To track the impact of COVID-19 on people’s livelihoods in Kenya, FSD Kenya is running 3 new rounds of the 2020 FMT COVID-19 Tracker in partnership with FinMark Trust. The May 2021 survey gives us nationally representative data over a one-year period from the first lockdown (April – July 2020) to May 2021.

Income and Jobs

Following a low point in June 2020 when economic restrictions were at their height, there was an increase in those earning income by May 2021. However, median income has gone down since 2020, with more earners competing for a smaller slice of the pie. The hit to formal jobs resulted in an increase in women earning to sustain households. However, women earn approximately half what men earn, with implications for the resilience of households who depend on their earning power.

Median income has declined...

Despite an increase in earners between June 2020 and May 2021, median income earned has gone down.

<table>
<thead>
<tr>
<th>Lockdown</th>
<th>Median Monthly Income for Earners (KSh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full</td>
<td>8,550</td>
</tr>
<tr>
<td>Partial</td>
<td>6,850</td>
</tr>
</tbody>
</table>

... although more people are earning

The percentage of people earning rose substantially by May 2021 following a low point in June 2020.

<table>
<thead>
<tr>
<th>Lockdown</th>
<th>% Population Earning Income in the Previous 7 Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full</td>
<td>41%</td>
</tr>
<tr>
<td>Partial</td>
<td>68%</td>
</tr>
</tbody>
</table>

Gender and Livelihoods

There are substantial inequalities in income earned across different livelihood streams. Across all livelihood streams women earn approximately half of what men earn, with the exception of business owners.

Gender Gap in Earning

There has been an increase in both women and men earning, women’s median income is only 50% of men’s.

Women’s median income is only 50% of men’s.

Income and jobs following lockdowns:

- June 2020: 34% of the population earned income.
- May 2021: 63% of the population earned income.
- September: 73% of the population earned income.

The Gender Gap in Earning

Women’s median income is only 50% of men’s.

Wage or salary

- June 2020: KSh 13,750
- May 2021: KSh 9,650

Own business

- June 2020: KSh 13,850
- May 2021: KSh 17,150

Casual labour

- June 2020: KSh 5,150
- May 2021: KSh 4,300

Farming

- June 2020: KSh 4,300
- May 2021: KSh 6,000

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FSD Kenya COVID-19 Tracker
Finances, Health, and Coping in Kenya
Financial Resilience

The population who are financially resilient (able to get hold of an emergency lump sum) has risen since June 2020. But 72% of the population are NOT financially resilient, raising concerns for longer term recovery and inclusive growth. Meanwhile, 85% of the population claim increased cost of living is the biggest shock they faced in 2021, and over 50% are still having to cut food expenses, borrow, and dig into their savings to meet their daily needs.

Changes in Financial Resilience

The percentage of the population who are financially resilient has risen from a low point in June 2020. However, despite increases in income, the majority (72%) are NOT financially resilient.

Sources of Borrowing

Borrowing remains an important strategy to manage daily shortfalls, with the main sources being digital loans and social network loans.

Assets Sales have Increased

Women’s savings have been especially hard hit. Only 15% of women had savings in May 2021 compared with 51% before the pandemic began.

Household Savings have Declined

In May 2021, 6.5M adults and 3.9M children had reportedly gone without food for an entire day in the previous 2 weeks.

Cost of Living has Increased

85% of the population cited increased cost of living as a major shock to household finances between January and May 2021.

% of People Missing Meals has Increased

In May 2021, 58% of households had missed at least one meal in the previous week.

Coping Strategies to Meet Daily Needs (May 2021)

58% had savings before the pandemic began

58% cut food expenses

66% borrowed

40% used up savings

58% recently sold assets in June 2020

21% currently have savings

29% recently sold assets in May 2021

48% recently missed a loan payment

55% Mobile Banking

37% Mobile Money

28% Friends/family

27% Shopkeeper

23% Chama/group

14% Digital App

10% Bank/MFI

33% Social Network* Loans

61% Digital Loans

*Friends/family; Shopkeeper; Chama/group

48% recently missed a loan payment

The resilient are significantly more likely to:

- earn over KSh 8,000 per month
- live in households with savings
- send remittances

In May 2021, 6.5M adults and 3.9M children had reportedly gone without food for an entire day in the previous 2 weeks.

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Health, Education and Safety
The initial impacts of the pandemic in Kenya were primarily economic, putting substantial pressure on household incomes and survival. In 2021, the health impacts have been increasingly felt, along with rising concerns over safety and security. This has long-lasting implications for resilience and wellbeing in terms of depleted health, education & nutrition.

Fears over COVID-19
63% stated that they are ‘extremely worried’ about the impacts of the virus on their families.

Willingness to vaccinate
73% of the population state that they are willing to be vaccinated. This varies across the population, with more reluctance in adults aged 25-44.

Protective Behaviours
Despite growing concern over the health impacts of COVID-19, protective behaviours are declining, with worrying implications for the virus spread.

Access to Medicine
In May 2021 33% of the population stated that they could not get hold of medicine in the previous week when needed.

Fears over Safety (in May 2021)
Fears over safety remain high, with nearly half the population stating that they are ‘extremely worried’ for the safety of themselves and their families.

Health Shocks
Between Jan & May 2021, 35% of the population experienced a major shock to household finances from the death of a family member, and 31% had suffered financially from a major health shock.
**Summary**

Following the identification of the first COVID-19 case in Kenya in March 2020, the government imposed restrictions on movement and economic activity between April and July 2020. This had substantial repercussions across the economy, especially for lower income households, many of whom lost jobs and lacked access to formal safety nets to support survival and basic needs. Since that time, a series of partial lockdowns have been in place, but none as extensive as the first. The period between August 2020 and May 2021 saw some form of economic recovery, but the continued economic and health effects of the pandemic have nonetheless taken their toll on resilience across the population.

The data shows a rise in the number of earners in May 2021 following a low point in June 2020. However, with the overall slowdown of the economy, the median income earned has declined, and more earners are competing for a smaller slice of the pie.

Access to jobs and income varied substantially across the population. In 2020, the loss of formal jobs and income opportunities hit men especially hard. This left women to take on increased responsibility for household survival, evident in the rise in women working from 34% in June 2020 to 73% in May 2021. However, women's average earnings are approximately half of men's. This has implications for households increasingly dependent on women's earning power, as well as for women themselves who struggle to meet the rising costs of living. Again, the picture varies across livelihood segments.

With limited formal safety nets, access to income and jobs has profound implications for resilience. In May 2021 just over a quarter of the population (28%) were financially resilient measured in terms of their ability to access a lumpsum in case of shocks. Those who are financially resilient are more likely to earn above KSh 8,000 per month, be male and have savings.

The vast majority (72%) who are NOT financially resilient continue to face difficulties in accessing basic needs, and this is compounded by reported increases in the cost of living. Eighty five percent of the population reported that increased cost of living was the biggest shock they had faced in 2021, compromising food security and access to medicine; 33% of the population faced difficulties in accessing medicine when needed, with almost all of these (90%) citing affordability as the main reason; while over half the population claimed to have missed meals in the previous 2 weeks especially in urban areas.

The level of concern across the population is palpable, with 63% reporting extreme concern over the health implications of COVID-19 for themselves and their families; and 48% reporting extreme concern over personal safety.

**Methodology**

Executing a “rapid response survey” to track representative data on the household impacts of COVID-19 provides lessons and challenges.

**Design**

The survey was implemented remotely using a Computer-Assisted Telephonic Interviewing (CATI) approach, to aid social distancing. 80% of potential respondents were dialled using Random Digit Dialling (RDD), and the remainder based data collection on company lists from previous interviews. The sample distribution and data collection approaches were fine-tuned in successive waves.

**Weighting**

Data was weighted based on several demographic dimensions. Set quota distributions were used across demographic categories. The data obtained was, in turn, weighted using rake weighting, with quotas and weights based on the 2014 Demographic and Health Survey (DHS).

**Biases**

Even though sampling and weighting has improved, we suspect that there are still residual biases due to aspects inherent in our CATI approach.

In Enumeration Area (EA)-designed samples, the urban-rural area classification is set in accordance with KNBS practice. In the CATI survey, we do not know where respondents live and require them to identify their area classification.

Telephonic interviewing is likely to lead to a more digital and technological sample and possibly greater urban bias, even when accounting for quota and weighting controls.