



Impact of Coronavirus

Bangladesh Employers' Federation (BEF)

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Current Situation – Covid 19

SOCIAL ASPECT:

- ▶ Densely populated country in the world
 - ▶ Stage – II (5 death, 39 infected as on 25 March)
 - ▶ Tested – few hundreds
 - ▶ Over 150,000 expatriate returned from Europe especially Italy in last 3 weeks
 - ▶ 74% people are literate (42 million people are illiterate)
 - ▶ over 51 million people work in the unregulated sector
 - ▶ Weather – hot and humid (27° in current days)
- ☹ Only 3% of foreign returnees could be traced

Current Situation – Covid 19

ECONOMIC ASPECT:

- √ ADB estimated direct economic loss to GDP US\$ 3 bn (short term)
- √ 900,000 job loss - in real term much more
- √ RMG order cancelled as of 25 March US\$ 2.25 bn
- √ Each sector with different characteristics, Hotel, transport, construction, Fish processing, have different needs
- √ 85% - micro & small
 - ☺ Small businesses and day labourers will be most hit hard approximately 20 million

Current Situation – Covid 19

☪ Bangladesh in **DOUBLE TRAP**

- One size fit for all – Not applicable. Each sector has different dynamics
- Adequate testing facilities – not available
- Very limited PPE
- All temporary /casual workers will be affected most
- If it prolongs, there may be more devastating situation



Measures by Govt

Feeding project for vulnerable people

Fiscal measures - inject liquid assets to the Commercial Banks
US\$ 450 m approximately for paying salaries of workers as
against the need of 2 bn US\$

Reverse repo through treasury bills

Additional time allocated for realizing the export/import bills

No line disconnection for not paying utility bills in time



Measures by BEF

- a. Regular meetings with the Ministry of Labour & Employment and other policy makers on addressing the challenges;
- b. Engaged a research firm to assess the situation in Bangladesh and recommend measures
- c. Several meetings among various sectors/member companies to assess the degree/extent of damage/difficulties faced by various sectors;
- d. Prepared a comprehensive proposal and submitted. Proposal included fiscal measures, monetary and other policy support.

Measures by BEF



- e. Publication of Hand Book as help guideline for workers and employees

- f. Creating a special fund for procurement of PPE – termed as Project SHIELD".

- g. All establishments/factories arrange soap, hand sanitizer for use at office, buses, shops

- h. Awareness raising to remain in self quarantine



Lesson Learned

- ♂ Too early to be conclusive
- ♂ Lesson from China – remain fully quarantined and maintain normal life – no panic
- ♂ Social distancing
- ♂ Other experience may be recorded later