

Impact of Covid-19 on Decent Work

March Wage Digitization Digest-13th Edition

The Wage Digitization Digest is a monthly desk-based intelligence report produced by Synergos that sources from English-language media spanning a monthly timeframe specified in the digest. The report covers the impact on workers during Covid-19, in garment and agricultural value chains, with a focus on digital wages, gender equity, and worker wellbeing across Bangladesh, Ethiopia, India, Indonesia, Kenya, Nigeria, Pakistan, Tanzania and Uganda. This month's research covers news sources from Mar 1 – Mar 31, 2021.

Women's History Month: Spotlight on Gender Equity

Reflecting on this past Women's History Month and International Women's Day, we want to take a moment to celebrate the notable wins for gender equity that bring us hope. Below, we have highlighted a few stories that make us optimistic, despite the persistent challenges that exist for women's economic empowerment globally:

1. **In Ethiopia and Uganda, women in agriculture are gaining agency in household decision-making and control over their finances:** Foodgrains Banks' five-year Scaling-Up Conservation Agriculture program has trained more than 61,000 farmers in Ethiopia, Kenya and Tanzania in conservation agriculture, and roughly half of those are women. 89% of women in the Ethiopia program now make household decisions on what to grow, and where and when to plant compared to 2% at the beginning of the program. Most also report that they make the decisions on how to use farming incomes, compared to 23% of women at baseline ([Relief Web](#)). Farm Africa, a non-profit in Uganda, tackles gender bias within Uganda's Kanungu district coffee industry. Launched in September 2019, the project works with cooperatives, coffee farmers, and local bodies to provide women with greater autonomy at the household, farm, and cooperative level. It also provides women access to financial resources through Village Savings and Loan Associations. The recently published results from a November 2020 survey shows that of 348 female coffee farmers interviewed, 89% believe they have active input into decision making on agricultural production compared to only 22% in 2019 ([IPP Media](#)).
2. **In Bangladesh, the tea industry is calling for women representation in leadership positions to better serve the needs of tea workers and their families:** Women must have leadership positions at all levels of tea workers' unions and all executive committees to enhance social protection of female workers at tea gardens, said speakers at a roundtable discussion held in Sylhet marking International Women's Day. Speakers said that tea workers belong to an extremely marginalized community who are deprived of proper healthcare, education, labor safety, standard working environment and social protection services. By empowering female tea garden workers into leadership, social barriers can be removed in sectors such as maternal healthcare, children's education, adolescent women's health and nutrition and involvement in decision-making process ([The Daily Star](#)).

Other Major Stories

1. **Ethiopia is rapidly scaling agro-industrial parks to strengthen local processing that uses inputs from its local farmers and create tens of thousands of new jobs:** In the month of March, Oromia Industrial Parks Development Corporation signed an agreement for the construction of an agro-

industrial park in the town of Nekemte by Walabu Construction Share Company and Ethiopian government officials inaugurated the Yirgalem Integrated Agro-Industrial Park in Ethiopia's Sidama region. Both parks consist of 250+ hectares and will bring employment to over 440,000 people total in processing coffee, tea, oilseeds and grains, fruits and vegetables, food grains, meat, and poultry products and eggs, honey, and dairy products ([2 Merkato, 2Merkato](#)).

2. **A survey of garment workers in Bangladesh has found that garment workers who received their wages in mobile money or bank accounts prior to the Covid-19 pandemic had higher financial resilience than those paid in cash:** A recent study by Microfinance Opportunities and SANEM demonstrates the linkages between digital wage payments, food insecurity, and worker resilience in the face of the Covid-19 pandemic. Workers who had a digital account prior to Covid-19 were more resilient than those who did not have one or reported gaining one after the start of the pandemic ([Garment Worker Diaries](#)).
3. **Bangladesh's garment sector that historically employs a strong majority of women is witnessing a slow decline in women workers:** The proportion of female workers in the country's readymade garment sector declined to 59% in 2020 from 65% in 2015, according to a recent survey conducted by the Asian Center for Development. The survey identified that structural changes of RMG industries to knitwear from woven factories and adaptation of new technology and machinery had squeezed the opportunity for the female workers ([Newage Bangladesh](#)).
4. **India's Bengaluru garment workers were left unprotected from forced resignations employed by garment factories during Covid-19:** A new report by the Garment and Textile Workers' Union and Alternative Law Forum (ALF) has documented the alarming figures of forced resignations in the Bengaluru garment industry in 2020. The report said that 81% of the workers surveyed had resigned, while the rest were protesting the closure of the factory. 60% of the factories that closed down employed less than 100 workers, which meant that the factory owners did not have to apply for permission from the state government before closure ([The News Minute](#)).

Country Deep Dives in Africa

Ethiopia

Population (2019): 112.1M¹

Employment in Agriculture (2013): 25.2M⁴

Labor Force (2020): 55M²

Employment in Garment (2019): 62,000⁵

Labor Force, % Female (2020): 46.5%³

Total Informal Employment: data unavailable

Agricultural Economy: Ethiopia's Oromia Industrial Parks Development Corporation signed an agreement for the construction of an agro-industrial park in the town of Nekemte by Walabu Construction Share Company. The park will take up 250 hectares of land at a cost of 7.8 billion birr (\$188M USD). The construction of the industrial park will bring employment for over 3,000 people. Once the park is fully operational, it is expected to create over 50,000 jobs processing coffee, tea, oilseeds and grains, fruits and vegetables, food grains, meat, and poultry products and eggs, honey, and dairy products ([2 Merkato](#)). Ethiopian government officials inaugurated the Yirgalem Integrated Agro-Industrial Park in Ethiopia's Sidama region. The park is 294.5 hectares and aims to create 393,000 jobs in processing for agricultural value chains such as fruits and vegetables, dairy, meat, poultry, coffee, and cereal and pulses ([2Merkato](#)).

- **Horticulture:** Ethiopia's floriculture has been mitigating the adverse effects of the Covid-19 pandemic; According to the executive director of the Ethiopia Horticulture Producer Exporters Association (EHPEA), the country's horticulture industry brought in \$500M USD in 2020 and continues to create new jobs for local Ethiopians. As Africa's second largest flower exporter, the industry is poised for sustained growth with positive inputs such as government investment, land availability, natural resources, and proximity to potential markets ([Xinhuanet](#)).

Garment Economy: An article posted by Vogue magazine highlights the lives of women garment workers across major garment supplier countries such as Ethiopia. Hosana, a 24-year-old garment worker from Addis Adaba shares the challenges she faces with reduced wages since Covid-19 took a toll on the industry's financial health and her ability to cover basic needs.

"I've been working for five and a half years at the same garment factory. Since the pandemic began, our wages have been reduced—we haven't been told why. It was 1,600 Ethiopian birr [\$38] a month before, and now it's 1,400 [\$33]. Because of this, I've had to ask my parents for help for food and other expenses as these wages only cover my rent. There have been a lot of orders coming through, so we've had to work a lot of overtime, but we haven't been paid for it. One person is given a two-person job to do, and when we can't manage to do that job, the

¹ World Bank Open Data, India. [Data.worldbank.org](https://data.worldbank.org)

² Ibid.

³ Ibid.

⁴ ILOSTAT – Employment by sex and economic activity (thousands) from Labor Force Surveys and Household Surveys. <https://ilostat.ilo.org/data/>

⁵ Improving Worker Wellbeing in Ethiopia's Garment Industry through the Model of Shared Responsibility, ILO Vision Zero Fund. 2020. https://www.ilo.org/wcmsp5/groups/public/---africa/---ro-abidjan/---sro-addis_ababa/documents/publication/wcms_737627.pdf

bosses yell at us to work faster and insult us. They push us around sometimes and if we complain about the work pressure, they tell us to leave if we don't want to work there any more" ([Vogue](#)).

Gender Equity: Canadian Foodgrains Banks' five-year Scaling-Up Conservation Agriculture program has trained more than 61,000 farmers in Ethiopia, Kenya and Tanzania in conservation agriculture, and roughly half of those are women. 89% of women in the Ethiopia program now make household decisions on what to grow, and where and when to plant compared to 2% at the beginning of the program. Most also report that they make the decisions on how to use farming incomes, compared to 23% of women at baseline ([Relief Web](#)).

Kenya

Population (2019): 52.6M⁶

Employment in Agriculture: 12M⁹

Labor Force (2020): 24.7M⁷

Total Informal Employment: data unavailable

Labor Force, % Female (2020): 49%⁸

Agricultural Economy: Kenyan farmers fear being left alone in the application of environmental standards required by the European Union's new food policy, said the voice of Kenya's horticulture producers, who warned that without help, the new rules could jeopardize trade with Europe ([Euractiv](#)). The Kenya and UK Economic Partnership Agreement has taken effect to allow Kenya unfettered access to the UK market for 25 years- free of duty and quota restrictions. The agreement is very important to both large business and small producers as they rely on the duty-free access to compete globally. Exports to the UK from Kenya include coffee, tea, flowers, fruits, vegetables, textiles, and apparel, as well as emerging priority value chains such as pulses, honey, nuts, minerals, edible herbs, fisheries, livestock, leather and footwear ([The Star](#)).

- Tea: Kenya's tea farming industry, one of the world's largest, is facing job losses after a court in January ruled against a labor union's attempt to ban tea leaf harvesting machines. Workers fear the machines will take their jobs, while tea farm owners say mechanization will make the industry more productive ([VOA](#)). Average tea prices at the weekly Mombasa auction at the end of March slid to the lowest price so far this year. ([The Star](#)). Regional coordinators in tea growing regions shared the importance of ensuring full implementation of the new Tea Act to reform the sector despite tensions with Kenya's tea industry association, the Kenya Tea Development Agency (KTDA). The government and KTDA are at odds in the implementation of the Tea Act as KTDA believes it will cause more harm to tea companies. To reform the KTDA, the plan is to have tea farmers take over the affairs of the KTDA ([All Africa](#)). For the first time, tea farmers in Kenya were able to vote in the Kenya Tea Development Agency's (KTDA) new directors.

⁶ World Bank Open Data, Kenya. data.worldbank.org

⁷ Ibid.

⁸ Ibid.

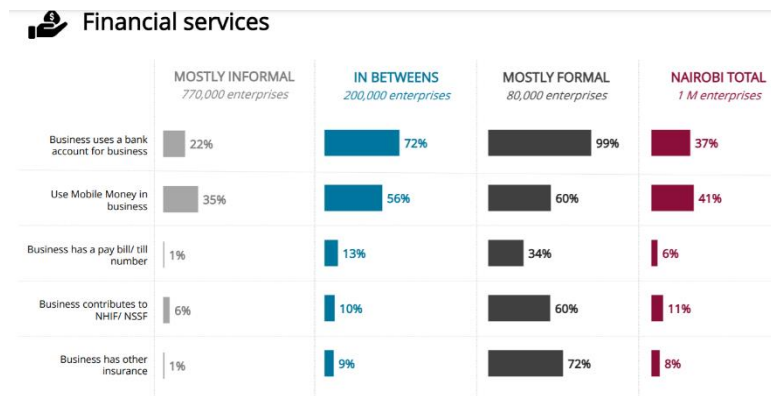
⁹ World Bank Open Data, Kenya. [Data.worldbank.org](https://data.worldbank.org).

*Calculation based on ILO Employment in Agriculture (% of total employment), Employment to population ratio 15+, and total population 15-64.

The Kenya Tea Sector Lobby has urged tea farmers to vote in directors who listen to farmer voices around their interests. This election of the KTDA directors has the chance to shift the direction of the tea sector, which started with the nullification of the fraudulent election of KTDA factory directors in 2019 ([Kenya's Watching](#)).

Digital Financial Services: FSD Kenya conducted a case study to examine the value of (In)formality on Micro and Small enterprises (MSEs) in Nairobi, Kenya. The study provides an overview of MSE statistics as well as their formal and informal relationships to government, premises, financial services, labor, suppliers, record keeping, customers, and associations. In Kenya, MSEs account for 24% of GDP, over 90% of private sector enterprises, and 93% of total labor force in the formal economy. Within MSEs, a majority are largely informal, meaning they are not government registered, operate in open spaces, have no other formal employees, and are unlikely to use a bank account. Out of those largely operating informally, 65% are women. Compared to other MSE segments that are more formal, women are only the majority in this category.

In financial services, there is a positive correlation between the business's degree of formality and the use of digital financial services such as bank or mobile money accounts, digital payments, and loans. Around payments, an interesting finding is that the



41 | Source: MSME Survey 2016

impetus to accepting digital payments is often from the customer. Although a government directive during Covid-19 to accept non-cash payments has also encouraged uptake. Many business owners discourage mobile money payments (MPESA) as they can be reversed and digital payments are perceived as expensive with withdrawal charges. Despite this, all businesses interviewed for the report accept some form of digital payments ([FSD Kenya](#)).

Nigeria

Population (2019): 200.9M¹⁰

Employment in agriculture (2013): 22.1M¹³

Labor Force (2020): 61.4M¹¹

Total Informal Employment: data unavailable

Labor Force, % Female (2020): 44.8%¹²

Agricultural Economy: Solidaridad West Africa has signed a Memorandum of Understanding (MOU) with the Federal Ministry of Agriculture and Rural Development (FMARD) to improve agricultural productivity and ensure Nigeria's self-sufficiency in agriculture and divestment of the economy from dependency on crude oil. Solidaridad will provide technical support to FMARD in the development of

¹⁰ World Bank Open Data, Indonesia. data.worldbank.org

¹¹ Ibid.

¹² Ibid.

¹³ ILOSTAT – Employment by sex and economic activity (thousands) from Labor Force Surveys and Household Surveys. <https://ilostat.ilo.org/data/>

the palm oil, cocoa , and horticulture sectors ([Leadership](#)). The Minister of Communications and Digital Economy has stressed the need for Nigeria to digitalize its agricultural sector to foster innovation and create new business opportunities. With the Federal Ministry of Communications and Digital Economy, the Nigerian government developed the National Digital Economy and Strategy to transition farmers to develop smart agriculture and new technologies. The Minister of Agriculture has emphasized the heavy initial investment in infrastructure to digitize agriculture. In a webinar organized by the Nigeria Computer Society, government actors called for collaboration across private sector, government, development, and academia in areas of capacity building, smart solutions and services, and research and development ([This Day](#)).

- **Cocoa:** Cocoa production has decreased in the country from about 300k metric tons in 2013/2014 but reduced to about 245k metric tons in 2019/2020 ([Guardian](#)). This decline is attributed to a combination of factors, such as neglect of agricultural infrastructure by the government, non-availability of improved high-yielding cocoa seedlings, scarcity of other inputs such as agro-chemicals, old production technologies and climate change have been identified as impediments to increasing cocoa productivity in Nigeria. After distributing 10 million cocoa seedlings in 2020, the Cocoa Research Institute (CRIN) says it will disburse additional five million seedlings to farmers in 2021. CRIN provides these seedlings freely to farmers with poor access to market and preservation ([ICIR](#)).
- **Coffee:** Coffee remains a big revenue driver in the global market but Nigeria’s production has fallen to less than 60,000 metric tons yearly, decreasing over the last 20 years due to lack of investment and poor productivity. Stakeholders are calling for efforts to reposition the industry to enable the country’s export revenue potential. In Southwest Nigeria, coffee and cocoa represent two of the most important value chains, where they are grown by more than 10,000 farmers and support thousands of jobs ([The Nation](#)).

Tanzania

Population (2019): 58M¹⁴

Employment in Agriculture (2014): 14.4M¹⁷

Labor Force (2020): 28.1M¹⁵

Total Informal Employment (2014): 19.2M¹⁸

Labor Force, % Female (2020): 48.1%¹⁶

Agricultural Economy: A survey conducted by the International Trade Centre (ITC) on Non-Tariff Measures (NMT) revealed that 72% of exporters in Tanzania were facing difficulties complying with trade regulations and procedures to sell locally and abroad. The most affected exporters of agricultural products are those exporting avocado, spices, coffee, tea and general horticultural goods. No explicit inputs were described to explain the difficulties ([Fresh Plaza](#)).

¹⁴ World Bank Open Data. data.worldbank.org

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ ILOSTAT – Employment by sex and economic activity (thousands) from Labor Force Surveys and Household Surveys. <https://ilostat ilo org data/>

¹⁸ ILOSTAT – Informal employment by sex and economic activity (thousands) from Labor Force Surveys. <https://ilostat ilo org data/>

Digital Payments: Announced back in February, Tigo, a telecom company in Tanzania, has reached an agreement with the Rungwe Small Tea Growers Association to facilitate digital payments through a mobile service tailored to over 8,000 tea growers in the Mbeya region. The mobile money transfer service will be called ‘Malipo ya Chai kwa Tigo Pesa.’ It will allow farmers to auction and purchase products through the Tigo pesa mobile financial service platform app ([Telecom Paper, AfricaPress](#)).

Uganda

Population (2019): 44.3M¹⁹

Employment in agriculture (2017): 4.2M²²

Labor Force (2020): 17.4M²⁰

Total Informal Employment (2017): 8.1M²³

Labor Force, % Female (2020): 49.3%²¹

Agricultural Economy: In early March, Kenya added maize to the list of banned export items from Uganda. The list also includes poultry and beef products. The Bank of Uganda projects a loss of an average of \$121m (Shs447b) in annual revenue due to this ban as Uganda exports 90% of its maize to Kenya annually ([Daily Monitor](#)). The ban comes due to public health concerns connected to reported illnesses from these imported products and the need to support its local dealers and farmers recovering from the impact of Covid-19.

- Tea: After two months of decline, tea prices recovered in early March, rising closer to the two-dollar mark at the Mombasa Auction. Uganda sold 1.5million kg out of the 1.7million offered, contributing the second largest share after Kenya. Tea is one of Uganda’s leading exports sold at the Mombasa Auction ([Daily Monitor](#)).
- Coffee: Uganda’s coffee exports have defied coronavirus market disruptions for a straight second month recording an 11% and 17% in value and volume respectively in March 2021 compared to the previous year. According to the Minister of Agriculture, the recent growth in exports is attributed to increased production in the country’s coffee growing regions, and the streamlining of transport and logistics from the farms to the market despite travel restrictions ([The East African](#)).

Gender Equity: Farm Africa, a non-profit in Uganda, tackles gender bias within Uganda’s Kanungu district coffee industry. Launched in September 2019, the project works with cooperatives, coffee farmers, and local bodies to provide women with greater autonomy at the household, farm, and cooperative level. It also provides women access to financial resources through Village Savings and Loan Associations. The recently published results from a November 2020 survey shows that of 348 female coffee farmers interviewed, 89% believe they have active input into decision making on agricultural production compared to only 22% in 2019 ([IPP Media](#)).

¹⁹ World Bank Open Data. data.worldbank.org

²⁰Ibid.

²¹ Ibid.

²² ILOSTAT – Employment by sex and economic activity (thousands) from Labor Force Surveys and Household Surveys. <https://ilostat.ilo.org/data/>

²³ ILOSTAT – Informal employment by sex and economic activity (thousands) from Labor Force Surveys. <https://ilostat.ilo.org/data/>

Consequences of the Covid-19 pandemic have exposed the deep gender inequalities in Uganda in the labor force. Women in Uganda even before the pandemic spent 3.5 times more hours than men each week on domestic labor. With school closures and other social distancing restrictions, increasingly women have left the labor market altogether. Women's businesses were the first to close with 43% of women-owned businesses (in Sub-Saharan Africa) closing compared to 34% owned by men. In Uganda, 80% of refugees working in informal and agricultural sectors are female and are facing a decline in household income and higher rates of food insecurity ([World Bank](#)).

Country Deep Dives in Asia

Bangladesh

Population (2019): 163M²⁴

Employment in Agriculture (2017): 24.7M²⁷

Labor Force (2020): 71.2M²⁵

Employment in Garment (2019): 4.2M²⁸

Labor Force, Female (2020): 21.8M (30.6%)²⁶

Total Informal Employment (2017): 57.6M²⁹

Agricultural Economy: Prime Minister Sheikh Hasina today urged researchers to conduct studies to diversify Bangladesh's export basket alongside modernizing and mechanizing the agriculture sector ([The Daily Star](#)). The government is encouraging the cultivation of coffee, cashew nuts and dragon fruits to become potential cash crops in the hilly areas of Chattogram division. The region has the right conditions for these crops and could help farmers largely improve their socio-economic conditions. The Department of Agricultural Extension is supporting farmers in the region with training to boost productivity and crop quality and is digging 725 km of canals ([The Financial Express](#)). The World Bank approved \$120 million to help Bangladesh improve food security by enhancing climate resilience and productivity of irrigated agriculture and fisheries. The Climate-Smart Agriculture and Water Management Project will rehabilitate and modernize public Flood Control, Drainage, and Irrigation (FCDI) infrastructures and provide training to farmers on climate-smart technologies. The project will help increase the incomes of 170,000 poor people who are vulnerable to climate change. Half of the beneficiaries will be women ([Modern Diplomacy](#)).

- Jute: While jute has historically been Bangladesh's main cash crop, Bangladesh has focused on diversifying its agricultural economy to multiple crops such as tea, rice, wheat and maize. The agricultural economy's fast transformation has included mechanization of agricultural tools and other innovations to increase crop productivity and yield in other areas like maize and wheat. Maize saw an annual rate increase of 17% in 2019 ([The Financial Express](#)).

²⁴ World Bank Open Data, Bangladesh. data.worldbank.org

²⁵ Ibid.

²⁶ Ibid.

²⁷ ILOSTAT – Employment by sex and economic activity (thousands) from Labor Force Surveys and Household Surveys. <https://ilostat.ilo.org/data/>

²⁸ Asia-Pacific Garment and Footwear Sector Research Note, Issue 8, October 2017. ILO.

https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_581466.pdf

²⁹ ILOSTAT – Informal employment by sex and economic activity (thousands) from Labor Force Surveys. <https://ilostat.ilo.org/data/>

- Tea: Bangladesh Tea Research Institute of Bangladesh Tea Board (BTB) organized the event on 'Selection of leaves, fertilization and pests' management in tea plantation' for 65 tea growers at Buraburi union in Tentulia upazila of Panchagarh. Experts at the on-field practical training workshop discussed the importance of adopting scientific methods and latest technologies in tea cultivation on plain lands to further boost its production. Farmers were encouraged to expand small-scale tea cultivation on plain lands while adopting scientific and organic methods to ensure proper agronomic management for enhanced production of quality tea and higher profits in the northern region of Bangladesh ([The Independent](#)). The Bangladesh Tea Board (BTB) has fixed an all-time record target of producing 10 million kgs of processed tea in five northern districts often dubbed as 'Kartoa Valley' ecological zone. This target comes after 86.39 million kilograms of tea were produced in 167 tea gardens and 7,000 small farms in the northern part of the country last year, overshooting the target of 75.94 million kg ([Dhaka Tribune](#), [The Daily Star](#)).

Garment Economy: Despite expectations that the lockdown situation in Europe would improve by March, in many cases, lockdowns have been extended, disappointing factory owners who have received no new orders. Local garment suppliers said they were receiving 20% fewer work orders for the next clothing season that begins in June 2021. The fewer order placements are taking place mainly in small and medium enterprises as they have less production capacity and weak financial strength, and a few trade partners or buyers abroad. Moreover, global buyers are still asking to defer payments at a similar level as it was in the initial months of COVID-19 in 2020 ([The Daily Star](#)). The Center for Policy Dialogue (CPD) recently published a research report presented virtually at the end of January that shows that in the last 6 months, more than 350,000 garment workers have lost their jobs. A survey of 700 factories also found that in the last 7 months, 8% of garment factories have closed, while 30% of garment workers could not pay the salary allowance. Furthermore, the standard number of employees per manufacturing unit dropped from 886 to 790 ([Centre for Policy Dialogue](#)).

Textile millers claim cotton yarn prices increased due to the surge in cotton prices in the global markets, affecting local supply to produce garments, especially knitwear ([Dhaka Tribune](#), [RMG Bangladesh](#)). Garment factory owners and industry associations are asking the Bangladesh government for an incentive loan of 5,000TK crore (\$592.7M USD) before the two upcoming Eids to cover salaries and other labor costs, as well as long-term opportunities to repay their loan instalments. Industry associations state that this is necessary to overcome the continued economic impacts of Covid-19 on the garment sector ([RMG Bangladesh](#)). South Asian Network on Economic Modeling's telephone survey of 2,845 non-migrant workers in Bangladesh across agriculture, forestry, fishing, manufacturing (RMG and non-RMG), construction, hotel and restaurant, wholesale and retail trade, transportation, and health and social work found that a little over 34% of at least 1,468 workers, including garment workers, are yet to recover from income losses they incurred between March and December last year due to COVID-19 ([The Daily Star](#)). A total of 1,042 readymade garment factories, which gave discounts up to 10% on export value for buyers amid the COVID-19 outbreak, need to get approval by March 31 from the Bangladesh Bank's discount committee for non-repatriation of the proceeds. Exporters have to show cause of non-repatriation of export proceeds after 120 days of shipment of products ([Newage Bangladesh](#)).

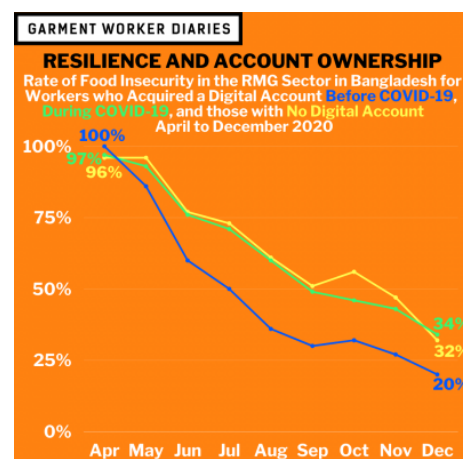
Amid the recent surge in Covid-19 infection cases in Bangladesh, garment factories will run their operations as usual but the units will have to follow the Bangladesh Garment Manufacturers and Exporters Association's health safety protocol strictly ([Newage Bangladesh](#)). Local brands and retailers are expecting adverse impacts on their business, after having pinned expectations on Eid and Pahela Baishakh to cover last year's losses ([Apparel Resources](#)).

Worker Unrest: Several thousand workers across dozens of factories have protested throughout March due to no or partial salary payments in 2021 as well as forced sudden layoffs and factory closures with inadequate communication to garment workers. One major protest led to thousands of workers blocking a highway to demand four months of unpaid wages. Police used water cannons to disperse workers. In one reported case, police physically assaulted and shot protesters during a clash between workers of two factories owned by Patriot Group and the police in Dhaka's Tejgaon area ([The Daily Star](#), [Newage Bangladesh](#), [Dhaka Tribune](#), [Mzamin.com](#), [BD Journals](#)). At least 30 of the 500 workers dismissed from Dragon Sweater factory in March have filed a case with the labor court. One Dragon Sweater worker explained that the workers were fired under the pretext of COVID-19, and that they didn't get their fair dues according to the law, despite the factory signing a tripartite agreement committing to paying workers ([RMG Bangladesh](#)).

Gender Equity: Women must have leadership positions at all levels of tea workers' unions and all executive committees to enhance social protection of female workers at tea gardens, said speakers at a roundtable discussion held in Sylhet marking International Women's Day. Speakers said that tea workers belong to an extremely marginalized community who are deprived of proper healthcare, education, labor safety, standard working environment and social protection services. By empowering female tea garden workers into leadership, social barriers can be removed in sectors such as maternal healthcare, children's education, adolescent women's health and nutrition and involvement in decision-making process ([The Daily Star](#)).

The proportion of female workers in the country's readymade garment sector declined to 59% in 2020 from 65% in 2015, according to a recent survey conducted by the Asian Center for Development. The survey identified that structural changes of RMG industries to knitwear from woven factories and adaption of new technology and machinery had squeezed the opportunity for the female workers ([Newage Bangladesh](#)).

Digital Payments: Digital awareness among garment workers has increased manifold in the past year, as workers are now able to get paid through mobile banking. In May 2020, 53% of women workers were able to cash out on their own. By September 2020, this had increased to 75% ([RMG Bangladesh](#)). Prior to the pandemic, only around 400,000 workers were paid digitally. With government incentives for factories to digitize at the height of the pandemic, around 1.1 million workers were being paid wages into a mobile money or bank account. Today, an estimated 800,000 garment workers are being



paid digitally, a sustained 100% increase. For those factories who have returned to cash, a potential factor is the limited cash flow smaller factories are facing, resulting in wages being paid in phases. Some factories perceive the cash-out fees as difficult to cover given their capital shortages ([The Daily Star](#)).

A recent study by Microfinance Opportunities and SANEM demonstrates the linkages between digital wage payments, food insecurity, and worker resilience in the face of the Covid-19 pandemic. Workers who had a digital account prior to Covid-19 were more resilient than those who did not have one or reported gaining one after the start of the pandemic ([Garment Worker Diaries](#)).

Government Assistance & Social Protections: Under the Social Protection Program for Unemployed and Distressed Workers in Export Oriented RMG, Leather Goods and Footwear Industries, the Ministry of Labor and Employment has begun distributing protection allowances to workers affected by the pandemic in December 2020. Of the list consisting of almost 20,000 workers, only 6,032 could be verified as the rest of the NID numbers were invalid. Around 6,032 workers so far have received the protection allowance of 52,500,000 taka (\$622,309 USD) in three phases in the month of September, October and November of 2020. A list of around 5,000 workers is pending as it needs to be updated by the factory owners, the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) and the BGMEA. Due to the significant number of workers being laid off initially, factory owners are having a hard time getting in contact with them ([RMG Bangladesh](#)). The World Bank has approved \$250 million USD to help Bangladesh effectively respond to the Covid-19 pandemic for a faster recovery and stronger resilience to future crises. Through the Third Programmatic Jobs Development Policy Credit, the World Bank will support the Bangladesh government in developing stronger policies and institutional framework that modernizes trade and investment processes, provides better social protections, and help vulnerable populations access decent jobs. It will also extend micro-finance facilities to support informal micro-entrepreneurs and help the government fund firms to continue paying workers' wages ([The Daily Star](#)).

India

Population (2019): 1,366.4M³⁰

Employment in agriculture (2018): 156.2M³³

Labor Force (2020): 501M³¹

Employment in garment (2018): 12.9M³⁴

Labor Force, % Female (2020): 19.9%³²

Total Informal Employment (2018): 319.6M³⁵

Agricultural Economy: Representatives from business associations, scientific institutions, and government agencies in Russia and India have agreed to deepen relations in agriculture while preparing for the third round of IRSED (the India-Russia Strategic Economic Dialogue), scheduled for the end of April 2021 ([DairyReporter](#)). India's farm subsidy policies were analyzed at the World Trade

³⁰ World Bank Open Data, India. data.worldbank.org

³¹ Ibid.

³² Ibid.

³³ ILOSTAT – Employment by sex and economic activity (thousands) from Labor Force Surveys and Household Surveys. <https://ilostat.ilo.org/data/>

³⁴ Government of India, Ministry of Textiles. "Annual Report 2017-2018"

³⁵ ILOSTAT – Informal employment by sex and economic activity (thousands) from Labor Force Surveys. <https://ilostat.ilo.org/data/>

Organization (WTO) during the country's trade policy review (TPR), with members such as Canada, the US and Australia complaining that India has not declared its agriculture export subsidies for more than eight years ([Live Mint](#)).

- Tea: Kolkata, India, despite being the world's second-largest producer of tea with a sizeable surplus in its production-consumption ration, has imported 47% more leaves in 2020 than in 2019. Over the past several years, India's tea imports have continued to increase as some trading and packing companies choose to import cheaper tea leaves. This is placing pressure on India's local tea prices to cope with lower prices from abroad ([Times of India](#)).
- Dairy: After successfully blocking milk product imports from New Zealand and Australia under the Regional Comprehensive Economic Partnership (RCEP) agreement, the Indian dairy industry is mounting similar pressure vis-à-vis a free trade deal with the European Union (EU). The EU wants to include dairy in the India-EU free trade agreement which India is strongly resisting ([The Indian Express](#)).
- Cotton: The quality of Indian cotton has emerged as a major issue in the export market with importing nations becoming reluctant to purchase the natural fiber from India, according to trade and industry sources. Largely due to unseasonal rains, the color of the fiber is yellowish which is unfavorable to buyers. The Cotton Corporation of India has lowered its offer prices to compensate ([The Hindu Business Line](#)).

Garment Economy: The Centre for New Economics Studies conducted a two-month field study with 200 daily wage workers to understand the impact of the Covid-19 crisis on work prospects. Even months after lockdown has ended, daily wage workers are struggling to make ends meet from limited employment opportunities, reduced income, and limited government support. Most small-scale cottage style textile workshops are working with less than 50% worker capacity and even for those working, wages have been less than half of what it was before ([The Wire](#)). A new report by the Garment and Textile Workers' Union and Alternative Law Forum (ALF) has documented the alarming figures of forced resignations in the Bengaluru garment industry in 2020. The report stated that 9 out of 25 garment factories have closed down, resulting in more than 5,600 workers losing their jobs during the pandemic. The other 16 factories surveyed also reported job cuts resulting in 11,000 more workers losing their jobs. The report documented how the factories were shut down stealthily and workers were asked to resign. Workers in 17 of the 25 factories surveyed said that they had been asked to resign due to losses suffered by their employer. The report said that 81% of the workers surveyed had resigned, while the rest were protesting the closure of the factory. 60% of the factories that closed down employed less than 100 workers, which meant that the factory owners did not have to apply for permission from the state government before closure ([The News Minute](#)).

The garment industry and business in Tiruppur came to a standstill on March 15th as units and shops downed shutters demanding a reduction in prices of yarn. The availability of yarn is becoming an issue as yarn prices have stayed high since December ([The Hindu](#)).

Digital Platforms & Payments: Under the flagship PM KISAN program, the government has been providing financial support to enhance farmers' income directly into the bank accounts of farmers

([The Economic Times](#)). With ethical sourcing from small farmers at its core, Milk Mantra is a new-age tech-enabled platform supporting the Indian dairy and agricultural sector. It connects over 68,000 farmers to over 300,000 households daily to sell products. The organization seeks to create greater transparency around product pricing and to empower farmers with a wide variety of resources to increase milk production quality ([Money Control](#)). MooFarm offers rural farmers resources to work effectively and sustainably and raise their incomes through a combination of human interaction and technology. They're currently operating in the Indian states of Punjab, Uttar Pradesh, and Maharashtra. Farmers aren't required to pay for the services; instead, companies and governments finance them. They offer in-person training sessions to rural farmers, connect farmers with veterinarians, and provide important tests for dairy cows. Women are expected to make up around 40% of MooFarm's beneficiaries ([Krishi Jagran](#)).

Indonesia

Population (2019): 270.6M³⁶

Employment in Agriculture (2018): 37.2M³⁹

Labor Force (2020): 136.7M³⁷

Employment in Garment (2016): 2.24M⁴⁰

Labor Force, % Female (2020): 39.3%³⁸

Total Informal Employment (2019): 104.6M⁴¹

Agricultural Economy: Switzerland voted on a free trade deal with Indonesia that will abolish duties on Indonesian products, including palm oil. However, any palm oil import must prove that it meets certain environmental and social standards. This vote comes at a time where the European Union has taken strict measures against the importation of Indonesian palm oil due to social and environmental concerns, causing tensions between the E.U and the Indonesian government ([The Jakarta Post](#)).

- **Cocoa:** A new study on Indonesian cocoa farms compared cocoa yields using their hands-on process versus traditional farming practices. Hand pollination increased cocoa fruit yields by 51% to 161%. Even considering the cost of hand-pollination efforts, small-scale farmers had markedly higher incomes from the hands-on approach ([Mongabay](#)).
- **Palm Oil:** Palm oil inventories is expected to shrink by almost half to 2.67 million tons by the end of 2021 as a rise in demand is seen outpacing production, the Indonesian Palm Oil Association (GAPKI) said ([Hellenic Shipping News](#)). Efforts to resolve land conflicts between palm oil companies and local communities in western Indonesian Borneo have largely failed, with many disputes festering for more than a decade, a new study shows. Of 32 conflicts analyzed, 66% haven't been resolved, even though 72% have been mediated by local governments, lawmakers and police. Researchers say the authorities tend to not enforce the law on companies and have instead tended to take a harder line on community members protesting against the companies. The study also found that other avenues of redress for the community, such as filing a complaint with certification

³⁶ World Bank Open Data, Indonesia. data.worldbank.org

³⁷ Ibid.

³⁸ Ibid.

³⁹ ILOSTAT – Employment by sex and economic activity (thousands) from Labor Force Surveys and Household Surveys. <https://ilostat.ilo.org/data/>

⁴⁰ Asia-Pacific Garment and Footwear Sector Research Note, Issue 8, October 2017. ILO. https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_581466.pdf

⁴¹ ILOSTAT – Informal employment by sex and economic activity (thousands) from Labor Force Surveys. <https://ilostat.ilo.org/data/>

bodies like the RSPO, remain underutilized because of complicated procedures and a lack of trust in institutions ([Mongabay](#)).

Garment Economy: Indonesia's manufacturing growth slowed down in February 2021 due to flooding and the COVID-19 pandemic disrupting the sector after hitting a six-year high in January. The country's Purchasing Managers' Index (PMI) dropped to 50.9 in February from 52.2 in the previous month. A PMI reading under 50 suggests a contraction ([The Jakarta Post](#)). The Minister of Industry has announced that the global brand company Asics is relocating all its factories from China to Indonesia, after several of its China factories closed, and another had been moved to Indonesia. Asics has committed to building three more factories in the Java region, increasing its total factories to four in Indonesia ([Kompas](#)).

Worker Unrest: An Instagram post shows that workers from PT Beesco, an Asics supplier, have joined the #PayYourWorkers campaign. The workers faced mass dismissals and continue to protest their back wages ([Instagram](#)). Media reports that after staging demonstrations and strikes in protest against their factory's policy of paying holiday allowances in instalments in April 2020, workers at the CV Sandang Sari textile factory were convicted of breaking the law, resulting in 198 workers having to pay Rp. 500 million (\$34,242 USD) to the company, each worker required to pay Rp. 2.5 million (\$171.21 USD). The workers have filed an appeal ([Suara Sumsel](#)).

Digital Platforms: Indonesia's Ministry of Agriculture has signed an MoU with Microsoft to strengthen the country's data-driven agriculture ecosystem and thereby empower the country's smallholder farmers with tech-focused solutions. Through FarmBeats, an industry-specific cloud platform built on Microsoft Azure technology, farmers will have access to a collaborative platform as well as agriculture datasets on crop yields, weather, data, market demand, and prices to improve farming practices. ([CDO Trends](#)).

Pakistan

Population (2019): 216.6M⁴²

Employment in agriculture (2018): 22.4M⁴⁵

Labor Force (2020): 75.9M⁴³

Employment in garment (2015): 2.27M⁴⁶

Labor Force, % Female (2020): 20.5%⁴⁴

Total Informal Employment (2018): 48.9M⁴⁷

Agricultural Economy: The Provincial Minister for Agriculture is investing in research with the Sindh Agriculture University to support modernization of Pakistan's agricultural sector. Efforts are underway to also subsidize agricultural products and equipment to farmers, increase use of modern technology,

⁴² World Bank Open Data, Pakistan. data.worldbank.org

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ ILOSTAT – Employment by sex and economic activity (thousands) from Labor Force Surveys and Household Surveys. <https://ilostat.ilo.org/data/>

⁴⁶ Asia-Pacific Garment and Footwear Sector Research Note, Issue 8, October 2017. ILO.

https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_581466.pdf

⁴⁷ ILOSTAT – Informal employment by sex and economic activity (thousands) from Labor Force Surveys. <https://ilostat.ilo.org/data/>

and provide training to farmers ([Business Recorder](#)). As the China-Pakistan Economic Corridor (CPEC) is embarking on its second phase with a focus on industrial cooperation, further opportunities are being presented to Chinese investors to deepen the ongoing Sino-Pak cooperative partnership with Pakistan. The Pakistani Ministry of National Food Security and Research (MNFSR) envisages nine agricultural development zones along CPEC to develop clusters and infrastructure by encouraging innovation, entrepreneurship, and collaboration ([The Nation](#)).

- Cotton: Seed cotton (Phutti) equivalent to over 5.643 million bales have reached ginning factories across the country up till Mar 15, 2021, registering a 34% shortfall compared to last year when arrivals were recorded 8.57 million bales. As per last month's digest, Pakistan continues to face a cotton shortage that has begun to impact its garment production ([Business Recorder](#)). National Food Security and Research Minister announced that cotton growers would soon be given special incentives such as cotton-specific subsidies to stimulate production by federal and provincial governments ([Profit](#)).

Garment Economy: Data released by The Pakistan Bureau of Statistics for February 2021 shows that overall exports in February remained at \$2.07 billion, down 4.22% from January, while imports were at \$4.62 billion, showing an increase of 4.71% from January. Compared to February 2020, export value fell 3.12%. Two contributing factors are the shortage of local cotton yard and the sudden decrease in value of the rupee against the US dollar; Pakistan Readymade Garments Manufacturers and Exporters Association (PRGMEA) Sunday urged the government to allow duty and tax-free cotton yarn import from India through Wagah border. The government declined the demand and the All Pakistan Textile Mills Association shared that importing cotton from India – who would sell their surplus of cotton at a reduced rate – would further lead to falling prices and the decline of local industry. The government has decided to announce a five-year textile policy worth Rs. 1 trillion (\$6.5 billion USD) with support for the textile sector ([Global Village, Global Village Space](#)).

Additional Recommended Reading

1. Canadian Foodgrains Bank, "[International Women's Day 2021: Ethiopian farm woman transforming her own life—global pandemic or not](#)", Relief Web. Mar 1, 2021. Web.
2. Christine Muchira, "[Tea farmers take charge of sector through elections](#)," Kenya's Watching. Mar 22, 2021. Web.
3. "[Gender and the Coffee Value Chain in Kanungu, Uganda](#)," FarmAfrica. Nov 2020. Pdf.
4. Dr Khondaker Golam Moazzem, "[Vulnerability, Resilience and Recovery in the RMG Sector in view of COVID Pandemic: Findings from the Enterprise Survey](#)," Centre for Policy Dialogue. Jan 23, 2021. Pdf.
5. "[What is the value of \(in\)formality? A case study on the MSEs in the Nairobi CBD](#)," FSD Kenya, SME Advisory. Mar 2021. PDF.

About the Digest

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This digest is commissioned by the Bill & Melinda Gates Foundation as a component of ongoing dialogue on the importance of wage digitization to accelerate financial inclusion and promote women's economic empowerment. You can learn more about responsible wage digitization by visiting: [ILO Global Centre on Digital Wages for Decent Work](#), [BSR HERProject](#), [Better than Cash Alliance \(BtCA\)](#), and [Microfinance Opportunities \(MFO\)](#).



Appendix: Country Data Sources

Population, Labor Force, Labor Force (% Female): World Bank Open Data

Labor Force definition per World Bank: Labor force comprises people ages 15 and older who supply labor for the production of goods and services during a specified period. It includes people who are currently employed and people who are unemployed but seeking work as well as first-time job seekers. Not everyone who works is included, however. Unpaid workers, family workers, and students are often omitted, and some countries do not count members of the armed forces. Labor force size tends to vary during the year as seasonal workers enter and leave.

Employment in garment: mixed. See footnotes.

Employment in agriculture: ILO Employment in Agriculture (%); ILOSTAT – Employment by sex and economic activity (thousands) from Labor Force Surveys and Household Surveys

Total Informal Employment: ILOSTAT – informal employment by sex and economic activity (thousands) from Labor Force Surveys