

SNAPSHOT



THE IMPACT OF COVID-19 ON RURAL WOMEN AND ENTERPRISES

A RAPID SOCIO-ECONOMIC ASSESSMENT
IN VIET NAM BY THE EMPOWER PROJECT



Context: Why does this matter?

Across the region, communities have been hit hard by the sudden and unprecedented spread of the novel coronavirus (COVID-19). For those at the frontlines of climate change, the pandemic and its associated lockdowns have only had a multiplier effect. The impact of all of this is often borne by women and girls who are already held back by gender and economic inequalities as well as deeply engrained social norms. In the same vein, as countries slowly move from response to recovery, women and girls can be a fountain of solutions in leading green jobs and building back in a climate-resilient way.

The EmPower: Women for Climate-Resilient Societies project, jointly implemented by the United Nations Environment Programme (UNEP) and UN Women and supported by the Swedish Development Cooperation Agency, puts gender equality at the heart of climate action. Through UNEP, the project focuses on harnessing renewable energy to build resilient livelihoods for women in rural Bangladesh, Cambodia and Viet Nam. The project also works on transforming policies and institutions, amplifying evidence and voices and fostering regional commitment in this regard.

With these extraordinary circumstances, the project is conducting a rapid assessment looking to understand the impacts of the crisis on the livelihoods and well-being of rural women (farmers and entrepreneurs reliant on natural resources). In Viet Nam this study has been undertaken in four provinces- Lao Cai and Bac Kan in the north and An Giang and Dac Lak in the in the Central Highlands and Mekong Delta regions. In addition to this, the assessment also considers the impact on renewable energy based businesses and small and medium enterprises.

This study and follow-up feeds directly into UNEP's COVID-19 strategic response- Block 2 (A transformational change for nature and people) and Block 2 (Building back better: Greening fiscal stimulus packages and accelerating sustainable consumption and production). More specifically- the findings and recommendations speak to Block 2B, addressing inequalities with a focus on marginalized and vulnerable groups, in this case being rural women in natural resource sectors and Block 3B and 3C, connecting with broader commitments to climate change and mobilizing support for green jobs.

Findings: What is the situation?

This assessment was undertaken in two parts. The first part is composed of a survey with 60 participants, all rural women and beneficiaries of the project from four provinces aforementioned. Respondents were between the ages of 20 and over 60, with the majority- 70% in the age range of 31-50 years. Additionally, informal interviews and discussions with renewable energy service providers helped to corroborate and supplement data emerging from the survey.

This rapid assessment was undertaken with the support of GreenID and CHIASE and looked at how the crisis has affected the women's time, livelihood and income, health and well-being and access to social protection, in addition to concerns, needs and challenges that they are facing. The following findings emerged:



Time

Since the COVID-19 outbreak, respondents noted that time spent on unpaid care and domestic work has increased significantly and for many this has nearly doubled with 73% of respondents spending 3 or more hours on unpaid care work. For 38% of respondents, this extends to 6 or more hours a day. Even though a majority have one or more family members lending a hand, this is still a demand on women's time and resources. Overall, free time for leisure and personal needs has increased with 40% of women now having more than 3 free hours a day. This is a significant jump from 3% who reported having so many free hours before the pandemic.



Livelihoods

An overwhelming majority, 87% of the women reported a decline in incomes resulting from the crisis, with growing concerns of rising unemployment and declining demand for products even after the crisis. Approximately 43% of the women are primary earners in their household, with an average income of US\$ 7 per day with a wide range spanning US\$2.15 to US\$ 25.75 a day. The majority of workers in Viet Nam either have their own poultry raising business, work in rice, vegetable production or agricultural day labourers which means they are hired on an as-needed daily basis to work on agricultural farms. ' While some rely on running grocery stores, only 10% had registered businesses. Even as concerns persist over reduced demand of products and services, interestingly, 7% of the women, running businesses around producing and selling dried noodles, reported an increase in demand since the crisis. This is likely to a desire to stockpile pantry items and not fresh food during lockdowns.



Health

Broadly, while most women have access to water for household use as well as for frequent handwashing, 7% still noted challenges with access to water. 25% of the women rely on central water collection stations. In terms of access to health clinics, 22% do not have access to a doctor. With the spread of COVID-19, community information sessions helped reach nearly 77% of the women, indicating some general awareness about the disease and preventive strategies. Bao Thang district in Lao Cai province continues to face information gaps. While there is a general sense of trust in local health clinics' ability to deal with the pandemic, when it comes to other basic services, only 43% of the women felt the health clinic was adequately equipped. Only 30% stated that the health clinic has a vaccine refrigerator while 62% did not know. Of all surveyed, 86% felt that their lives had become worse after COVID-19.



Government Support

In Viet Nam, all women reported themselves or their community members having received some form of government support. 51% (all from Lao Cai and Bac Kan) received cash handouts and rice distribution, 49% (all from An Giang and Dac Lak) received food distribution with a couple of the women also receiving face masks in lieu of the crisis. While most of the external support was administered by local government, it was unclear to respondents whether the handouts were indeed from government or from donors or external partners. Notably, a majority of the women were unaware of accessing financial incentives or loan concessions taken by members of the community.



Other Challenges

Besides rising unemployment, reduced incomes and school closures were also causes for concern. Interestingly, 23% of respondents noted they were not facing any other compounding concerns. According to local news reports, the national bank was set to reduce interest rates to help ease financial pressure however at the time of the assessment, this had not yet happened and was a point of concern for some respondents.

Impact on renewable energy businesses

- Overall sales of renewable energy products have been going down as community's willingness to invest in RE equipment is very low after COVID 19 as their priority is to save cash for essential needs. As a result, income is low but fixed costs remain quite high, making the whole cash flow more imbalanced.
- Small businesses rely more on the door to door selling or selling in physical market places and are not well versed with the online sales and marketing, therefore finding it difficult to sell their products online.
- Some technology providers are facing difficulties in importing material components such as solar panels or batteries (from China, for example) and prices of imported goods are increasing significantly.
- Access to affordable finance for a relatively smaller loan (to manage the working capital) has been a challenge and even if such loans are available, the criteria to avail them are not conducive for the small businesses.

What are the Opportunities?

- Enable women in rice, vegetable production, poultry and livestock sectors, as those hardest hit to adapt their supply chains and access new markets
- Focus on renewable energy-based storage options to increase longevity of agricultural products, poultry, livestock based on growing demands in the community
- Build awareness of financial incentives and loan mechanisms for unregistered businesses, labourers and agricultural workers
- Creating financial mechanisms for small and medium enterprises to continue running- either by easing collateral and other eligibility criteria, extending moratoriums on loans or providing subsidies to continue
- Leverage existing community awareness schemes and civil society engagement to inform people about other health facilities and alternate livelihoods

Solutions: What are the next steps?

While this sample may not be representative of various challenges across Viet Nam, some extrapolations can be made. This assessment is a starting point to engage actors across the spectrum to support women in climate-sensitive communities. There are a number of opportunities that the study presents; however it is essential that the role of women is emphasized in the economic recovery and their roles in climate mitigation and adaptation alongside this crisis are promoted.

Government partners

- Establish and implement COVID-19 recovery policies at the provincial and local levels that help SMEs bounce back and build back better
- Prioritize green jobs for women in employment schemes and in skill development in the recovery period
- Establish the appropriate institutional frameworks, technological infrastructure and digital platforms for enterprise owners to promote online sales

Private sector: Finance

- Ease the eligibility criteria and requirement for collaterals for borrowers running SMEs
- Extend moratoriums on the repayment of loans for smallholders
- Provide financial incentives for entrepreneurs and SMEs in agriculture, natural resources, renewable energy products to continue running businesses, expand demand and supply chains online
- Build awareness about existing financial schemes and initiatives at the district and local levels
- Organize training, awareness and handholding sessions for smaller and unregistered businesses on how to mobilize capital and resources

Private sector: Technology

- Prioritize clean-energy innovations for services like poultry farming, agriculture, and healthcare refrigeration responding to the needs of the community
- Initiate partnerships with multilateral financial institutions, banks and development partners and establish end-user financial mechanisms

Civil Society

- Reach women and girls in remote and climate-vulnerable communities with information about healthcare
- Be a conduit to share lessons from the community level on building resilience and crisis response at the local level
- Advocate solutions and work with partners including government and private sector to focus on alternate livelihood creation and/or adapting existing livelihoods to help bounce back from the crisis

EmPower: Women for Climate-Resilient Societies is a partnership between:



Sverige



FOR MORE INFORMATION

Parimita Mohanty
mohantyp@un.org

Inkar Kadyrzhanova
inkar.kadyrzhanova@unwomen.org

www.empowerforclimate.org

 UN Environment Asia Pacific | UN Women Asia Pacific

 @UNEnvironmentAP | @unwomenasia