instituted again for a duration of at least 42 days (Presidential address on June 18th 2021).

At the macro level, the economy is projected to have slowed down by nearly half for FY2019/20 compared to 2018/19. At the micro level, the measures to contain the spread of COVID-19 have had devastating effects on communities, disproportionately affecting the poorest sections of society and those engaged in informal sectors who depend on labour income. The fast spreading pandemic has also affected livelihoods across the country including households that were not usually categorised as vulnerable, but have fallen into poverty due to job loss. Besides, for a section of society that relied on remittances, this source of income was lost due to the economic downturn occasioned by the pandemic. Social protection (SP) programmes can provide additional support to mitigate the impact of COVID-19 on vulnerable groups, and the long-term recovery of the economy through investments in the well-being of the

vulnerable people and those pushed into poverty by the pandemic.

This brief focuses on social protection for women and girls within the broader social protection framework. While both women and men face a number of risks and are entitled to social protection, women face multiple and intersecting forms of oppression which intensifies the risks they face, with a higher risk of falling into poverty. First, because of patriarchal dictates, women are seen as caregivers, relegated to performing unpaid domestic duties which prevent them from securing their own income, making them susceptible to shocks. Secondly, Women in Uganda are disproportionately self-employed in informal enterprise (86.2% of working women)¹ as such extended lockdowns have significantly affected women enterprises increasing their vulnerability. Informal entrepreneurs generally have low and uncertain income and marginal working conditions, are not reached by social security or labour protection legislation, and lack collective bargaining and representation rights². Informality compounds other barriers women face such as lower access to finance, lower ability to exercise property, business, and labour rights, and lower voice and visibility. Given that Uganda's major social protection systems are contributory and mainly accessed through paid formal employment, women have less access to them given their low labour force participation.

Social-economic impacts of COVID-19

Declining incomes, deepening poverty

Projections indicate that economic growth in Uganda slowed down to 3.2% in FY 2019/20 from 6.8% in FY 2018/19 with further uncertainties for FY2020/21 due to loss of employment opportunities and disruptions to supply chains. The strain on incomes resulting from the decline in economic activity will devastate workers close to or below the poverty line. In March 2020, the International Labour Organization (ILO) projected that about 25 million jobs could be lost in Africa due to COVID-19³. Projections in Uganda further showed that if COVID-19 persisted for six months (from March 2020), about 3.8 million workers would lose their jobs temporarily while 625,957 would lose their employment permanently. Projection based on the national estimates for employment, show that such layoff would constitute a reduction of 42% in temporary employment and 7% permanent employment. Community interviews in Kyankwanzi and Wakiso indicated that 90% of the households lost their income sources due to lockdowns; where farming and petty trading are the primary activities in the two locations respectively. Besides, for a section of society that relied on remittances, this source of income was lost due to the economic downturn occasioned by the pandemic. Before the pandemic, Ugandans relied on remittances for livelihood support, and the country received at least 4.1% of its GDP as remittances in 2019, which is projected to decline by about 15% between 2020 and 2021.

The Covid-19 and associated containment measures have potential to further send poor and vulnerable families to acute poverty, further widening the inequality gap. In Uganda, over 8.3 million people (19.7%) live below the national poverty line who were already vulnerable before COVID-19 and in need of assistance. Needless to say, estimates in Uganda suggest that as a result of COVID-19, an addition 3.3 million people were pushed into poverty, necessitating the government to expand coverage even to those population groups.

Increased food insecurity

COVID-19 severely affected accessibility to food, as food supply chains, particularly urban food systems were disrupted during the lockdown period. Although continuous supply of food from countryside to markets was possible, ease to travel to markets by citizens was negatively affected. Moreover, mobile markets that would take food closer to the communities were suspended ultimately reducing food accessibility to many who do not live near food markets. People living in poverty in urban areas, who largely rely on casual jobs in the informal sector, were disproportionately affected due to reduced access to income and high dependence on market purchases. In contexts where shocks lead to food gluts or shortages, food prices are bound to increase, with prices of the most nutritious foods likely to experience the highest spike.

8.3 million people

in Uganda live below the poverty line

Increased poverty and inequality gap have necessitated government to expand social protection coverage.

3.3 million people

pushed into poverty by the pandemic

3.8 million workers

at risk of losing jobs

86.2%

of working women
are in informal sector and have less access to social protection

A survey by Uganda Bureau of Statistics (UBOS) on consumer price index (CPI) in April 2020, showed an increase in food prices up to 4.8% especially for the staple foods. In particular, the price of maize increased from 32.2% for the year ended March to 37.0% in April 2020. Similarly, the price of rice rose from 0.3% in March to 7.4% in April 2020⁴. Indications of higher food prices coupled with increased consumption and high dependency levels will certainly lead to bigger socioeconomic impacts, especially for the most vulnerable households. Community interviews in Kyankwanzi corroborated this data and reported an increase in the prices of beans to UGX3,000 per kg up from UGX2,000 per kg, while in Wakiso the cost of beans went to UGX4,000 per kg up from UGX2,800 per kg.

Worsening inequality

Epidemics and economic crises can have a disproportionate impact on certain segments of the population, which can trigger worsening inequality. While men reportedly have a higher fatality rate, women and girls are especially hurt by the resulting economic and social fallout.

Globally, 435 million women and girls will be living on less than \$1.90 a day – including 47 million pushed in to poverty as a result of COVID-19, by 2021 (UN Women and UNDP, 2020). Women are losing their livelihoods faster because they are more exposed to hard-hit economic sectors (such as services, informal business) or in occupations that are at the front line of dealing with the pandemic (e.g. nurses). The International Labour Organization estimates that 58.6% of employed women work in the services sector around the world, compared to 45.4% of men. In Uganda, employment in the services sector and agriculture reduced by about 61% and 43% respectively during lockdown compared to manufacturing sector at 27%⁵. Given the nature of employment, women also have less access to social protection and will bear a disproportionate burden in the care economy, in the case of closure of schools or care systems. Unprotected workers, including the self-employed and casual workers, are likely to be disproportionately hit by the virus as they do not have access to paid or sick leave mechanisms, and are less protected by conventional social protection mechanisms and other forms of income smoothing.

Social protection policies in Uganda

Social protection encompasses measures aimed at reducing lifelong suffering of individuals. Social protection directly impacts on poverty reduction, supports excluded citizens to access services, provides a foundation on which to build productive livelihoods, and enables citizens to live a life of security and dignity. Social protection measures include direct income transfers, safety nets, regulatory change and sensitization campaigns to protect the rights of socially and economically disadvantaged groups⁶.

In Uganda, social protection is a critical component in the Government's national development strategy for inclusive socio-economic transformation. Uganda's Vision 2040 and its attendant National Development Plan III (NDP III) outline Government's commitment to expand social protection as a strategic tool for reducing poverty and vulnerability, enhancing household resilience to shocks and supporting human capital development for sustainable and inclusive growth. As Uganda aspires to see her citizens enjoying a high-quality standard of living, it will focus on improving; the quality of its population, health and nutrition status, literacy and numeracy, housing, water and sanitation conditions and provision of social protection for the citizenry. The mechanisms spelled out include the universal pension for every citizen above the age of 65 years; assistance to the orphaned children, the disabled and the destitute. For the vulnerable youth and

other able-bodied persons, it is envisaged that social protection interventions will be channeled through public works schemes.

Social protection provision in Uganda is anchored in the National Social Protection Policy (NSPP) (2015). The NSPP defines social protection as public and private interventions to address risks and vulnerabilities that expose individuals to income insecurity and social deprivation, leading to undignified lives. The policy categorises social protection into two pillars; (i) protective and preventive interventions to mitigate factors that lead to income shocks and affect consumption. It is comprised of: Direct income support (variously referred to as social assistance) - non-contributory regular, predictable cash and in-kind transfers that provide relief from deprivation to the most vulnerable individuals and households; and Social insurance - contributory arrangements to mitigate livelihood risks and shocks such as retirement, loss of employment, work-related disability and ill-health. (ii) Social care and support services- a range of services that provide care, support, protection and empowerment to vulnerable individuals who are unable to fully care for themselves. These mechanisms are aimed at increasing resilience of Ugandans and ensuring adequate access to nutrition, health care, housing and education of the most vulnerable members of the communities.

How did the social protection system respond to the pandemic?

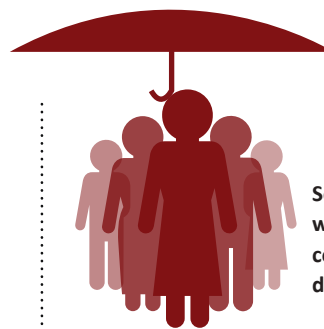
Amidst COVID-19 pandemic, the Ugandan government rapidly mobilized to respond to the pandemic in early March 2020. The government's response included the quick development of institutional arrangements, rapid pooling and allocation of funds, and the development of operational guidance to health system stakeholders on how to respond. Subsequently, a UGX 304 billion supplementary budget on 7 April 2020 to facilitate an immediate response to Covid-19 was approved by parliament, followed by the launch of a domestic fundraising platform dubbed the 'national response fund to Covid-19' to raise additional funding for the Covid-19 response. Just a few days before the end of FY2019/20, the Ugandan parliament passed an additional UGX 1.08 trillion in supplementary funding to the government, of which only UGX 105 billion was allocated to social protection. Other subsequent budgetary allocations and response measures in the early phase of Covid-19 included investment in the National Youth Livelihood Fund (YLF), Women Entrepreneurship Fund, the 'Emyooga' Talent Support scheme, and National Agricultural Advisory Services (NAADS) to create more jobs and keep young people in employment, financed by UGX1.087 trillion from the supplementary budget later approved by parliament in June 2020.

During 2020, the direct measures to support the vulnerable included;

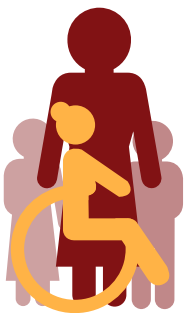
- (i) Financial relief for businesses including repayment holidays, debt relief of up to 12 months, stimulus packages for businesses, and reduction of the central bank lending rate from 9% to 8%, among others, in a bid to ensure adequate access to credit and promote the normal functioning of financial markets (BoU, 2020);
- (ii) Food relief targeting households in Kampala, Wakiso and Mukono districts who live on wage income. Each member of the household was apportioned six kilograms of posho and three kilograms of beans⁹. Special consideration was given to the elderly, sick, and pregnant women who were each apportioned additional nutritious foods including 2kgs of powdered milk, 2kgs of sugar, and salt⁹. The food distribution efforts however, brought out glaring weaknesses in government's ability to identify who needs assistance and how to get it to them. According to the government report, Shs 60 billion was spent to fund food distribution to 683,000 households covering 1.9 million persons.

Amid a devastating new wave of COVID-19 in June 2021, the President of Uganda HE Yoweri Museveni announced a national lockdown for at least 42 days on 18 June. A few days later, Prime Minister Rt. Hon. Robinah Nabbanja announced that the government would provide emergency cash transfers to the most vulnerable during this health crisis. The government announced that it had put aside UGX54.7 billion to be shared among 16 vulnerable groups including bus, taxi drivers and conductors, boda boda riders, salon operators, slum dwellers, orphans, and vulnerable children. The beneficiaries were to be reached through direct cash transfers targeting 501,197 households, and each allocated at least UGX100,000. According to the breakdown, beneficiaries are supposed to use UGX80,000 to buy 20 kilogrammes of maize flour, 10 kilogrammes of beans, one bar of soap and three litres of cooking oil. The balance of UGX20,000 would be spent on other essential items.

7.5 million Ugandans
in need of social assistance missed the government covid-19 relief food and cash



Social protection interventions were insufficient to completely compensate for the losses due to lockdown



Women, children and persons with disability were disproportionately affected by COVID-19 thus need for social protection policies targeting them



Lack of a national social registration system hindered government's ability to identify who needs assistance and how to

How well designed was the response in mitigating the impact of the pandemic?

During the COVID-19 pandemic, the concept of social protection was brought under more scrutiny as measures to support the vulnerable people and those who lost their livelihoods due to the pandemic were not immediately apparent, and the ability of implemented social protection programs to directly benefit people living in poverty remained unclear. Shock-responsive social protection requires: (a) inclusion of the most vulnerable members of the community; (b) expanding coverage to those made vulnerable by the crisis; (c) provision of adequate support that will address new needs such as loss of employment or access to food; (d) comprehensive benefits linked to longer-term livelihood recovery; and (e) efficient systems that deliver support in a timely manner.

Inclusion:

Social protection provision in Uganda is anchored in the NSPP, and interventions are designed based on its provisions. Recognising that women, children, and persons with disabilities are disproportionately affected by Covid-19, there should have been important aspects of social protection specifically targeting them, which was not the case due to policy rigidities and inadequacies. The glaring gap in the National Social Protection Policy with regards to the development of Social Care and Support pillar, creates a gender and equity gap in social protection provisioningⁱ that should be addressed.

Coverage:

With over 8.3 million Ugandans (19.7%) living below the national poverty line, the government targeting of 1.5 million vulnerable people under the Covid-19 relief programmes meant that the majority of people who needed relief were not reached. More than 7.5 million Ugandans who can hardly earn or spend UGX3,500 per day missed the government Covid-19 relief food and cash, according to analysis of the figures from UBOS. Needless to mention those who were pushed into poverty by the pandemic due to job loss, necessitating the government to expand coverage even to those population groups. The contributory social security scheme - the National Social Security Fund (NSSF) - was also put under scrutiny as a cross section of workers continued to call for midterm access of their savings, with the argument that it was necessary to cushion them from the effects of the COVID-19 pandemic.

Adequacy:

The social protection interventions were considered insufficient to compensate for the losses that people suffered during the lockdown. For example, the labour market interventions in form of guidelines not to terminate employment relationships were not legally binding, and so many people lost their jobs. The focus on the formal sector implied that the the government's response measures would not reach the poorest and most vulnerable citizens who are mostly engaged in the informal sector and are unable to access government measures like loans and tax benefits. Also, the food relief was not enough to last households through the lockdown period.

Comprehensiveness:

Social protection responses were limited to subsistence support, without linking to interventions that address additional risks that vulnerable households might face. There is need to link social protection to longer-term rehabilitation and recovery.

Delivery

The food distribution efforts brought out glaring weaknesses in government's ability to identify who needs assistance and how to get it to them. During the second wave of COVID-19, the announced cash transfers were to be tied to the dysfunctional national digital ID, colloquially referred to as *Ndaga Muntu*. However, the criteria for reaching the vulnerable remained unclear and one month into the lockdown, no cash transfers had been made. This stems partly from limited data about vulnerable groups and informal workers, and a lack of a social registration system that covers the entire population.

What can be done?

Review of labor and social protection polices

There is need for the government to create coherence between employment and social protection frameworks, to cater for both the formal and the informal sector. In particular, informal workers should also benefit from policies and laws such as the Employment Act, the Workman Compensation Act, the Occupational Safety and Health Act, and the National Social Security Fund Act among others.

Unemployment protection

There is also need to strengthen provisions on contracting for all kinds of workers, formal or informal, and stipulate the benefits on termination of the employer-employee relationship, including job losses occasioned by a pandemic or emergencies. This can include; providing one-off emergency payments to laid-off workers; measures to facilitate access to employment services, such as skills development; and active labour market policies to support jobseekers in finding a new job.

Gender responsive social assistance

Social assistance is a non-contributory transfer in cash, vouchers, or in-kind assistance to individuals or households in need. There is a need to expand coverage of gender-responsive social assistance and 'cash plus' measures, recognising their importance to enabling a gender-

transformative economic recovery. Universal direct income support program should be designed targeting a wide range of beneficiaries including children, women, persons with severe disability and those pushed into poverty due to pandemics. The programs can offer different packages that address the immediate, medium- and long-term vulnerabilities of the populace. This will ensure individual and household-level economic and financial inclusion, and play a role in reducing the severity of the impact of future crises.

Enhance social insurance packages

Related to the need for policy review, social protection should aim to prevent job losses or support those who lost their jobs. Social security and insurance schemes should be expanded to include compensation for job loss occasioned by emergencies. In particular, the National Social Security Fund (NSSF) should design packages responsive to members' economic situations in terms of crisis. Similarly, work man's compensations should consider compensation of members forced out of job by a pandemic or other emergency.

Increasing skills and productivity for women entrepreneurs

Increasing the productivity of women owned enterprises through through increasing access to gender-sensitive

business development support (BDS) services is one way of increasing resilience of businesses, contributing to livelihoods. An integrated, incremental approach to increasing formality of women-owned enterprises which focuses on increased engagement with the formal sector and extending protection and opportunity to women-owned enterprises will reach more enterprises than focusing solely on increasing formal registration. Skilling through business incubation and business hubs as well as through local TVET centres can offer flexible accredited technical and business training to adults.

Enhanced vulnerability data collection and registration systems

More data are needed to understand the full impact of COVID-19 and guide policy and practice on social protection. As the COVID-19 pandemic lays bare gender and other inequalities, the limited availability of data is leaving many questions unanswered. The disaggregation of impact data by sex, age and socio-economic characteristics is vital to understanding the pandemic's differential impacts, and planning social protection support. It is also critical that the government starts collecting and monitoring data on key vulnerabilities and households under stress to better plan budgeting and allocation of support services to ensure the most deserving are reached.

Recommendations

■ THE GOVERNMENT, in line with the vision for social protection articulated in Uganda's Vision 2040 and the National Development Plan, should focus on expanding coverage of the flagship social assistance programmes, as well as allocate funds for implementation of these programs.

■ GOVERNMENT AND AND POLICY MAKERS should undertake more research to understand what works to ensure more inclusive and gender-responsive social insurance schemes.

■ GOVERNMENT AND POLICY MAKERS should formalise the informal economy using a participatory and rights-based approaches, designing policies and strategies that are attractive to informal workers, enterprises, and employers, and promoting decent work through the extension of labour and social protections to informal workers.

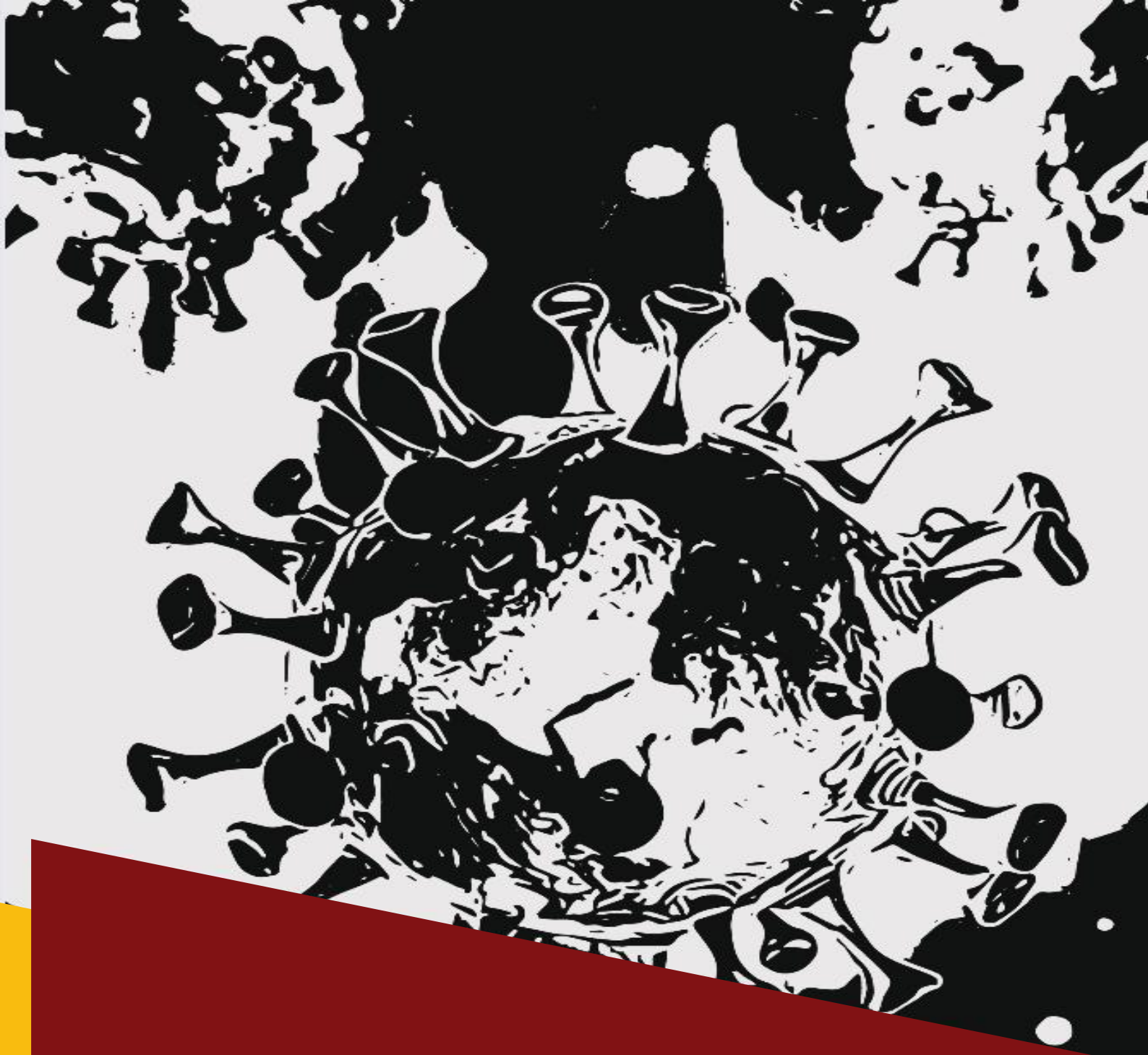
■ ALL ACTORS should support women's voice and active participation across all dimensions of social protection policy making from design to delivery, including financing for capacity-building work and the existence of spaces for dialogue and consultation.

GOVERNMENT, POLICY MAKERS AND IMPLEMENTING AGENCIES should design social protection (including social insurance) packages that are inclusive of informal workers and those pushed out of jobs by pandemics. This can include subsidised financing, parental leave benefits, care credits, recognition of part-time work, mid term access from contributory schemes by members, and flexible contribution schedules amongst others.

ALL ACTORS should support women-owned enterprises by providing the necessary technical skills, linkages to industry actors and government, and provision of gender-responsive business development services to enhance resilience.

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