

# RESULTS OF MONGOLIA COVID-19 HOUSEHOLD RESPONSE PHONE SURVEY (ROUND 2)

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**NATIONAL STATISTICS  
OFFICE OF MONGOLIA**

# MONGOLIA COVID-19 HOUSEHOLD RESPONSE PHONE SURVEY

- Mongolia took early and decisive measures to prevent the inflow and outbreak of COVID-19<sup>1</sup>.
  - Despite a limited number of cases confirmed in the country<sup>2</sup>, the COVID-19-induced shocks to households could be long-lasting and could disproportionately hit the poor and vulnerable the hardest, creating an urgent need for timely data collection to help monitor and mitigate the socio-economic impact of the shock.
- To monitor the household-level impacts of COVID-19 in “real-time”, the National Statistics Office of Mongolia (NSO) and the World Bank have implemented a joint COVID-19 Household Response Phone Survey (HRPS).
- This presentation summarizes the key findings of the second round of the survey, and changes since the first-round.
  - Round 1 survey was implemented from May 22 to 29, 2020, and Round 2 survey from August 31 to September 7, 2020. The-3<sup>rd</sup> round of the survey will be conducted in December.

Note:

1. Containment and mobile restriction measures including closures of the boarder with China and schools have been implemented since January 27, 2020.
2. 699 cases were confirmed as of November 25, 2020.

# KEY FINDINGS (Round 2)

- **Self-employed and herder households have continued to be impacted in Round 2.**
  - **Family business closures have been substantial since the pandemic.** Half of households that reported operating a family business before Round 1 were no longer operating (temporarily or permanently closed) by Round 2
  - Amongst households that were operating businesses in Round 2, **3 out of 4 households with an open (fully or partially) business had lower incomes compared to August 2019.** Furthermore, 1 in 3 households with businesses expect their business income to decrease in the next 3 months (September to November 2020)
  - **Half of herders and farmers experienced income losses compared to the same time last year.** In particular, lower prices in livestock products, mainly cashmere, have affected herders substantially. 57% of herder households reported their livestock price decreased since last year, while impacts on production quantities were relatively small
- **Wage employment and income, on the other hand, shows steady recovery.**
  - **95% of wage workers were able to work as usual in Round 2,** slightly improved from Round 1 (90%)
  - **76% of households were able to maintain the same level of wage income since June** while only 58% did in Round 1 after the pandemic

# KEY FINDINGS (Round 2)

- **Food security remains a serious problem for the poor, with little sign of improvement between Rounds 1 and 2.**
  - **2 in 5 poor households were still uncertain about their ability to obtain enough/healthy food in Round 2 and nearly 1 in 4 poor households expressed concerns about food security in the next week**
  - In addition, nearly half of poor households reported concerns about their finance in the next month
- **Social assistance and insurance relief measures have helped mitigate household impacts.**
  - 81 percent of households received some sort of government assistance during the pandemic, mitigating partially or completely the income losses for **more than 90% of those receiving assistance**
  - The vast majority of households (96%) did not face any issues in receiving social assistance benefits under the pandemic and **most of the transfers (75%) households received were immediately used or were to be cashed out soon**
  - Government's social insurance contribution exemption measure helped eligible households to purchase essential items, although the coverage was lower with less than 30% of households qualified for support



# Survey Overview (Round 2)

- **Data collection period (Round 2):** August 31- September 7, 2020
- **Sample frame:** Sub-sample of 2018 Household Socio-Economic Survey (HSES)
- **Sample size:** 1,212 households
  - Of the 2,000 households targeted, 1,333 households were interviewed in Round 1. Out of those 1,333 households, 1,212 households or 91 percent of households were interviewed in Round 2.
  - In Round 2, 1,143 households had the same respondent as in Round 1 (86 percent of Round 1 sample)
- **Representativeness:** Nation, urban/rural, and location (UB/aimag center/soum center/countryside)
- **Implementation method:** Computer-assisted telephone interviewing (CATI)
- **Sampling weights:** Weights were calculated by following the approaches outlined in Himelein, K (2014)<sup>1</sup>.

Breakdown of interview results	No of households	%
Complete	1,212	90.9
Partially complete	1	0.1
Refused	25	1.9
Nobody answering	26	2.0
Number does not exist	5	0.4
Phone turned off	63	4.7
Don't know the household	1	0.1
<b>Total</b>	<b>1,333</b>	<b>100</b>

Note: 1. Himelein, K. (2014). "Weight Calculations for Panel Surveys with Subsampling and Split-off Tracking." Statistics and Public Policy

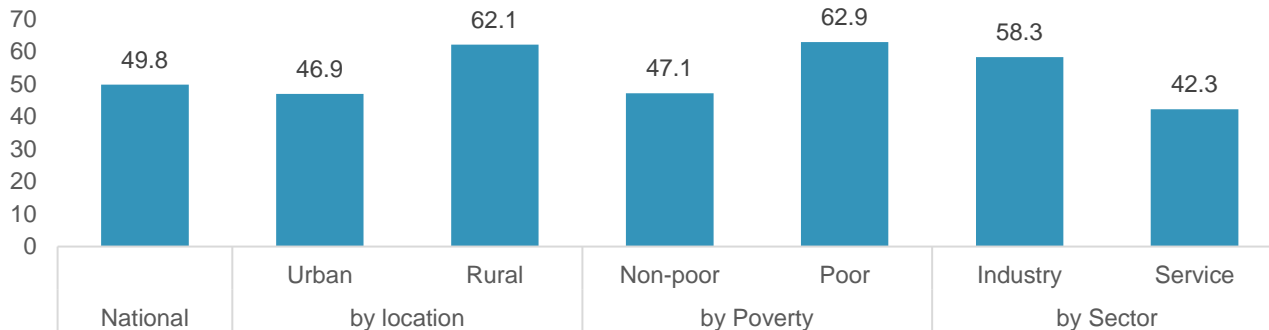


# Employment: Business

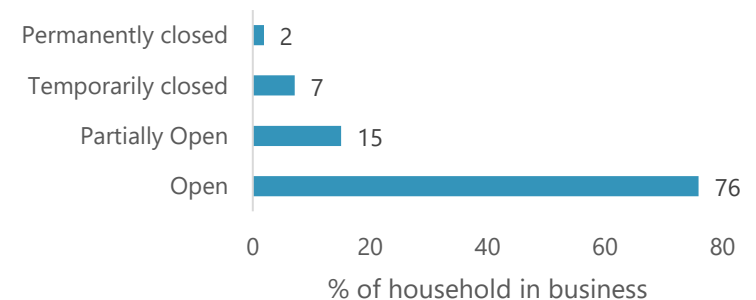
## Family business closures have been substantial between early 2020 and September

- Half of households that reported operating a family business before Round 1 were no longer operating (temporarily or permanently) by Round 2<sup>(1)</sup>.
  - Households business income losses were significant in Round 1. Among households reported operating business for the past 12 months in Round 1, 44 percent did not operate business by June
  - Closures were relatively lower between June and August: 76 percent of household businesses operating at any point in time during this period were fully open, and about 10 percent were closed.
  - The main reasons for closure were due to government orders or other COVID-19-related reasons.
- Rural businesses were more likely to close than urban ones: 6 in 10 rural household businesses stopped operating by Round 2.
- The poor saw greater closures than the non-poor (63% of poor households vs. 47% of non-poor households).
- The industry sector faced heavy closures in household businesses.

**% of households operating businesses pre-crisis that were not operating in R2<sup>(2)</sup>**



**Round 2 status of businesses operating in June-August**



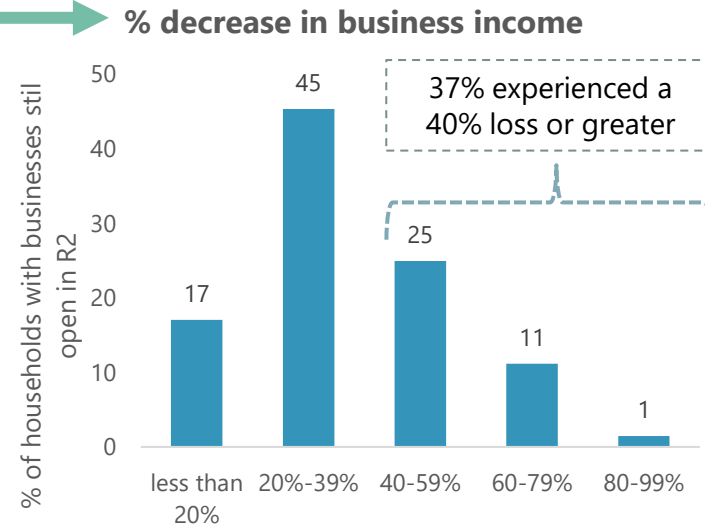
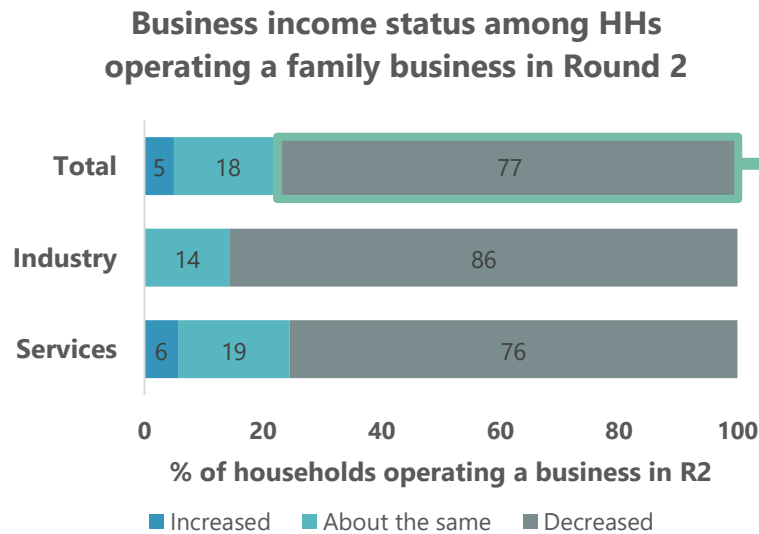
Note: (1) Based on the panel households interviewed both in R1 and R2. "Households stopped operating business by June" was defined as households that operated business at any point between May 2019 and May 2020 but did not operate business in June. "Households stopped operating business between June and August" was defined as households that operated business in June but did not operate in August. 17.7% of total households were operating at the timing of the R2 survey (August). (2) Businesses in agriculture are removed from this analysis.



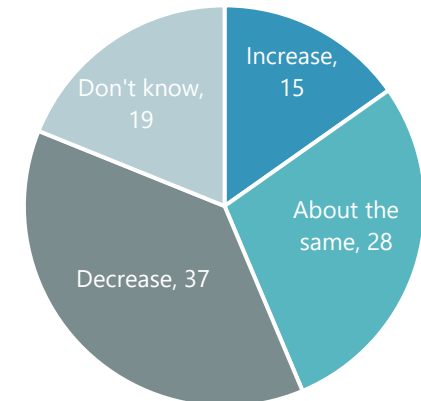
# Employment: Business

## Many family businesses still operating in Round 2 continue to experience significant income losses.

- 3 out of 4 households with an open (fully or partially) business in Round 2 had lower revenues compared to August 2019.
  - The percentage loss has been substantial for many: 37% experienced a 40% loss or greater.
- Those with businesses in the industry and service sectors were severely affected: 86% and 76% of households in the industry and service sectors, respectively, faced income declines compared to August 2019.
  - The main reasons for a reduction in revenue were a decline in customers and COVID-19 restrictions.
- 1 in 3 households with businesses expect their business income to decrease between September and November, which could make continued operation difficult.



**Business income expectations for Sept-Nov**



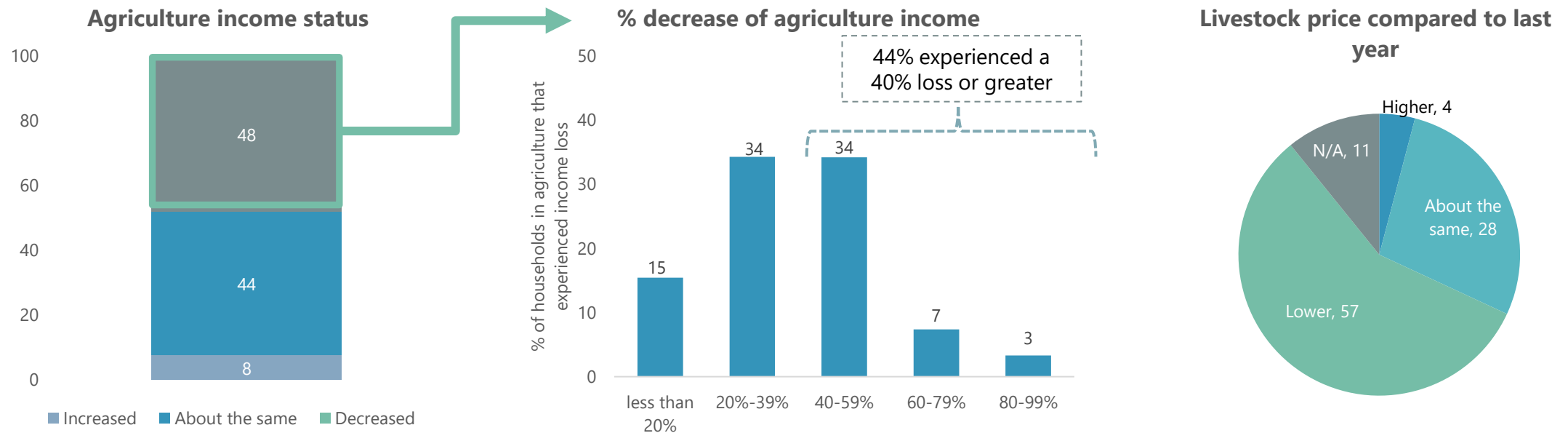
Note: Business income status asked households engaged in business about their income in August 2020 compared to the same period in 2019



# Employment: Agriculture

## While agriculture has been less affected than businesses, loss of livelihood among farmers and herders has not been trivial.

- About 22 percent of households were working in agricultural activities (farming and livestock) between June and Round 2.
- While nearly all farmers and herders in Round 2 were able to work as usual, nearly half experienced significant income losses compared to the same time last year
  - Among households that faced income loss, a third experienced a 20-39% reduction, while another third experienced a loss of 40-59%.
- Lower prices in livestock products, mainly cashmere, have affected herders significantly
  - 57 percent of herder households said their livestock price decreased since last year, while impacts on production quantities were relatively small





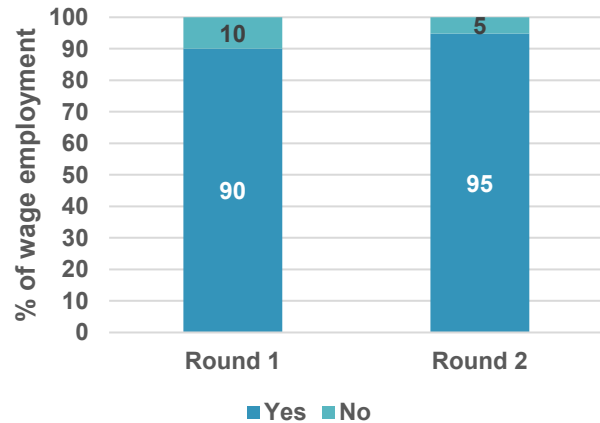


# Employment: Wage

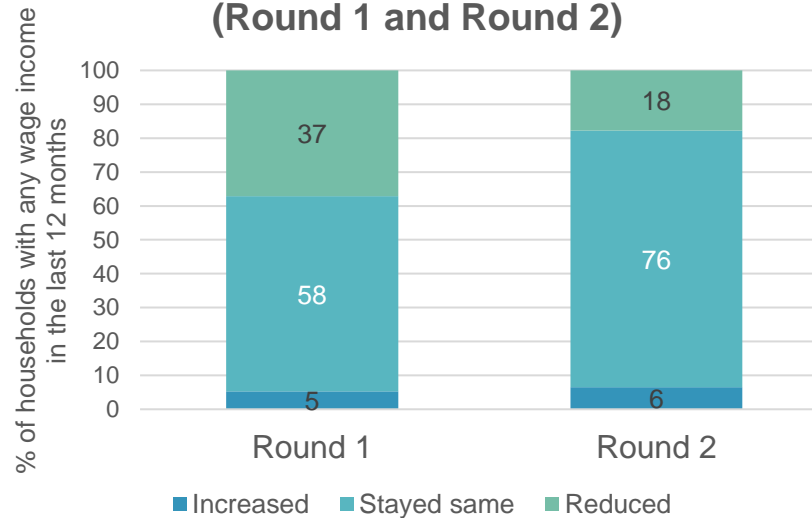
## Wage employment and income have improved since Round 1

- Among respondents engaged in wage employment (61 percent of total respondents working), 95 percent were able to work as usual in Round 2
- While nearly 2 in 5 households experienced wage income loss in Round 1, in Round 2, less than 1 in 5 households earned lower wage income and 3 in 4 households maintained the same level of wage income since June. This recovery of wage income was consistently seen across location and welfare distribution

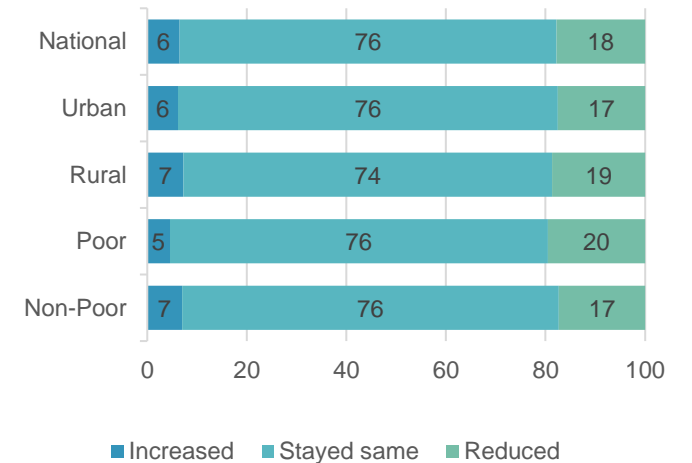
### Wage employment: work as usual in the last week



### Household wage income status (Round 1 and Round 2)



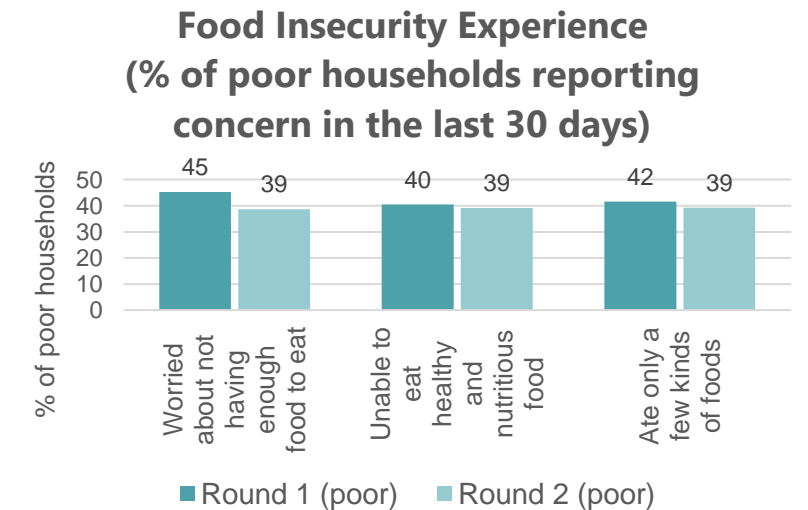
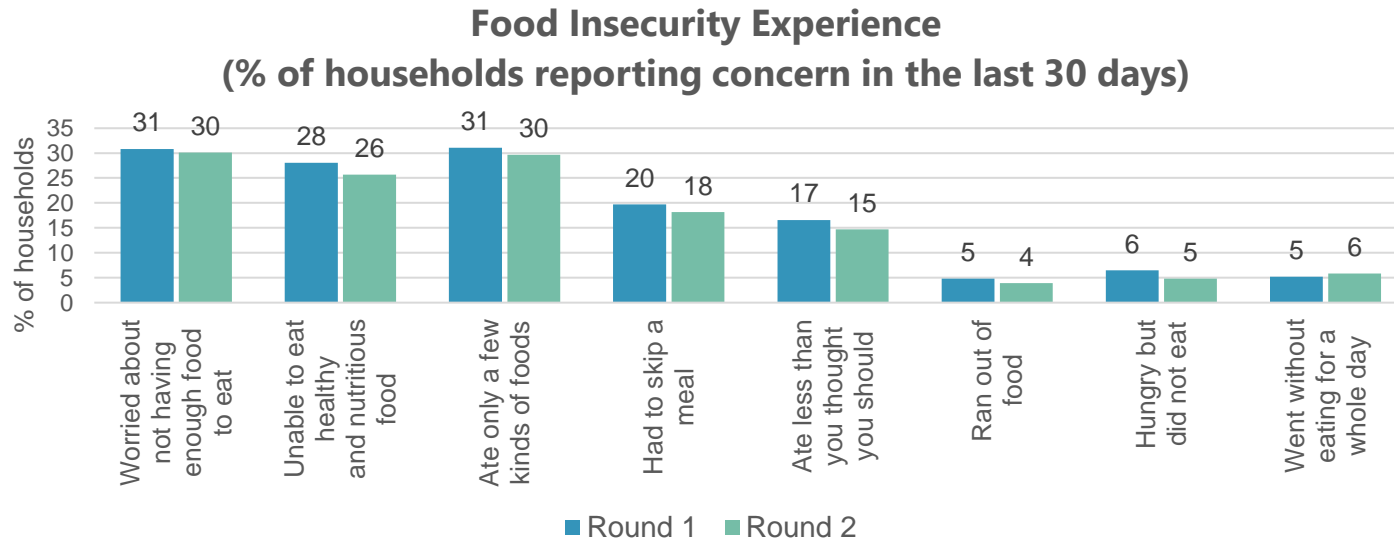
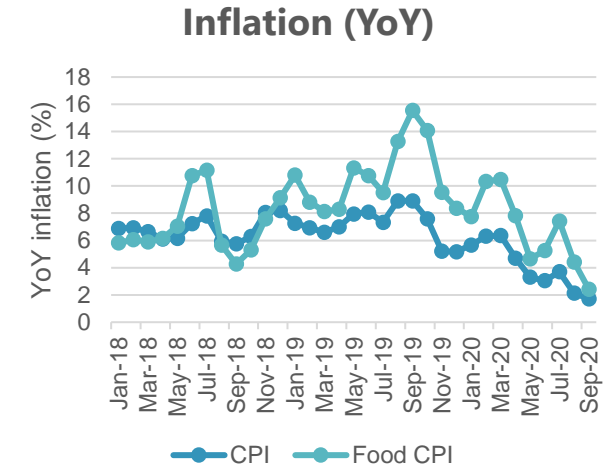
### Wage household income since June (Round 2)





# Food security

- There is no visible improvement in the status of food security from Round 1 to Round 2**
  - In Round 2, still nearly 1 in 3 households were worried about food availability even though food CPI inflation was stabilized after a spike in Feb-Mar 2020
- Food security continues to be a serious problem for the poor**
  - 2 in 5 poor were uncertain about their ability to (i) obtain enough food, (ii) obtain healthy food and (iii) obtain enough kinds of food



Note: Poverty status is based on the 2018 HSES. Included only households interviewed both in Round 1 and Round 2 (1212 households).

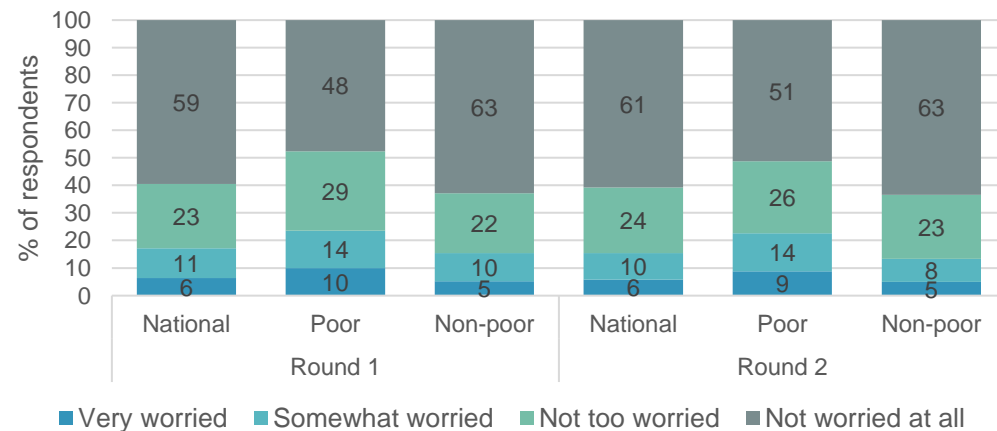


# Concerns

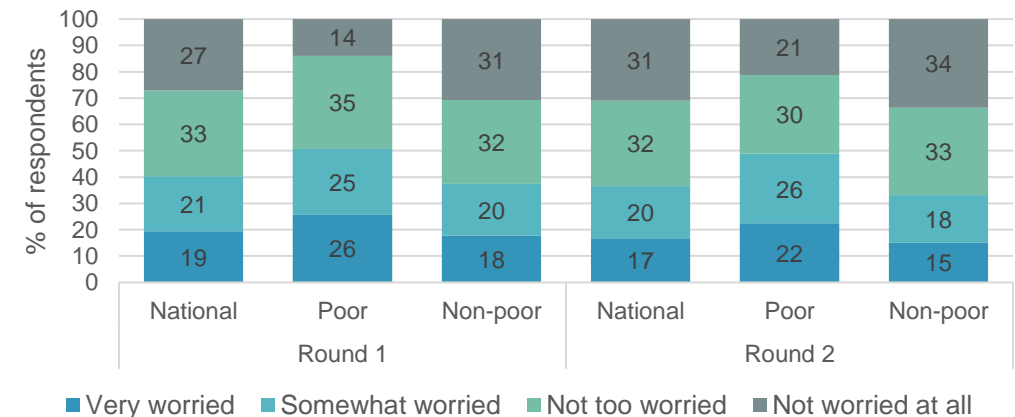
## There is no major difference in households' concern level in food security and finances between Round 1 and Round 2 while a substantial difference can be seen between poor and non-poor

- In both Round 1 and Round 2, about 1 in 6 households are worried about food security in the next week
- In Round 2, nearly 1 in 4 poor households (23 percent) expressed concerns about food security while only one in eight non-poor counterparts (13 percent) did.
- On average, 17 percent of households are very worried and another 20 percent are somewhat worried about their household finances in the next month
- In particular, half of poor households (48 percent) expressed concerns about their finance in the next month while 1 in 3 non-poor households did

### How worried are you about having enough to eat in the next week?



### How worried are you about your household's finances in the next month?



Note: Poverty status is based on the 2018 HSES. (1) Included only households interviewed both in Round 1 and Round 2 (1212 households).

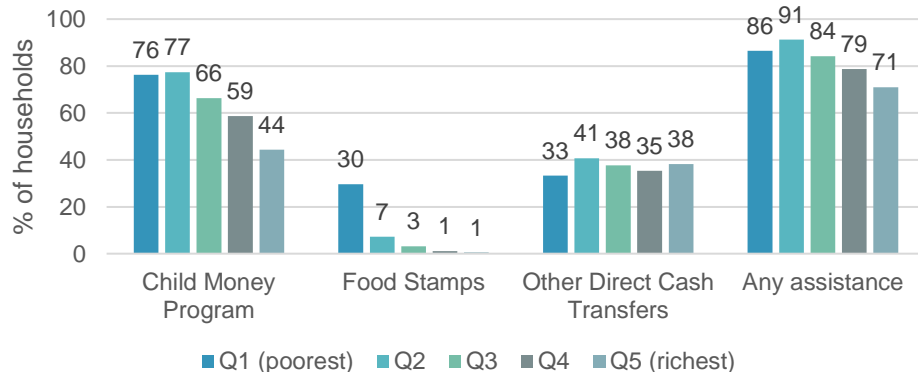


# Safety Nets: Social assistance

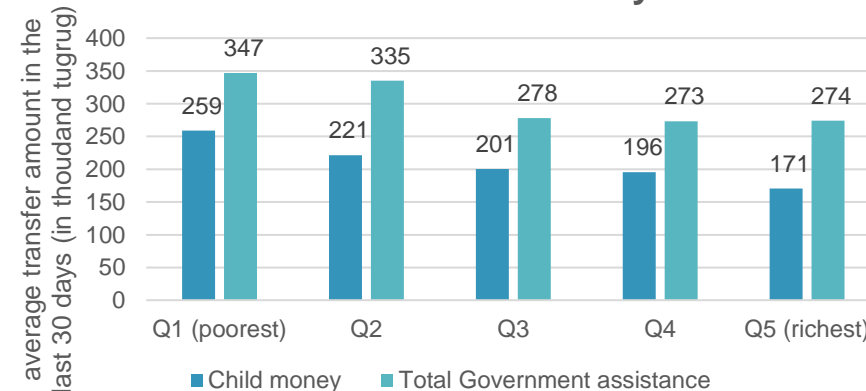
## Child Money Program (CMP) covers more than three-quarters of poor households, and its increased benefit amount is almost equivalent to 40% of their pre-pandemic household income

- The Government of Mongolia has implemented a series of social assistance measures to mitigate negative welfare impacts under the COVID-19 pandemic since May 2020, including allowance increases in Child Money Program (CMP), food stamps, and other employment and social welfare benefits. In particular, the Government increased by five times the amount of monthly CMP benefits from 20,000 to 100,000 tugrug per child
- As less-wealthier households tend to have more children, the poor are more likely to receive higher levels of CMP benefits compared to better-off households. The survey indicates nearly 80 percent of poor households received CMP.
- On average, households in the bottom 20% received 259 thousand tugrug as CMP in the last 30 days preceding the survey, which is equivalent to 40% of their pre-pandemic household income<sup>(1)</sup>. In total, they received 347 thousand tugrug from the Government, accounting for 54% of their pre-pandemic income

**% of households received government assistance since March 2020**



**Average transfer amount household received in the last 30 days<sup>(2)</sup>**



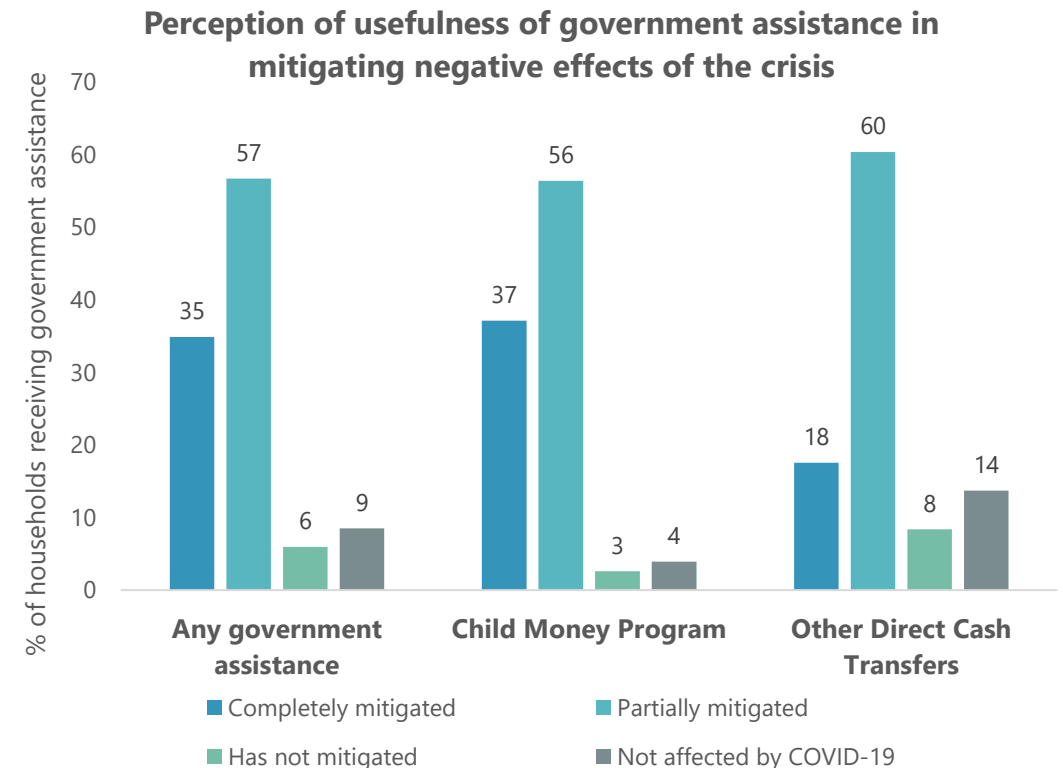
Note: Poverty status is based on the 2018 HSES. (1) Average pre-pandemic household income was calculated from the 2018 HSES (2) Included only households received government assistance



# Safety Nets: Social assistance

## Beneficiaries of government assistance indicate general satisfaction with safety net programs: more than 90% of beneficiaries reported social assistance benefits completely or partly mitigated negative impacts in household income

- Most of the transfers (75%) households received in the 30 days preceding the survey were cashed out for immediate use or were to be cashed out soon.
  - 98% of households receiving Food Stamps used the transfers immediately or were planning to use it soon, while 37% of CMP beneficiaries were planning to save the money for later use.
- Government assistance has generally been helpful for households in mitigating the negative effects of the crisis. Among households that received government aid:
  - 35% said one or more programs have completely mitigated impacts.
  - 57% said one or more programs have partially mitigated impacts.
  - CMP seems to have been the most effective in fully mitigating impacts.
- Under the pandemic, only 3 percent of households that received any form of government assistance faced an issue in receiving benefits

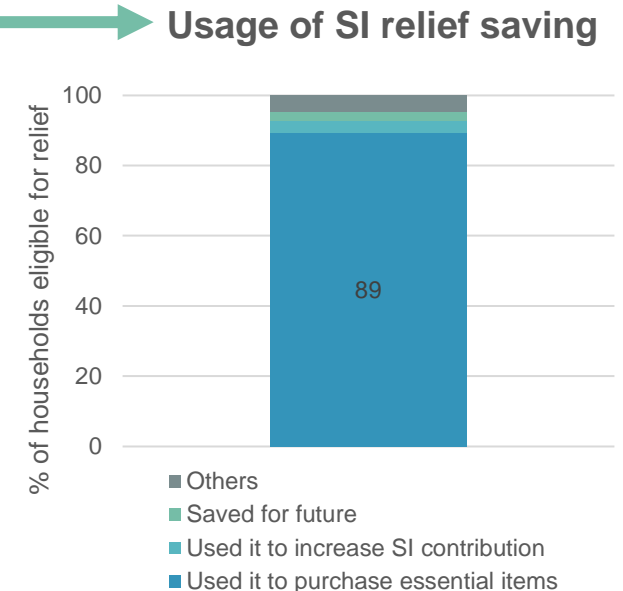
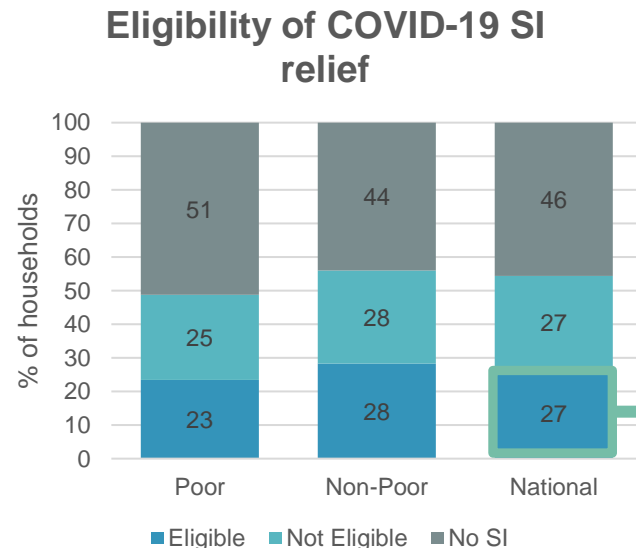
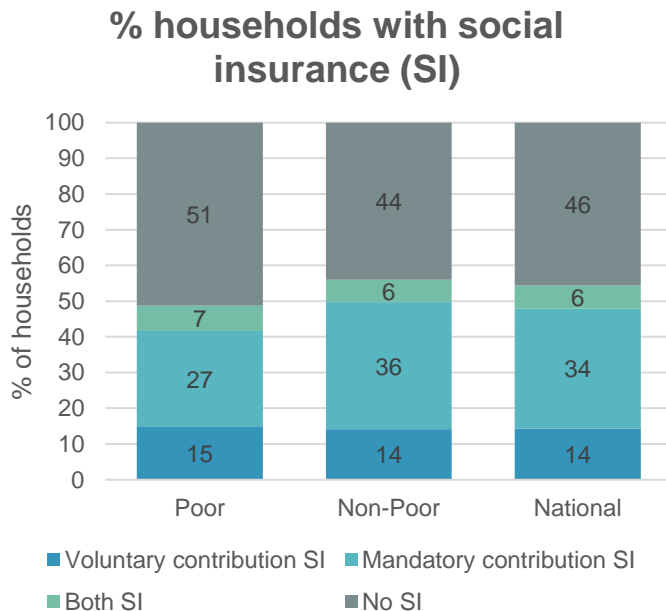




# Safety Nets: Social insurance

## Government's social insurance contribution relief measure, albeit only less than 30% of households qualified, helped eligible households to purchase essential items

- Exemption of social insurance contributions has been provided in response to the COVID-19 pandemic since April 2020
- Half of households have social insurance (either voluntary or mandatory contribution) and only half of those are qualified for the COVID-19 social insurance exemption
  - There was no statistically significant difference between poor and non-poor in social insurance enrollment and relief qualification
- Most of money saved by social insurance contribution relief were used for purchasing household essential items rather than saving for future or increasing SI contributions



Note: Poverty status is based on the 2018 HSES.