

Ministry of Planning &  
National Development  
Central Statistics  
Department  
(CSD)

**COVID-19**

Several red, spherical virus-like particles with spiky surfaces are scattered across the white background of the top banner.

# **Business impact of COVID-19 Survey**

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## Background

The COVID-19 pandemic has formed deep disruptions to our economy and society. Many Somaliland businesses are experiencing an adverse impact from the pandemic, which is same with other countries fighting the disease. In prevention and response to the crisis of this pandemic, the Somaliland government imposed the country under national lockdown to prevent the spread of the virus, cause in shutting down of many businesses. The most affected businesses by the lockdown are those providing services and small informal businesses. These businesses include, amongst others, private education, transport, hotels and restaurants, recreation and culture, travel agencies, tourism and various services.

Considering the impact of the pandemic on the economy will depend heavily on information and related facts provided by businesses who complete surveys conducted by Central statistics department. The actual impact remains unknown until critical variables can be identified, including the duration of the pandemic and its intensity in terms of infection rates. The critical situation has highlighted the need to obtain accurate information as close as possible to real time. Hence, CSD has set out to determine the impact on businesses and the economy at large by conducting an experimental study. The business impact study is administered through a basic survey focusing on transaction performance related to the supply status, business impact, turnover, purchases, business survival, and workforce. The results include the aggregated responses from businesses based on a series of questions.

**Table 1: Responding businesses by category**

Category	Number of Sample	Percentage
Hotels	11	8.9
Supermarket and Fuel Station	13	10.6
Stores	24	19.5
Gold Shops	6	4.9
Air Transportation	4	3.3
inland Transportation	10	8.1
Clothes shops	12	9.8
Wholesaler	12	9.8
Cosmetics	12	9.8
Grocery	19	15.4
Total	123	100

Source: BIS COVID-19, CSD

## **Key Results**

### **Business turnovers**

The survey indicates that 93 percent of business had turnover. The businesses also reporting that a decrease of 95 percent both sales and supply chain due to fear of COVID-19, similarly Corona virus affected their main suppliers.

### **Businesses collapsed and causes**

The survey shows 22 percent of businesses are out from the market as huge market shock due to fear of COVID-19 outbreak. Businesses reporting that the highest proportion which is 81 percent of businesses are shut-down because of the fear of widespread adverse of impact of COVID-19 outbreak on business environments.

### **Workforce implications**

Results from the survey indicate that 79 % of businesses decreased the size of their workforce due to the pandemic. Out of 123 surveyed businesses, 97 of them decreased 105 of their staffs.

### **Hotels and restaurants**

The result indicates that 80 percent of the restaurant services of food decreased due to government lockdown. Hotel accommodation services reported decrease of 40 percent in their bed rental per night comparing to the previous times.

### **Transportation**

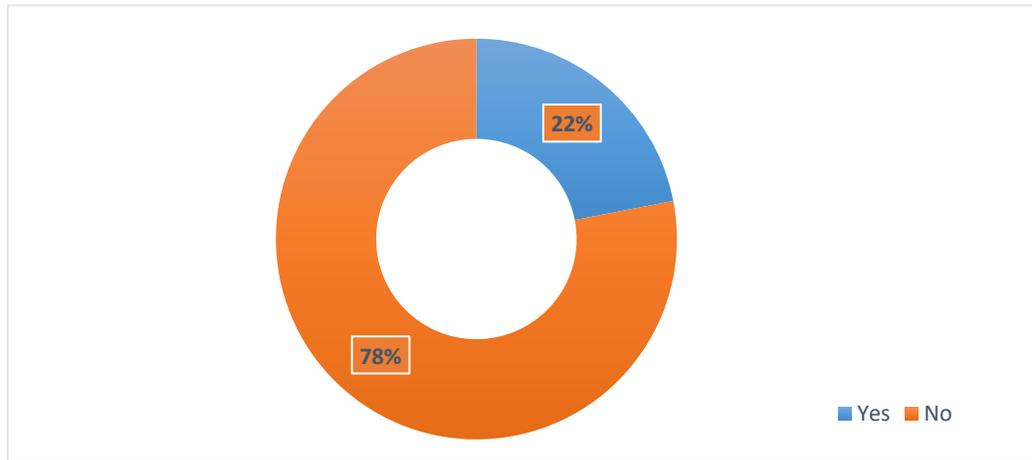
A large proportion of the inland transport service companies and air transport agencies reported 100 percent of their services decreased due to the fear of COVID 19 outbreak.

## Formal and Informal Business in the Market

### Businesses collapsed

Figure 1 shows 22 percent of businesses are out from the market as the fear of COVID 19 outbreak.

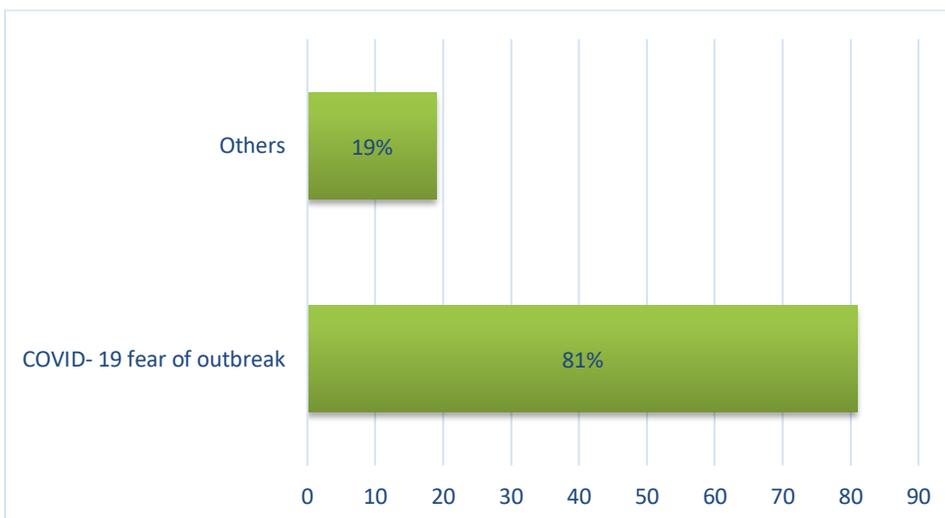
**Figure 1: Businesses Collapsed (shutdown)**



Source: BIS COVID-19, CSD

Figure 2 shows that the main causes of those business to shut down, businesses reporting that the highest proportion of 81 percent of businesses shutdown because of the widespread adverse impact of fear of COVID-19 outbreak on business

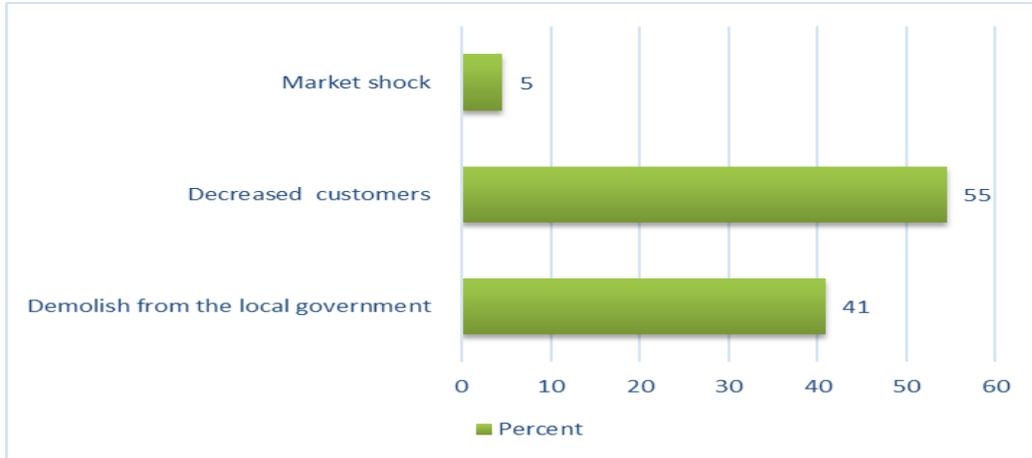
**Figure 2: Causes of collapse**



Source: BIS COVID-19, CSD

Figure 3 shows the highest proportion of 55 percent that considers in their customers while 41 percent caused the demolished business by municipality.

**Figure 3: How the COVID- 19 fear of outbreak Caused collapse of the businesses**



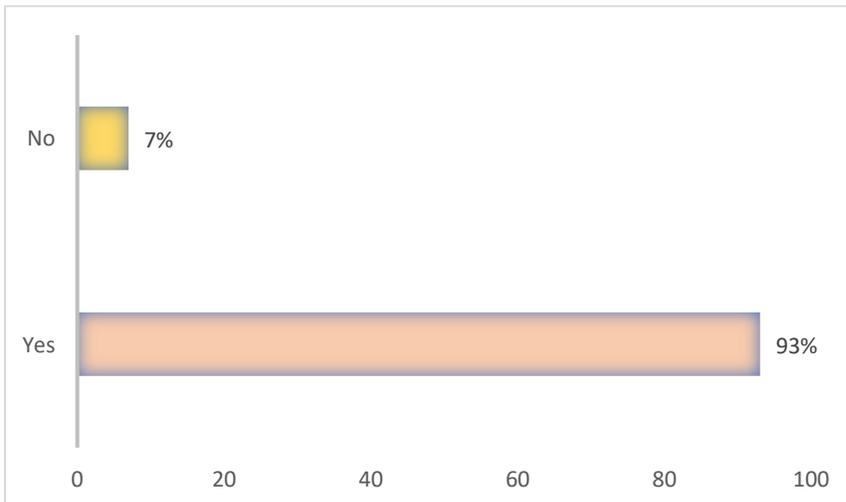
Source: BIS COVID-19, CSD

**Business Turnover**

Turnover relates to the income generated by a business when conducting its core operations within a specified timeframe, and forms a key measure of business performance, turnover includes sales of goods, services rendered, leasing and hiring of capital assets, and rental/leasing of land, buildings and other structures.

Figure 4 shows that highest proportion of 93 percent of business had turnover on their daily transextions caused by the fear of outbreak COVID-19.

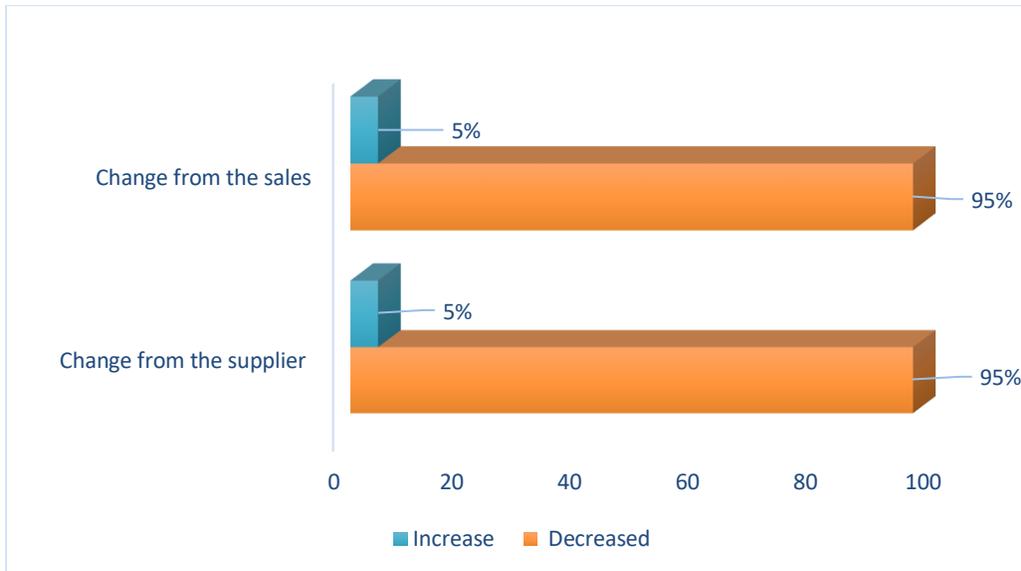
**Figure 4: Change in daily business transactions of the COVID- 19 fear of outbreak**



Source: BIS COVID-19, CSD

Figure 5 indicates area of change on their daily business transactions, 95 percent of businesses reported that their Sales and suppliers are decreased.

**Figure 5: Area of change on daily business transactions**



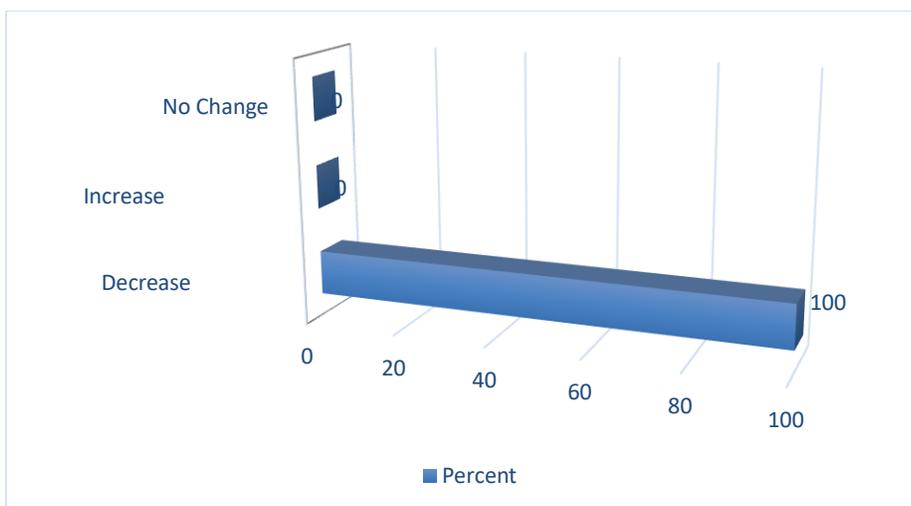
Source: BIS COVID-19, CSD

**The Hotels and Restaurants**

This information shows how the fear of the COVID 19 outbreak affected the hotels and restaurant in their respected areas both food and accommodation services.

Figure 6 shows 100 percent of services in hotel and restaurants declined.

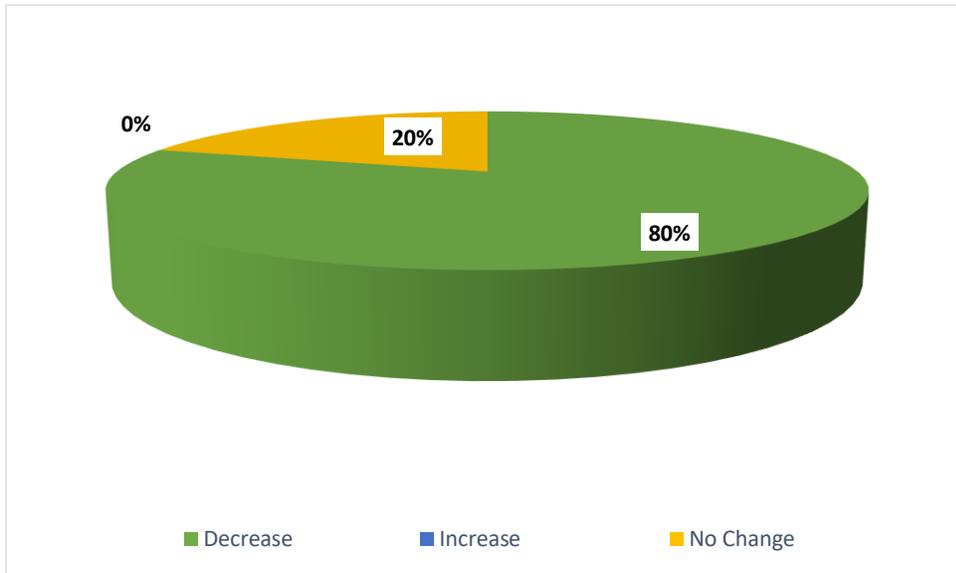
**Figure 6 Changes of overall services in hotels and restaurant**



Source: BIS COVID-19, CSD

Figure 7 shows most of the hotels and restaurants food services decreased by 80 percent

**Figure 7: Changes of Food services in hotels and restaurant**

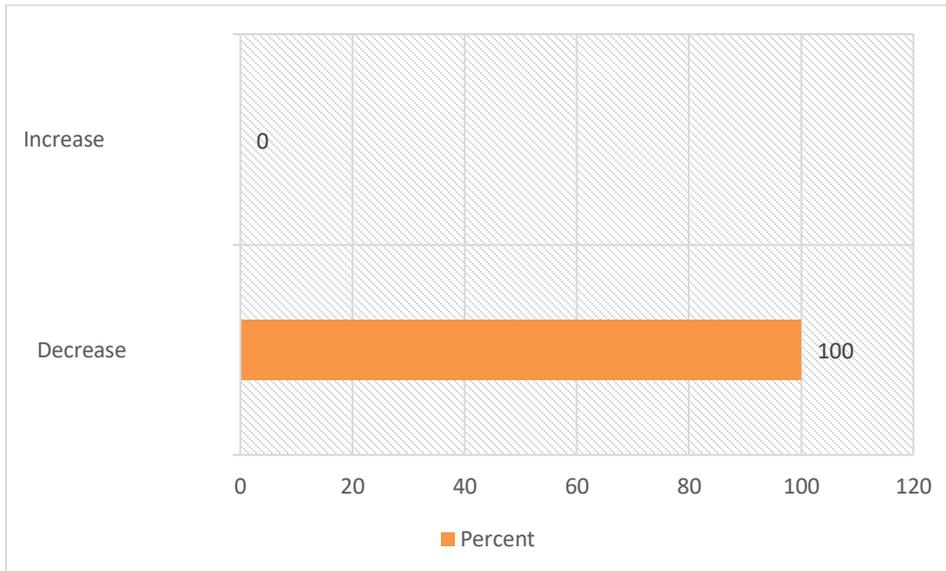


Source: BIS COVID-19, CSD

### Transportation Service

The surveyed transport services reported that 100 percent changed in their transport service.

**Figure 8: Change in transport services**



Source: BIS COVID-19, CSD

## Business impact of COVID-19 Survey

Central Statistics Department have been conducted on a new survey called Business impact of COVID-19. This has a representative Sample of around 123 businesses. The survey covers changes in employments, turnover and overall business transactions. These data are not official statistics but have being developed to deliver timely indicators to help understand the impact of COVID-19 in timely way.

The overall objective of the survey was to assess the level of the impact of COVID-19 fear of outbreak in business.

### Survey Information

We have businesses sample frame around 4000, we selected 120 businesses of formal and informal representative from the **business sample frame**. We used Systematic-sampling technique in selecting business representatives, using electronic questionnaire data collection (CAPI).

## Appendix

Table 1: Number of businesses out of the market					
	Number		Percent		
Yes	27		22		
No	96		78		
<b>Total</b>	<b>123</b>		<b>100</b>		
Table 2: The main cause of the shutdown businesses					
	Number		Percent		
COVID- 19 fear of outbreak	22		81		
Others	5		19		
<b>Total</b>	<b>27</b>		<b>100</b>		
Table 3: How the COVID-19 fear outbreak caused their shutdown?					
	Number		Percent		
Demolish from the local government	9		41		
Decreased customers	12		55		
Market shock	1		5		
<b>Total</b>	<b>22</b>		<b>100</b>		
Table4: Change on the daily business transactions of the COVID- 19 fear of outbreak					
	Number		Percent		
Yes	107		93		
No	8		7		
<b>Total</b>	<b>115</b>		<b>100</b>		
Table 5: Areas of change in daily business transactions of the COVID- 19 fear of outbreak					
	Decrease		Increase		Total
	Number	percent	Number	percent	
Change from the supplier	102	95%	5	5%	107
Change from the sales	102	95%	5	5%	107
Change for the workers	97	96%	4	4%	101
<b>Total</b>	<b>301</b>	<b>96%</b>	<b>14</b>	<b>4%</b>	<b>315</b>
Table 6: Number of workers reduced due to COVID- 19 fear of outbreak					
					Number
Number of workers					105
Table 7: Change of the overall service delivery of Hotels and Restaurants					
	Number		Percent		
Decrease	11		100		
Increase	0		0		
No Change	0		0		
<b>Total</b>	<b>11</b>		<b>100</b>		
Table 7: Change of Food service in Hotels and Restaurants					
	Number		Percent		
Decrease	8		80		
Increase	0		0		
No Change	2		20		
<b>Total</b>	<b>10</b>		<b>100</b>		
Table 8: Change in bed rental Per Night of Hotels during the COVID 19 fear of outbreak					
	Number		Percent		
Yes	2		40		
No	3		60		
<b>Total</b>	<b>5</b>		<b>100</b>		
Table 9: Change in transportation services due to COVID-19					
	Number		Percent		
Yes	14		100		
No	0		0		
<b>Total</b>	<b>14</b>		<b>100</b>		
Table 10: Change of COVID- 19 fear of outbreak on transportation services					
	Number		Percent		
Decrease	14		100		
Increase	0		0		
<b>Total</b>	<b>14</b>		<b>100</b>		

Source: BIS COVID-19, CSD