

STRATEGY SUPPORT PROGRAM POLICY NOTE 40

# Monitoring the impacts of COVID-19 in Myanmar

## Food vendors – November 2020 survey round

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#### **Key Findings**

- Prevention measures for COVID-19 have been implemented in most wet markets in Myanmar. There have been widespread mandates requiring vendors and consumers to wear masks. Most interviewed vendors report that they are practicing social distancing.
- However, over time markets are imposing stricter rules on opening hours, likely leading to congestion and a higher risk of contagion.
- Food availability is seemingly not an issue at the national level. Food vendors report food availability, prices, and quantities purchased by customers to be comparable to the same period in a normal year.

#### **Recommended Actions**

- It is important that vendors and their suppliers are allowed to continue trade and that the smooth functioning of the food trading sector, including little or no restrictions on national and international food transport flows, is prioritized by stakeholders during the COVID-19 pandemic.
- However, continued attention should be paid to ensure that important safety requirements in food markets are maintained. It is especially important that restrictions on the opening hours of markets are lifted as to avoid congestion and risks of infection.
- Further close monitoring of prices in food markets also is needed.

#### Introduction

This policy note presents results from five rounds of a telephone survey with food vendors conducted in different rural and urban zones of the country, focusing on results from the last round completed. The purpose of the survey is to provide data and insights to the government, development partners, and interested stakeholders to understand the COVID-19 related shocks on Myanmar's food markets. In particular, the note explores prevention measures, changes in shopping behavior, difficulties in food vendor operations due to the COVID-19 crisis, changes in availability and prices of foods, perceived changes in consumption, and suggested policy actions by these food vendors.

#### Data and descriptive statistics

Five rounds of phone surveys with food vendors have been conducted between June and November 2020. The sample has changed slightly over survey rounds. In the last round, 217 food vendors were interviewed (Table 1).<sup>1</sup> The location of the surveyed areas is shown in Figure 1. Urban-based food vendors make up 17 percent of the sample, with the remaining 83 percent in rural areas.

#### Table 1: Profile of food vendors

	Dry South						
	Unit	Delta	Zone	-East	North	West	Total
Observations		54	80	31	42	10	217
Female	% female	63	55	68	60	50	59
Age	years	43	43	40	42	47	43
General store	%	87	91	97	98	100	93

Source: Food vendor survey (November 2020)

These food vendors were selected for the survey sample because they were well informed on food markets overall; deal regularly with food traders, such as suppliers and wholesalers; and are highly numerate and knowledgeable about food prices. Table 1 shows the basic characteristics of food vendors in our sample. Most are female, are on average 43 years of age, and are mostly general store owners.<sup>2</sup>

# Figure 1: Location of surveyed vendors

Myanmar Food Vendor Survey Area

Source: Food vendor survey (November 2020)

### COVID-19 prevention measures in wet markets

We asked food vendors questions about the COVID-19 prevention measures implemented in the wet markets in the village or township where they were operating (Table 2). We summarize their responses as follows:

- Mask wearing is widely practiced. While not all food vendors or consumers wear masks, all are mandated to do so. These mandates are in all regions of the country.
- Additional efforts, such as chemical spraying in markets, construction of handwashing stations, and proper distancing between vendors, are implemented in most villages and townships. Ninety-four percent of food vendors reported that the wet markets in which their businesses are located were disinfected with chemical spray and that new handwashing stations with soap or disinfectant were operational. Seventy-seven percent reported that the markets ensured proper distancing between vendors.
- Other actions that may have had significant direct impacts on food trade have been more limited. Few markets have imposed rules on the number of people that can enter the market or on the number of vendors that can operate. However, almost half of the markets imposed rules on opening hours, with these rules becoming stricter over time (Figure 2). Greater limitations on opening hours even as no limits are placed on the number of people that can

<sup>&</sup>lt;sup>1</sup> We divided the sample up in five geographical zones, i.e., Delta/South, Dry Zone/Central, South-East, North, and West. Delta/South: Ayeyawaddy, Yangon, and Bago), Dry Zone/Central (Magway, Mandalay, Sagaing, and Nay Pay Taw), South-East (Tanintharyi, Mon, Kayin, and Kayah), North (Shan and Kachin), and West (Rakhine and Chin).

<sup>&</sup>lt;sup>2</sup> Only two wet market vendors were interviewed. No supermarkets took part in the survey.

enter the market a given time results in congestion in marketplaces, increasing the risk of infection and contagion.

Table 2: COVID-19 prevention	measures in w	vet markets in	November 2	2020, perce	nt of
vendors reporting					

	South-					
	Delta	Dry Zone	East	North	West	Total
New handwashing stations with soap/disinfectant are operational	94	90	97	80	100	90
Disinfecting the market with chemical spray	94	83	96	80	71	87
Mandating that vendors wear masks	100	100	100	98	100	100
Mandating that customers wear masks	100	100	100	98	100	100
Restricting number of vendors that can operate	6	6	7	13	0	7
Ensuring proper distancing between vendors	77	83	97	92	71	85
Restricting number of people that can enter the market	4	0	3	3	0	2
Reducing number of days of operation	0	3	3	10	14	4
Reducing number of hours of operation	52	38	41	55	43	46
Excluding vendors from outside the village to sell their products	0	11	25	5	14	9

Source: Food vendor survey (November 2020)

# Figure 2: Restrictions on customers and opening hours of markets between June and November 2020, percent of markets implementing restrictions



Source: Food vendor survey rounds (June/July to November 2020)

#### Changes in business and consumer behavior

We also asked a series of high-level questions about changes in food vendors' businesses linked to the COVID-19 pandemic (Figure 3). Fifty-five percent of food vendors indicated that clients are visiting their shops less often, seemingly contributing to a decline in profits for 37 percent of vendors in November 2020. It is to be noted that these numbers are generally lower than at the start of the pandemic.

With respect to operating their food shops, there are seemingly few supply-side issues. Only a few food vendors reported in November that local farmers are having difficulties in supplying them with products (2 percent) or suppliers from outside the village/township are having difficulties in getting their products to food vendors (10 percent). The latter number was higher in October (23 percent) due to seemingly stricter mobility measures in the country, but these appear now to have eased over time. One issue raised by almost a quarter of the food vendors is the higher prices they now pay for some of their food supplies. However, these issues were clearly greater in the previous month when more than 40 percent of vendors indicated such issue.

#### Figure 3: Effects of COVID-19 on food vendors in Myanmar, percent of vendors affected



Source: Food vendor survey (June 2020 until November 2020)

## Changes in the availability and prices of foods

A major worry for food security is the availability and prices of products, possibly linked to more limited mobility in the country due to COVID-19 measures. We thus asked food vendors about their perception on the changes in availability of different food products, compared to similar periods of previous years. In Figure 4, we compare perceptions on the availability of various types of food across the five rounds of the survey. In November, there were no major issues with the availability of food products. Most vendors (between 80 and 89 percent depending on the food group) reported that availability of food products in their village/township was the same as normal.



#### Figure 4: Availability of food products compared to normal periods, percent of vendors

Source: Food vendor survey (June 2020 until November 2020)

While availability may not have significantly changed, changes in prices may indicate other signs of stress in the food marketing system. In a manner similar to our food availability questions, we asked food vendors to compare changes in prices at the time of the survey to similar periods in a normal year. The results are reported in Figure 5. Overall, we see no large price changes, which was a finding of WFP's recent price monitoring reports (WFP 2020). Most food vendors reported that prices of different food groups were the "same as usual" at this time of the year, varying from

23 percent for onion to 88 percent for green leafy vegetables. Greater than normal prices were especially mentioned for onions (62 percent) and cooking oils (51 percent).





Source: Food vendor survey (June 2020 until November 2020)

We also asked food vendors about the effective prices at the time of the survey rounds for different food products. We then ran a regression of prices from different periods to the average price reported in the first survey round in June/July, controlling for geography and quality. The results are presented in Figure 6. The red vertical line in indicates the average price reported in the first survey round. The blue dot indicates the average price ratio difference between later survey rounds and the average June/July round price, with the blue lines indicating the 95 percent confidence intervals.



Figure 6: Price ratio differences by survey period, compared to period one

Source: Food vendor survey (June 2020 until November 2020)

Overall, we note that prices were reported to be significantly higher for rice, potatoes, and onions in October compared to earlier survey rounds. The price of rice increased by 7 percent, potatoes by 10 percent, and onions by almost 40 percent. On the other hand, the price of chicken declined significantly over time. Other products in Figure 6 do not show significant price differences over time.

### Changes in the consumption of food vendor clients

We further asked food vendors to assess how quantities bought by their consumers have changed compared to normal periods. They reported that quantities purchased remained at similar levels as normal for most food products. For November, the "same" category varied between 95 percent for cooking oils and 70 percent for pork (Figure 7).





However, consumption of animal-source foods (ASF) seems to have taken the biggest hit since the start of the pandemic. A reduction in the consumption of ASF globally during the pandemic has been observed in other studies - in an economy-wide simulation analysis (Laborde et al. 2020), in a recent COVID-19-related study showing that economic contractions reduce children's consumption of nutrient-dense foods (Headey and Ruel 2020), and in another Myanmar Agricultural Policy Support Activity telephone survey in which maternal consumption of ASFs (and some non-ASFs) is associated with self-reported declines in income due to COVID-19 (Headey et al. 2020). This result is consistent with the high income elasticities of ASFs – when incomes decline, these products will be consumed less frequently (proportionally more so than the decline in income). This is due in part to ASFs being relatively expensive sources of calories despite their high density of micronutrients and high-quality protein. Availability of ASFs has been reduced and their prices have increased on top of relatively large, predicted income declines in the country linked with the economic disruptions associated with COVID-19 (Diao and Mahrt 2020).

## **Policy actions**

We further asked food vendors about their suggestions for the safe functioning of markets during the COVID-19 pandemic. Vendors were obviously concerned about restrictions on their business practices and very few recommended measures that would impact their business, such as restricting

Source: Food vendor survey (June/July, August, September, October, and November)

the types of products being sold, restricting the number of sellers in the market, having markets open less frequently, or having markets open for less hours (Figure 8). Their main suggestions centered around ensuring masks or other protective equipment are worn by all involved (62 percent) and regularly disinfecting markets (28 percent).

#### Figure 8: Suggestions on actions taken on markets, November 2020



Source: Food vendor survey (November 2020)

Most food vendors indicated overall that few impacts have been seen on the availability, prices, and quantities purchased compared to normal years. However, close monitoring of price changes and their contributing factors is paramount. Changes in consumer prices are sometimes linked to predatory behavior among traders, motivating government intervention to curb down trading activity as has already been witnessed during the COVID-19 pandemic in several other countries (Resnick 2020). However, early evidence on such predatory behavior is limited and the findings reported here indicate that price changes at the national level during the pandemic have not yet been large and that the food marketing system has held up well.

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