



# Covid-19 Global Pandemic in Nairobi's Low-Income Areas Socio-Economic Impact

**Round Two Survey Report | 1<sup>st</sup> Release | 30<sup>th</sup> June 2020**

Funded by:

Activity supported by the  
Canada Fund for Local Initiatives  
Activité réalisée avec l'appui du  
Fonds canadien d'initiatives locales



# Contents



**Study Background and Objectives**

**Methodology and Sample Demographics**

**Socio-Economic Impact: Income, savings, expenditure reductions**

**Insights**

# Executive Summary



# Executive Summary Findings



## 84% impacted greatly

those that indicate that Covid-19 crisis has had “a great impact” on their daily lives.

## 54% are unemployed

the employment status of the sample and largely attributed to Covid-19

## 69% reduced earnings

## 43% lost income

those mentioning how their earnings has been impacted by Covid-19

**Covid-19 – How Great An Impact:** Among all respondents, more than four-fifths say that the Covid-19 crisis has had “a great impact” on their daily lives. This is true across all employment-status categories, except for those now jobless and who never been employed, of whom three-fourths expressed this view, nevertheless.

**Loss of income the greatest impact of virus:** Among a range of impacts, by far the most common has been the partial or complete loss of income/earnings. Specifically, among those who had been earning prior to the crisis, almost all (96%) report that they are now earning either “very little” or “nothing” of what they had been earning before.

# Executive Summary Findings



## 94% reduced spends

those who have reduced their spends on food and drinks as a result of Covid-19

## 42% fear hunger

those who mention that this is the main expected future challenge if Covid-19 virus continues to spread

## Only 6% able to save

whereas 80% could save during pre-virus period and this has declined to 6%

### Areas of reduced expenditure:

- More than nine-tenths of those who have experienced a loss of income mention food and non-alcoholic drink as the main area for which their spending has been reduced.

### Ability To Save Pre-Covid and Now:

- Whereas four-fifths of those who had been earning prior to the crisis had been able to save something, hardly one-in-twenty (6%) say they are not able to do so, although those earning more than Shs. 10,000/- per month are more likely to be able to save than those earning before this amount (85% vs. 75%).

### Hunger is the Expected Future Challenge If The Crisis Continues:

- Thinking about the greatest challenge they will face if the virus crisis continues for at least another three months, more respondents mention "having enough food" to eat.

# Study Background



# Introduction



- ❑ The measures in Kenya taken to contain Covid-19 have affected households in many ways, including job loss, loss of remittances, higher commodity prices, heightened insecurity, and disruption to health care services and education. While these impacts have affected most households across the country, they appear to be more profound and longer-lasting amongst low income-earners in more congested urban areas who are inherently more vulnerable.
- ❑ Nairobi has registered the highest number of Covid-19 cases in Kenya – nearly one-third of the national total (yet fewer than one-in-ten Kenyans reside there). Given the restrictions placed on movement in and out of this county (including the curfew) as well as the recommended (and in some cases enforced) ‘social isolation’ measures in response to the Corona pandemic and the resultant economic slow-down, it has become clear that many people are finding it increasingly difficult to ‘make ends meet’, especially those in the lower-income areas captured in this survey.
- ❑ In this context, TIFA Research, in collaboration with Dr. Tom Wolf, designed and implemented a survey to explore these issues among this section of Nairobi’s population over time. Round One of the survey was conducted at the end of April and captured the experiences, views and expectations of 356 respondents resident in Nairobi’s main low-income areas. Subsequently, a webinar was held to explore some of the issues captured. (Both the webinar and the entire Round One Release may be accessed from here <http://www.tifaresearch.com/the-covid-19-global-pandemic-in-nairobis-low-income-areas/>).
- ❑ The focus of this report is Round Two was completed on 15<sup>th</sup> June. It involved 579 respondents (including 286 who had participated in Round One) in these same low-income areas.

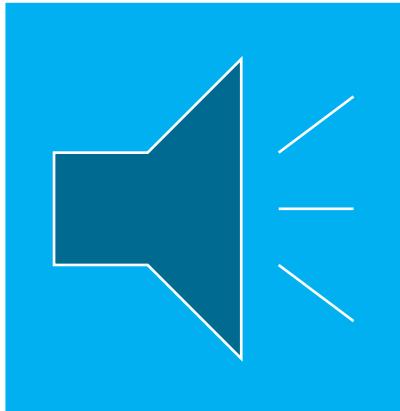


# Introduction (con't)



- ❑ This 1<sup>st</sup> Release of Round Two includes findings related to economic impact that Covid-19 has had on this population.
- ❑ Future Releases will cover issues related to: the virus (awareness, levels of concern, citizen prevention measures, main sources of information); government prevention measures (awareness, levels of compliance, and opinions about them); other aspects of impact (crime, domestic violence, children's education while at home); and awareness of/experience of assistance to the needy, awareness of such assistance by non-state actors.
- ❑ Additional Survey Rounds are planned, with Round Three to be conducted in July 2020.

# Overall Study Objectives



- ❑ To measure the level of **awareness of the disease** among residents of selected low-income areas in Nairobi, and their level of concern with it
- ❑ To assess the immediate **social-economic impact** of the Covid-19 crisis on them
- ❑ To understand their current **coping mechanisms and future expectations** of their medical and economic well-being
- ❑ To establish their experience with and opinions about relevant **government enforcement efforts**
- ❑ To determine the proportion who say they have **benefited from any remedial measures** instituted by either state or non-state actors, or even know about them

# Methodology: Data Collection

Sub-topic	Detailed information
Field work dates	2 <sup>nd</sup> -15 <sup>th</sup> June 2020
Geographical scope of study	Nairobi County - low income areas (mainly: Huruma, Kibera, Mathare, Korogocho, Mukuru kwa Njenga, Kawangware )
Proportion of Nairobi's adult population covered	29% of the estimated 820,000 i.e., adults living in the low income areas
Target respondents	Adults (18+ years) living
Sample size	579 respondents (Male = 306, Female = 273)
Margin-of-error	+/- 4.1% for the total sample. (Note: Sub-sample results have higher error-margins)
Average duration of interview	35 minutes
Proportion who stated that they enjoyed the interview	99%
Proportion who agreed to participate in a similar future survey	97%
Data collection methodology	Telephonic – calls made to respondents recruited in previous face-to-face/household surveys.

The safety and well-being of our office and research field staff, as well as of our survey respondents, is paramount during this period of the COVID-19 threat. In aligning with government guidelines to minimize movements and promote safe (i.e., physical) distancing, TIFA has set up a virtual call centre-platform allowing the field staff to make interview-calls from their homes.

# Methodology: Data Analysis



- ❑ In addition to presenting the results based on these Study Objective topics, the presentation of results also explores some of the contrasting experiences and opinions within the sampled population by using particular sub-groupings of the total sample.
  
- ❑ This is done both to underscore the point that even within Nairobi, there is considerable variation in how the Covid-19 virus and the measures implemented by Government to combat it among residents in the city's low-income areas, and that such data can be used to reveal the logic as to why such variations occur. This is considered especially useful for policy-makers and others involved in combating the virus and addressing the needs of those most affected by it. Further, such analysis raises critical issues that could be further explored in subsequent Rounds of the survey.

# Survey Sponsors



For this Second Round of a planned multi-round survey of the same respondents, TIFA gratefully acknowledges the support of following organizations;

- The Canadian High Commission in Kenya
- The Hanns Seidel Foundation-Kenya

Activity supported by the  
Canada Fund for Local Initiatives  
Activité réalisée avec l'appui du  
Fonds canadien d'initiatives locales



## Socio-Economic Impact of the Virus

- Employment Status
- Income levels
- Changes in daily life
- Foregone Expenditure

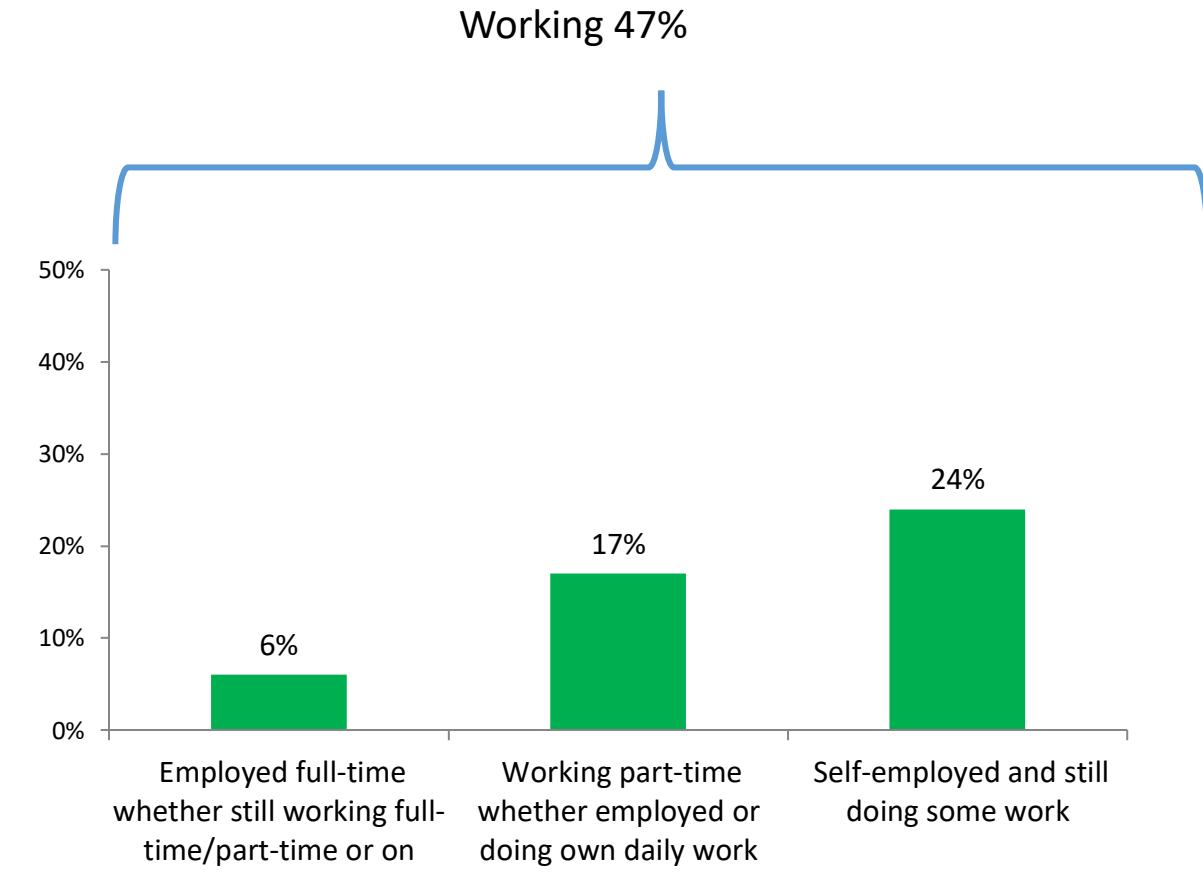
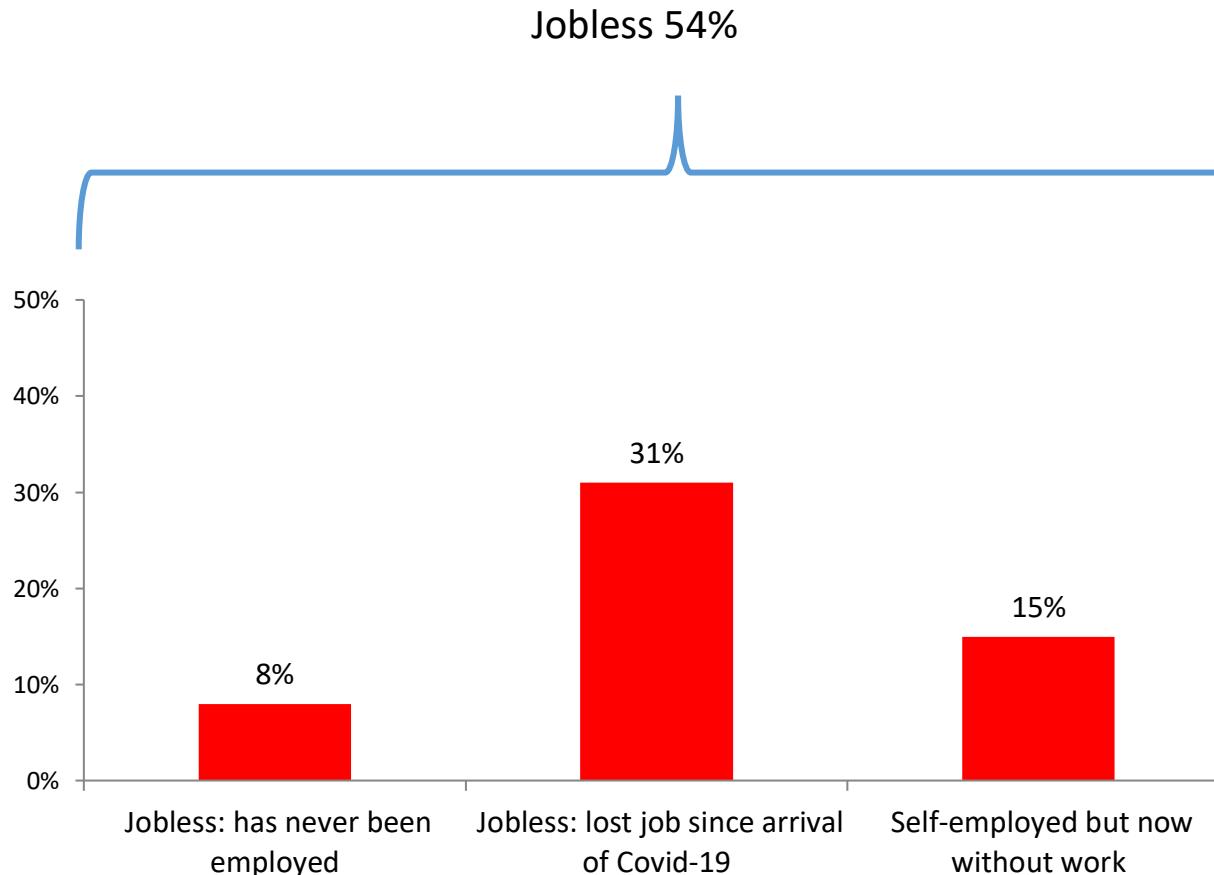


# Demographics: Employment Status: by Total



- A majority of the sample are jobless with most of those now jobless having become so since Covid-19's arrival.

**Current Employment Status: *by Total***



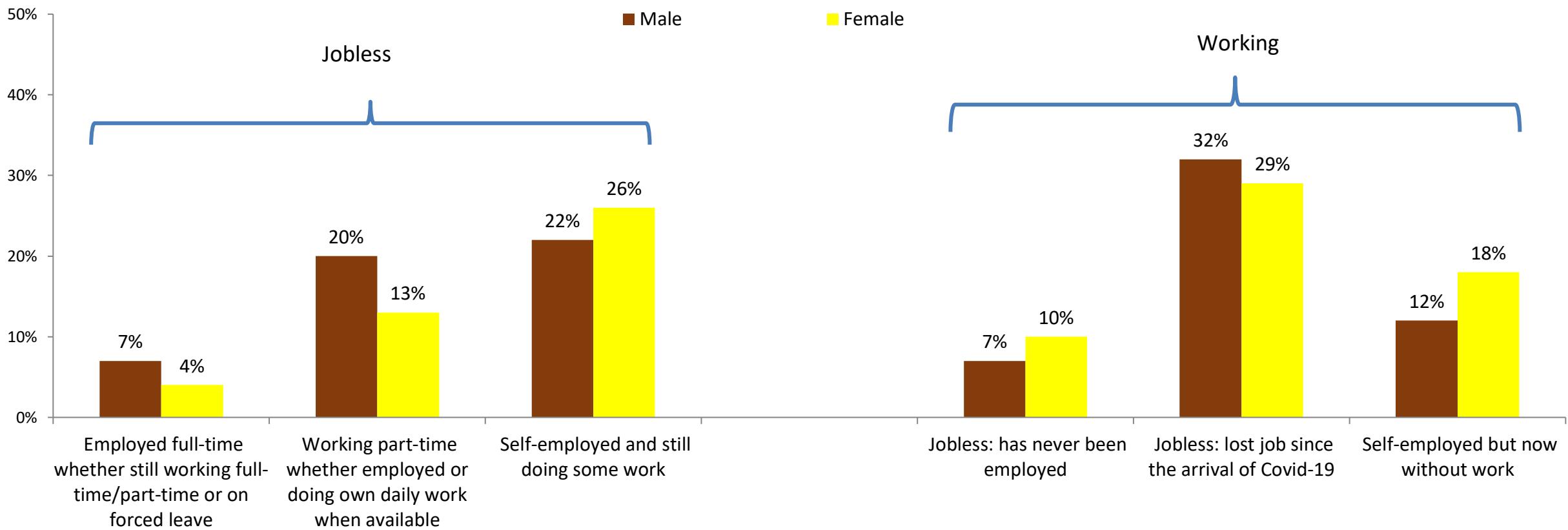
*Base= 579 (all respondents)*

# Demographics: Employment Status by Gender



- There are moderate but significant disparities in employment status by gender, especially the fact that a higher proportion of women have never been employed. This includes part-time as well as full-time work. There are also rather more women among the now-jobless self-employed.

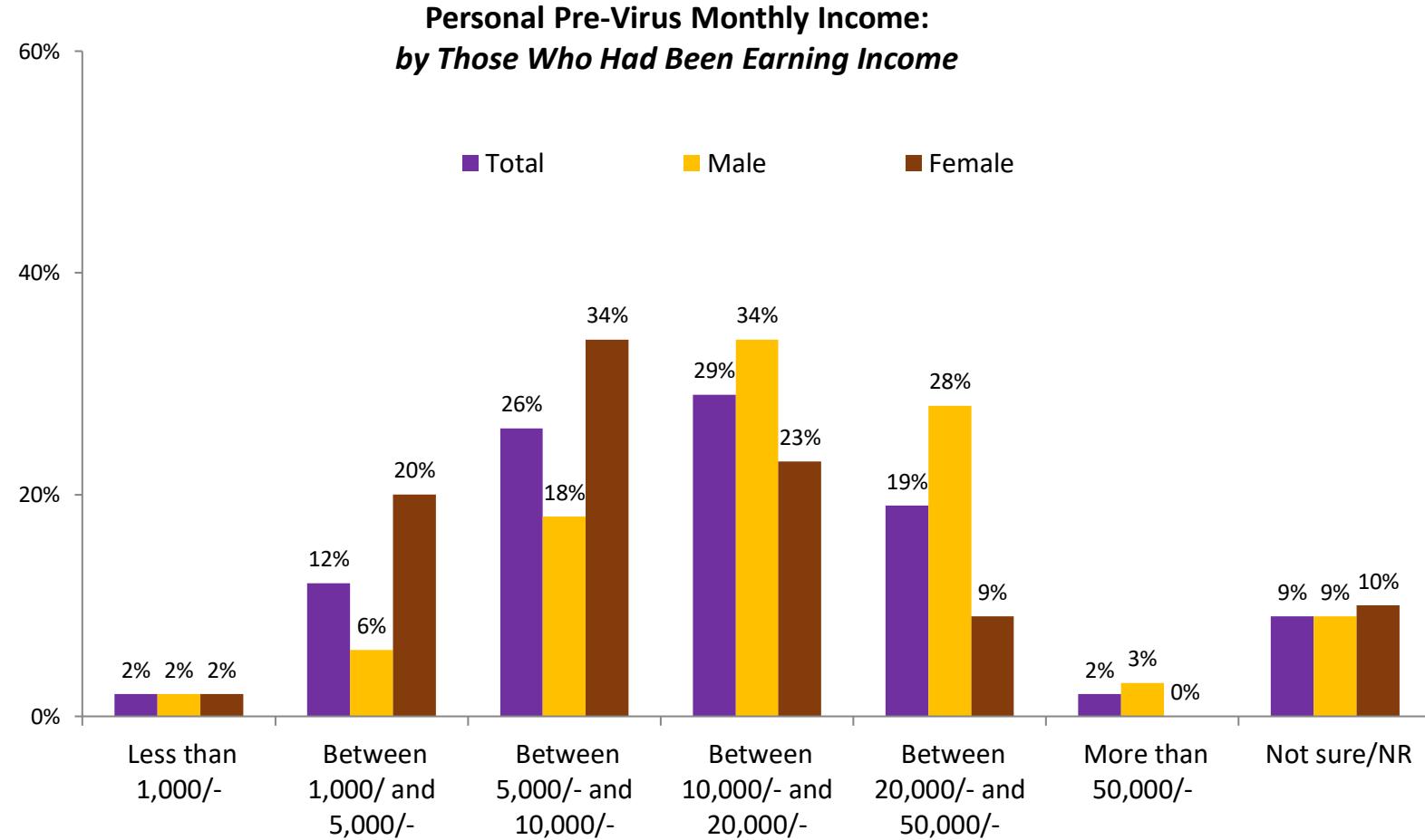
**Current Employment Status: by Gender**



# Pre-Virus Income Levels (among those who had been working before Covid-19)



- Only about one-fifth of all respondents who had been working earned more than KES 20,000 per month before the restrictions to counter the virus were implemented.
- Conversely, about four-in-ten earned less than the minimum wage as set by the Government of Kenya's Regulation of Wages Order (2019).
- Pre-virus income levels for men, however modest, were decidedly higher than for women.



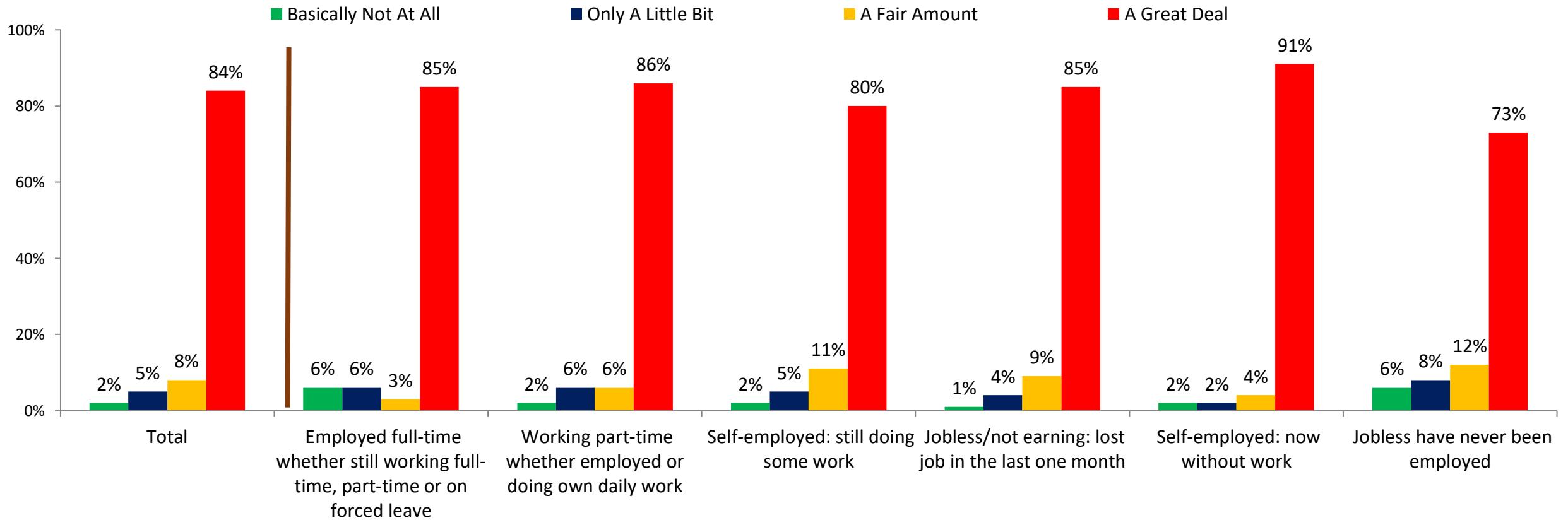
*Q: About how much money, if any, were you earning per month before this virus crisis began?*

*Base=501 (Those who are/were employed and self-employed)*

# Impact on Daily Life: by Employment Status

- Regardless of the respondents' employment status, the virus has affected them a great deal, although those now jobless and who have never been employed have been affected somewhat less so. Note that being "affected" by the virus clearly has less to do with the disease itself and more with the measures put in place to combat it.

**Impact of the Virus on Daily Life: by Employment Status**



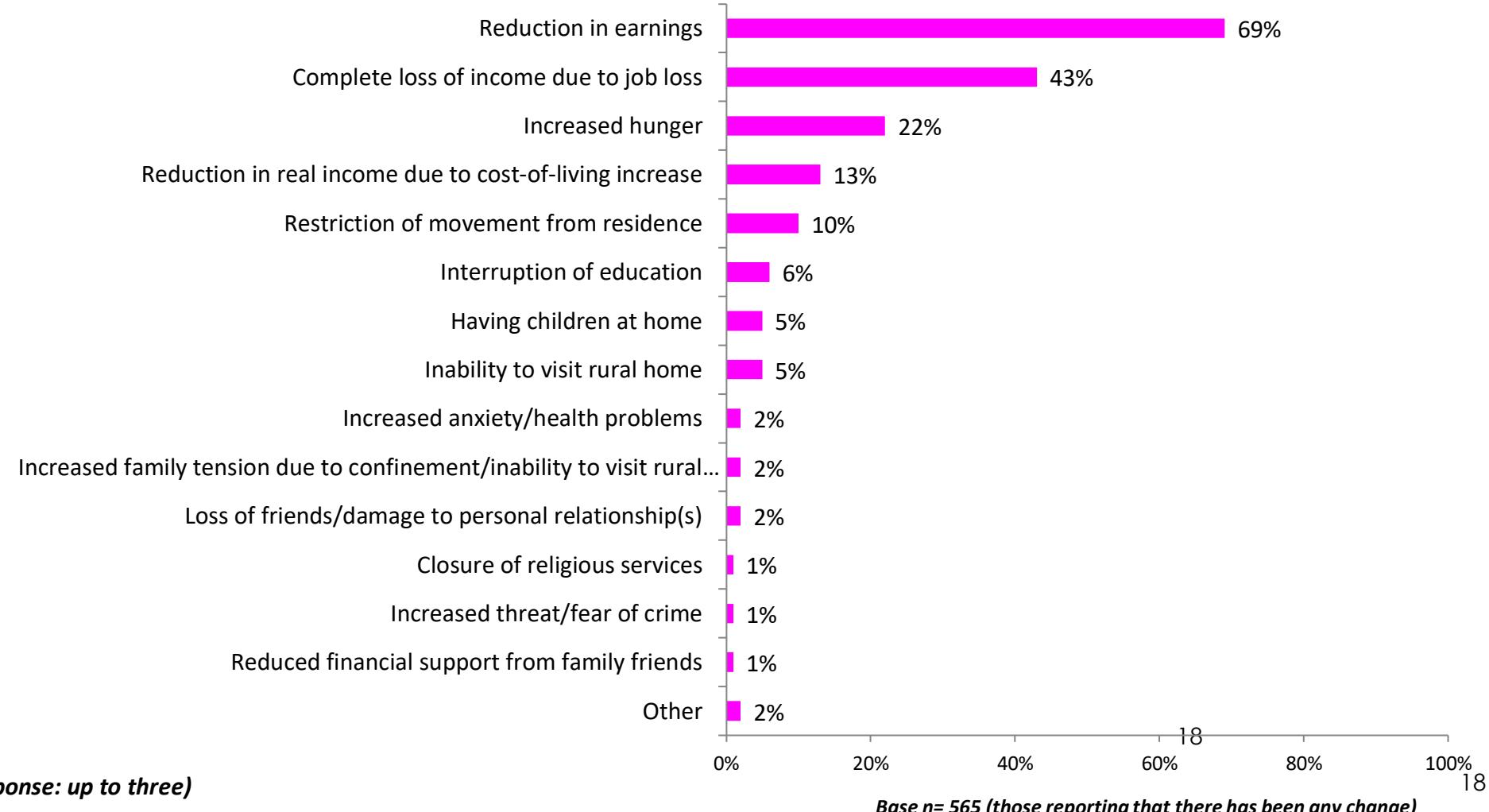
*Q: Since the outbreak of the virus, how much, if at all, has your daily life changed?*

*Base =565 (those reporting that there has been a change)*

# Particular Changes in Daily Life Due to the Virus Crisis: by Those Whose Daily Lives Have Changed

- Nearly all respondents (97%) reported that their daily lives had changed to at least some extent by the arrival of Covid-19.
- In terms of the nature of changes it has caused, main impact has clearly been economic, with more than two-thirds of respondents reporting a reduction in earnings and nearly half a complete loss of such earnings due to losing their employment.

**Ways One's Daily Life Has Changed Since the Outbreak of the Virus:  
by Those Who Daily Lives Have Changed At All**

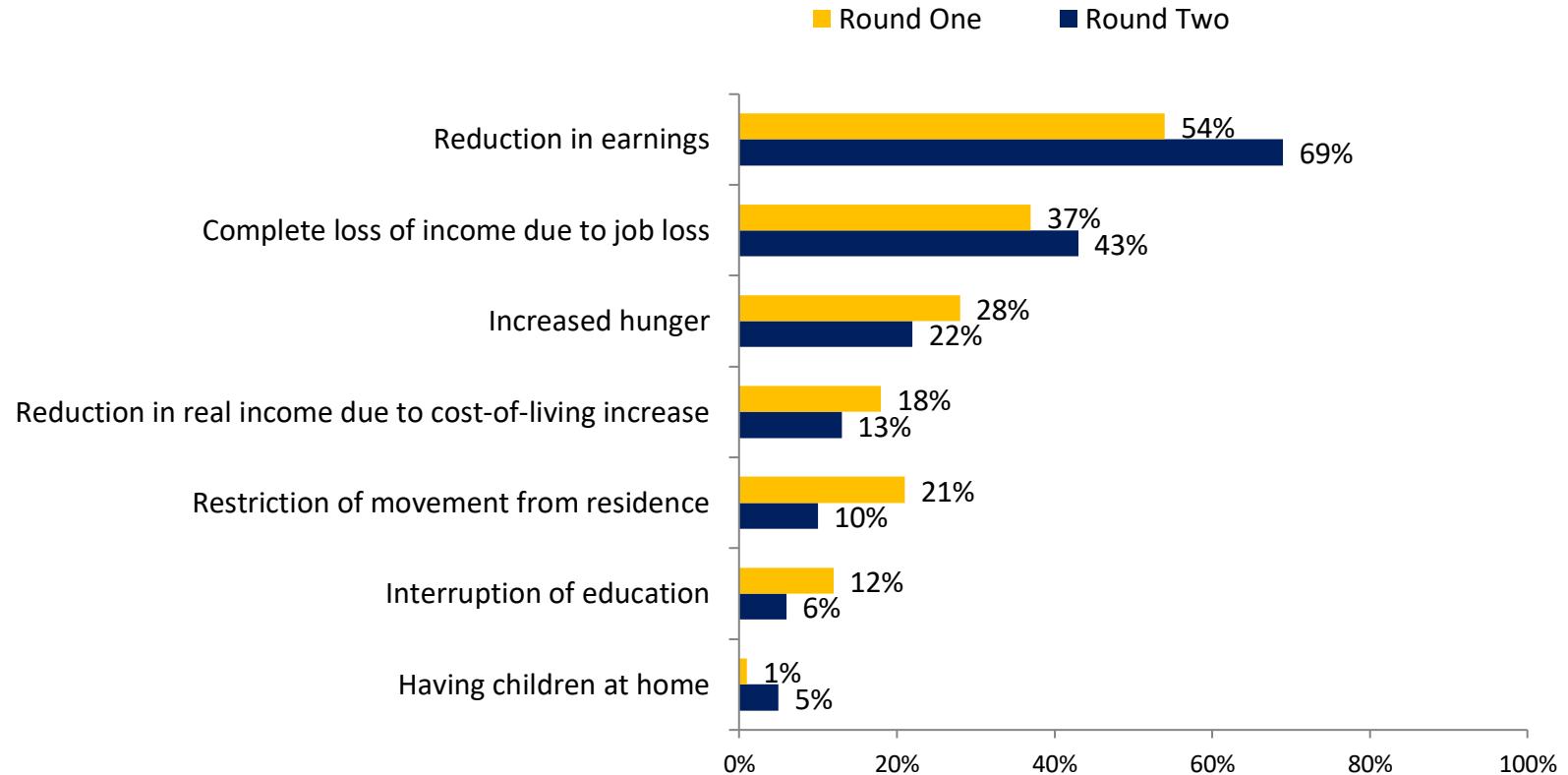


*Q: In what ways has it changed? (multiple response: up to three)*

# Particular Changes in Daily Life Due to the Virus (Top 7 Mentions): by Round One vs. Round Two

- Compared to the results obtained in Round One, the economic impact ("reduction in earnings"; "complete loss of income") has been greater, as has that of "having children at home."
  
- However, a decline is evident with regard to the restriction of movement from one's residence, suggesting that fewer respondents have been adhering to this element of the official guidelines .

**Ways One's Daily Life Has Changed Since the Outbreak of the Virus:  
by the 94%/97% who say it has changed at all**



*Q: In what ways has it changed? (multiple response: up to three)*

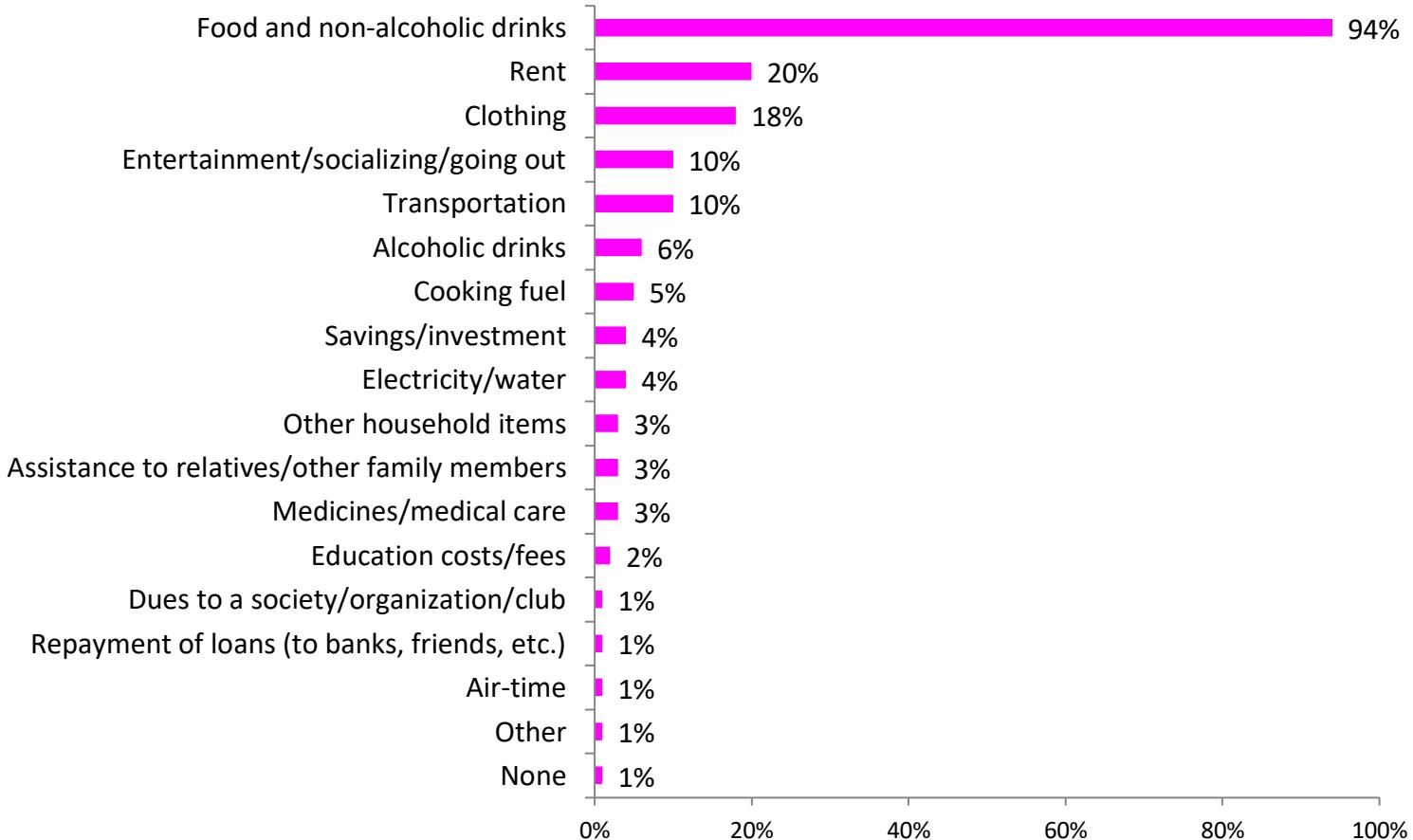
*Bases n= 334/565 (those reporting that there has been any change)*

# Foregone Expenditure Due to the Crisis: by Those Who Lost Income Due to the Covid-19 Crisis (Round Two)



- Far more of the 61% who reported reduced earnings due to the Covid-19 disease also reported a decrease in their expenditure on food and drinks than on any other type of purchases or payments.
- Respondents have also sharply curtailed spending on rent, clothing, entertainment and transportation. (Note that respondents were allowed only three mentions for this question.)

**Areas of Reduced Expenditure Due to a Loss of Earnings:  
by Those Whose Earnings Have Decreased**



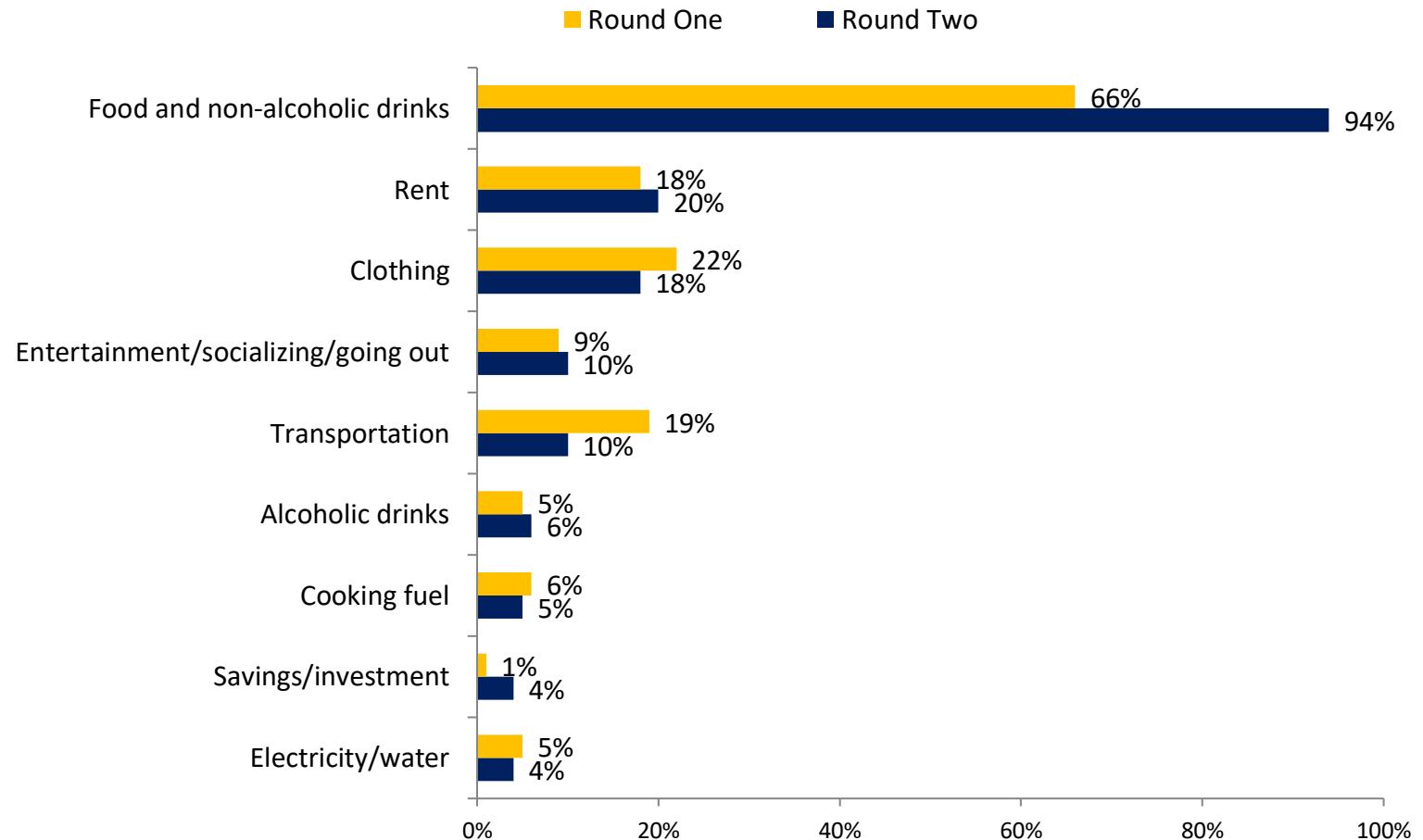
*Q: Considering your loss of earnings because of the virus, what are the main areas of expenditure that you have had to reduce or eliminate altogether? (multiple response: up to three)*

*Base n= 357 those have suffered a reduction of income among those who earning before the Covid-19 crisis*

# Foregone Expenditure Due to the Crisis: by Those Who Lost Income Due to the Covid-19 Crisis (Round One vs. Round Two)

- Compared to Round One, there has been a 28% increase in the proportion of respondents reporting reduced expenditure on food items (from 66% to 94%). It may be assumed, therefore, that hunger/malnutrition has also increased.
- There has been little change in the proportions of those reporting reduced expenditure in other areas, although the proportion reported for transportation has also decreased somewhat compared to Round One (from 19% to 10%).

**Areas of Reduced Expenditure Due to a Loss of Earnings:  
by Those Whose Earnings Have Decreased**



*Q: Considering your loss of earnings because of the virus, what are the main areas of expenditure that you have had to reduce or eliminate altogether? (multiple response: up to three)*

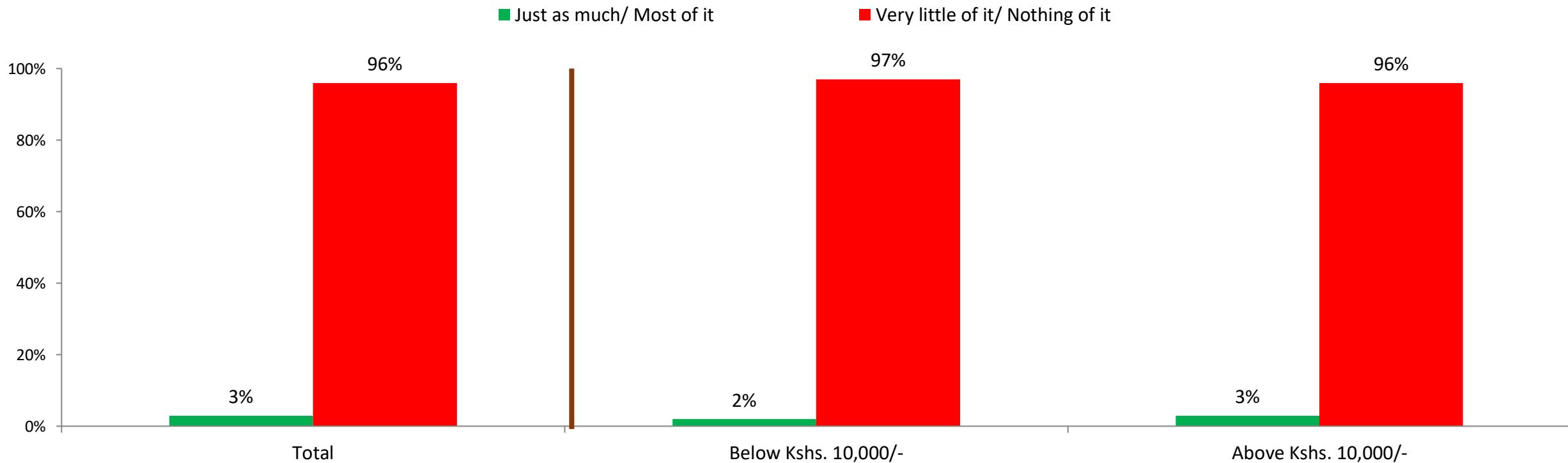
*Base n= 357 (those have suffered a reduction of income among those who earning before the Covid-19 crisis)*

# Current vs. Pre-Virus Income: by Recent Change in Income Level



- Among those currently earning anything, almost all are earning less than they were previously with no statistical contrast between those who were earning above/below KES10,000 per month. (Note that these results almost exactly match the results from Round One.)

**Proportion of Pre-Virus Income Currently Being Earned:  
by Total, Two Pre-Virus Income Categories**



*Q: Compared to then, about how much are you earning now? Are you now earning...?*

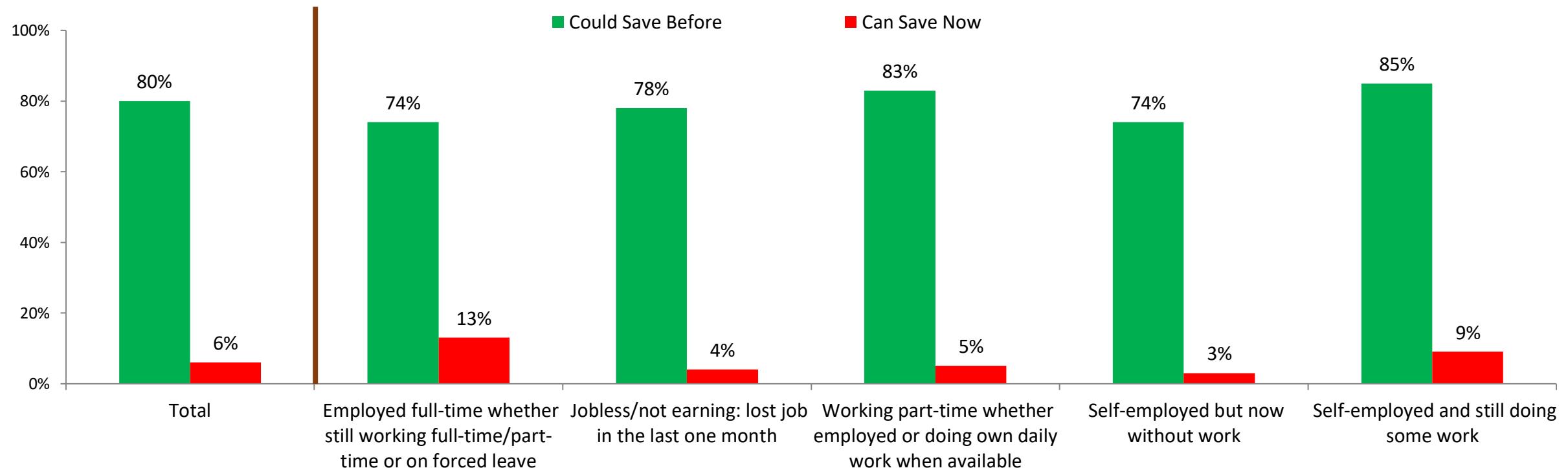
*Q: About how much money, if any, were you earning per month before this virus crisis began?*

*Base=506 (Those who are employed and self-employed and were earning before the virus)*

# Pre-Virus and Current Saving: by Total, Employment Status

- Overall, only about one-in-thirteen of those who were able to save any earnings before the Covid-19 outbreak can do so currently. Further, while those employed have the highest incidence of current savings, this decline applies to them as well.

**Ability to Save Any Income Earnings:  
by Total, Employment Status**



*Q: Before the virus crisis came, were you able to save any money at the end of the month from what you were earning?*

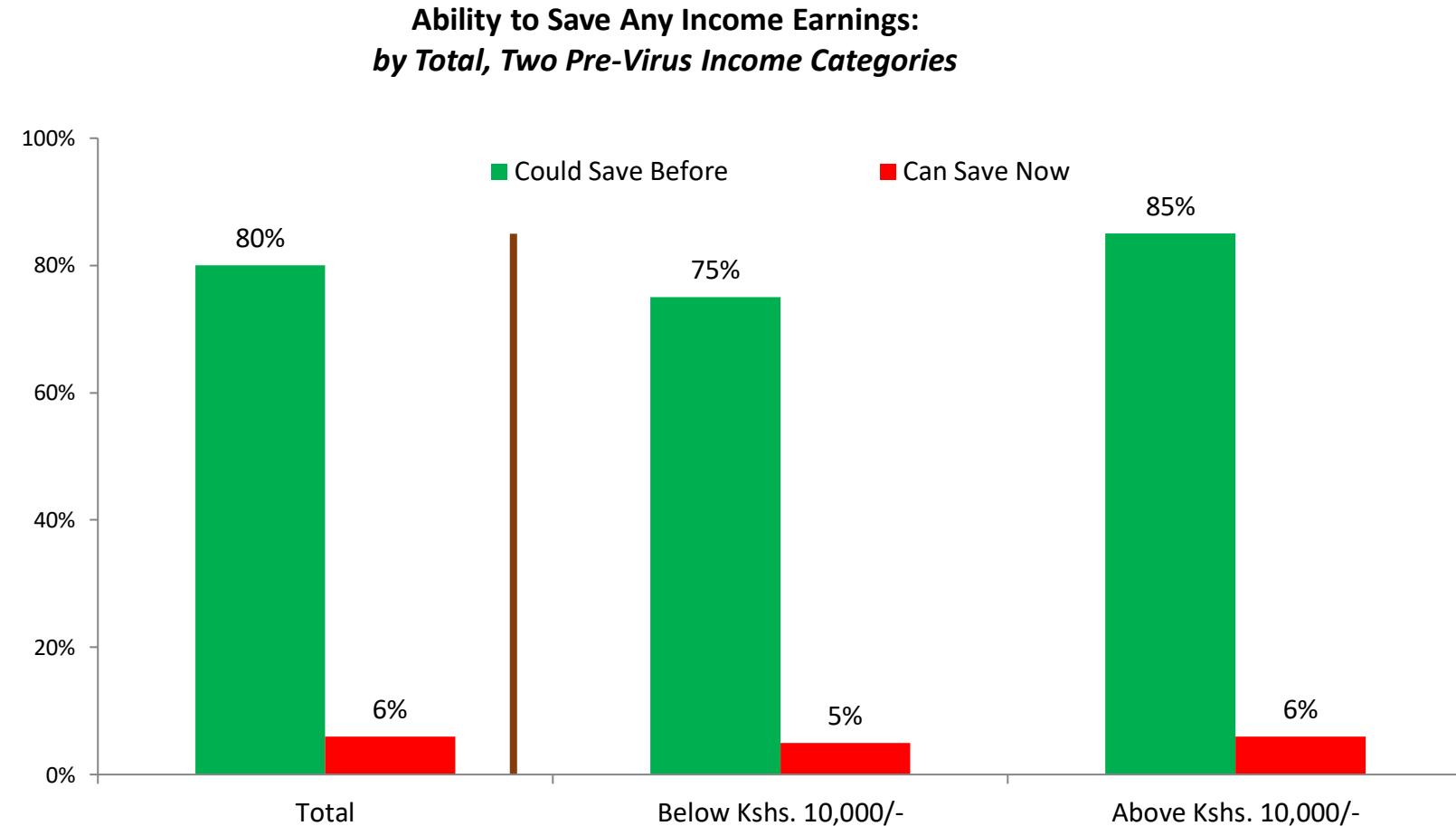
*Q: And since the crisis began, are you now able to save any money?*

*Base=501 (Those who were/are now earning income)*

# Pre-Virus vs Current Saving: by Total, Two Pre-Virus Income Categories



- A clear contrast in the ability to save under current conditions between those at different income levels is apparent when comparing those previously earning less vs. more than Shs. 10,000/- per month.
- More of those in the latter category were able to do so previously – 85% vs. 75% - though statistically there is currently no difference between those in these two pre-virus income groupings (6% vs. 5%).



*Q: About how much money, if any, were you earning per month before this virus crisis began?*

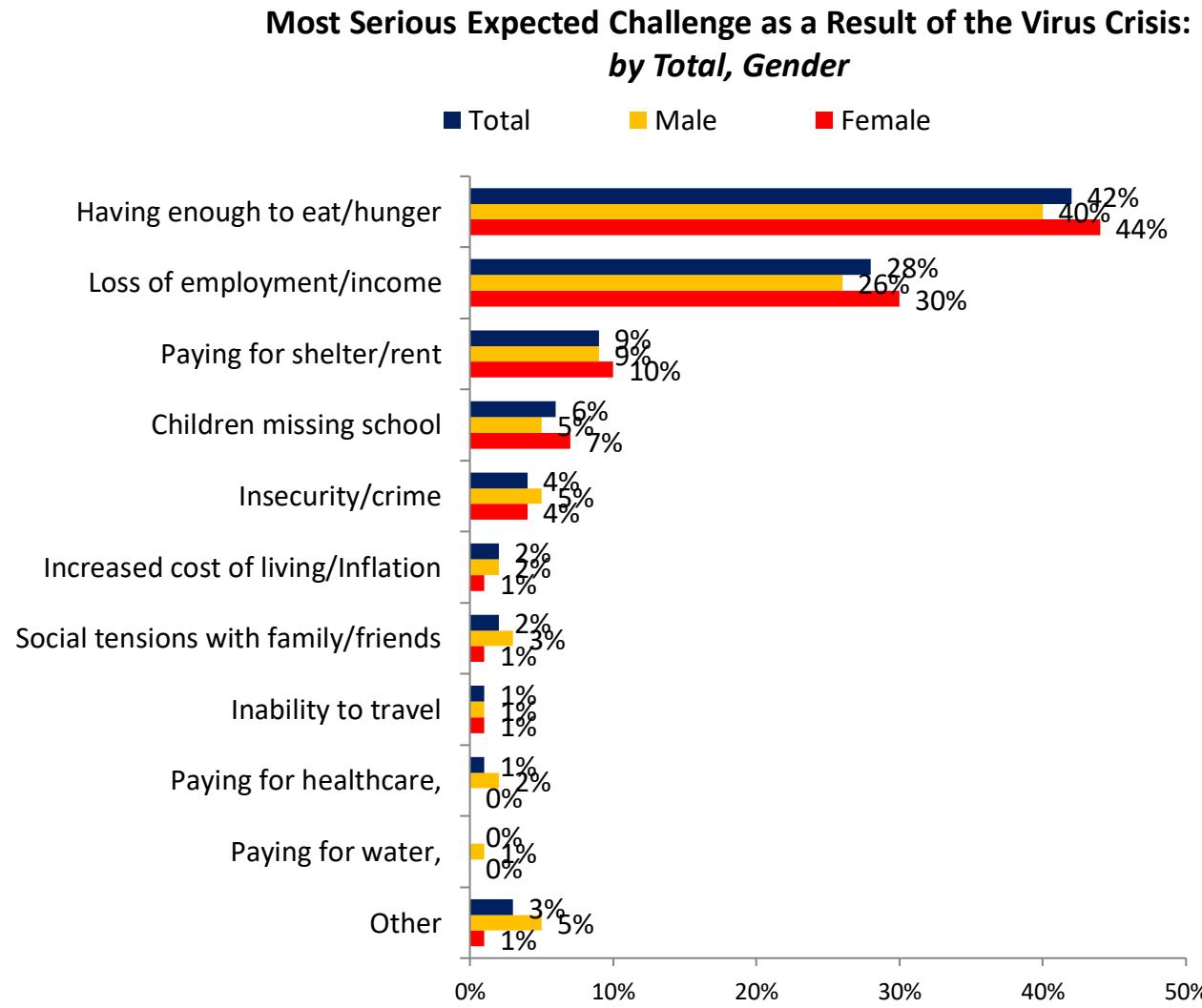
*Q: And since the crisis began, are you now able to save any money?*

*Base=501 (Those who are employed or self-employed and were earning )*

# Main Expected Future Challenge Due to the Virus Crisis: by Total, Gender



- In identifying the single most difficult challenge they expect to face as the virus crisis continues, most respondents mentioned “having enough food to eat.”
- At the same time, the second most frequent response – the “loss of employment/income” – would impact on most of the other mentions that refer to specific areas of required (mainly household) expenditure (leaving out “children missing school”, “insecurity”, “social tensions” and the “inability to travel” outside Nairobi).
- Variations by gender are minor.

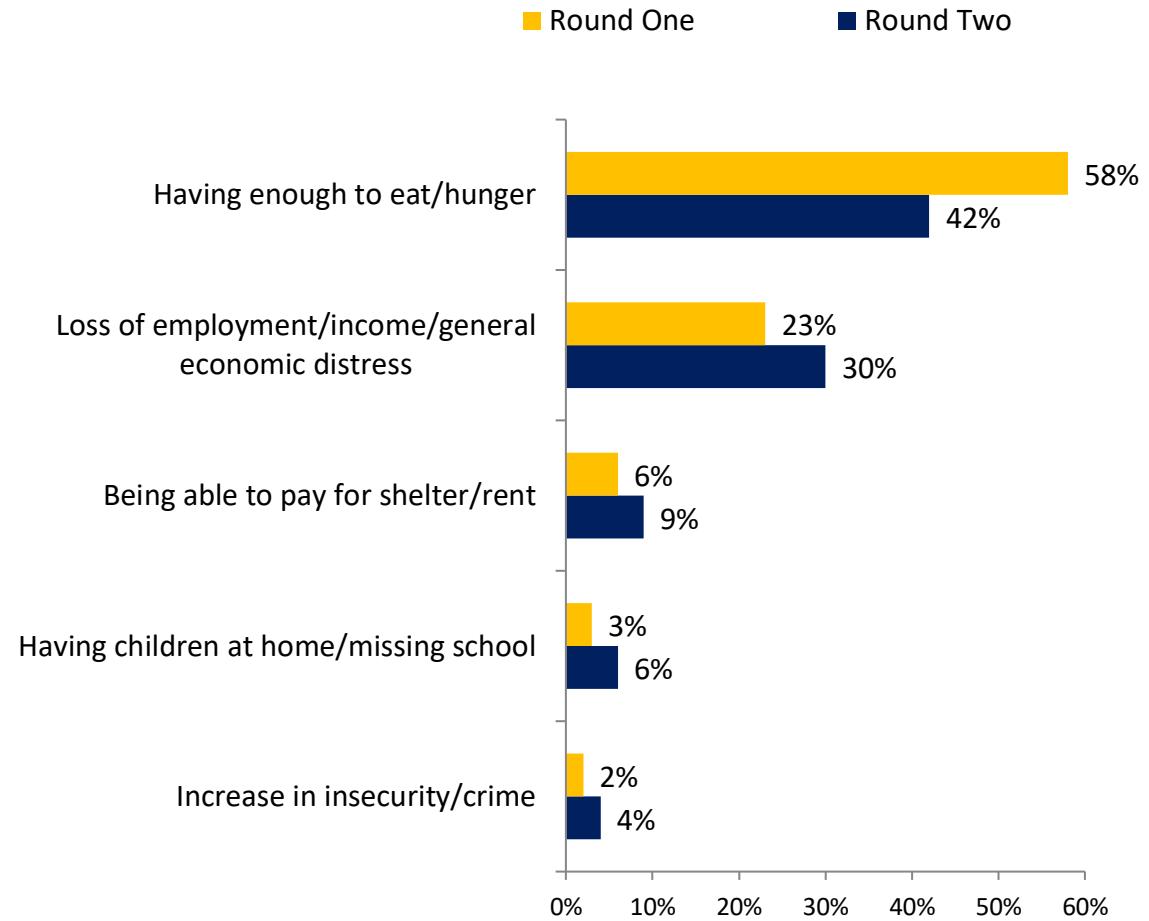


# Main Expected Future Challenge Due to the Virus Crisis: (Round One vs. Round Two)



- Comparing results of this Round Two with those from Round One in terms of “the single most difficult challenge” expected “over the next three months” should the virus crisis continue, there has been decline in the proportion who mention “having enough food to eat”, but an increase in a “loss of income” generally. (Note that this was a single-response question.)
- Proportions of those most concerned with being able to afford rent, “having children at home/ missing school”, and “insecurity”, have likewise increased.

**Most Serious Expected Challenge as a Result of the Virus Crisis:  
by Total**



# Insights



# Insights (con't): Impact on Daily Life (Employment Status: Income, Savings and Expected Future Challenges)



- ❑ The nearly universal loss of income among those who had been working before the virus crisis has meant not just a reduction in savings for nearly all the individuals/households for which this had been possible in the past, but also in expenditure on what may be considered as essential items, starting with food. This also means that many households may have begun adopting such survival strategies as the sale of personal items and productive assets such as land resulting in reduced future income opportunities.
- ❑ In identifying the most difficult challenges they expect as the virus crisis continues, by far the higher mentions were of basic economic survival, starting with food, though as the main 'providers', more women mentioned this than did men. (Note: In interpreting these figures, it is important to keep in mind that it cannot be said that "only 2% of these Nairobi residents are concerned with crime", since this being a single-response question, they were allowed to mention only one challenge, which was presumably the one they are most concerned about. But they also could be deeply concerned about one or more of the others.



## For Inquiries and Suggestions Contact:

**Dr Tom Wolf**  
Research Analyst  
[tpwolf1944@gmail.com](mailto:tpwolf1944@gmail.com)

**Maggie Ireri**  
CEO, TIFA Research  
[maggie.ireri@tifaresearch.com](mailto:maggie.ireri@tifaresearch.com)