



International  
Labour  
Organization

OH Open Library  
of Humanities

Torm, Nina, Godbertha Kinyondo, Winnie V. Mitullah, Lone Riisgaard, Aloyce Gervas, Raphael Indimuli, and Anne W. Kamau. 2025. "The Role of Informal Worker Associations in Cushioning Members during Multiple Interlinked Crises in Kenya and Tanzania". *International Labour Review* 164 (1): 1–20. <https://doi.org/10.16995/ilr.18831>.



International  
Labour Review

## The role of informal worker associations in cushioning members during multiple interlinked crises in Kenya and Tanzania

**Nina Torm**, Department of Social Sciences and Business, Roskilde University, [ninatorm@ruc.dk](mailto:ninatorm@ruc.dk) (corresponding author)

**Godbertha Kinyondo**, Department of Economics, Mzumbe University, [gkinyondo5@gmail.com](mailto:gkinyondo5@gmail.com)

**Winnie V. Mitullah**, Institute for Development Studies, University of Nairobi, [mitulla@uonbi.ac.ke](mailto:mitulla@uonbi.ac.ke)

**Lone Riisgaard**, Department of Social Sciences and Business, Roskilde University, [loner@ruc.dk](mailto:loner@ruc.dk)

**Aloyce Gervas**, School of Public Administration and Management, Mzumbe University, [agervas@mzumbe.ac.tz](mailto:agervas@mzumbe.ac.tz)

**Raphael Indimuli**, Institute for Development Studies, University of Nairobi, [raphael.indimuli@uonbi.ac.ke](mailto:raphael.indimuli@uonbi.ac.ke)

**Anne W. Kamau**, Institute for Development Studies, University of Nairobi, [anne.kamau@uonbi.ac.ke](mailto:anne.kamau@uonbi.ac.ke)

**Abstract.** *This article analyses the capacity of informal worker associations to provide social protection during times of multifaceted crises in Kenya and Tanzania. Focusing on informal workers in the construction, micro-trade and passenger transport sectors before and during the COVID-19 pandemic, we find that social cushioning provided by associations is more fragile during a covariate crisis than during idiosyncratic shocks. Country- and sector-level differences in crisis response emerge, yet similarities are also revealed as most associations restricted or altered their activities. Our findings highlight the need to strengthen formal protection systems to better handle covariate crises and thereby also prevent informal support structures from collapsing.*

**Keywords:** COVID-19, informal worker associations, Kenya, social protection, Tanzania.

Responsibility for opinions expressed in signed articles rests solely with their authors, and publication does not constitute an endorsement by the ILO.

This article is also available in French, in *Revue internationale du Travail* 164 (1), and Spanish, in *Revista Internacional del Trabajo* 144 (1).

The *International Labour Review/Revue internationale du Travail/Revista Internacional del Trabajo* is a peer-reviewed open access journal published by the Open Library of Humanities. This is an open access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC-BY 4.0), which permits unrestricted use, distribution and reproduction in any medium, provided the original author and source are credited. See <https://creativecommons.org/licenses/by/4.0/>. Bibliographic references to articles in the *Review* are included in *Labordoc*, the institutional repository of the International Labour Office. Information on the International Labour Organization (ILO), including ILO publications, is available online at [www.ilo.org](http://www.ilo.org).

OPEN ACCESS

© The author(s) 2025. Journal compilation © International Labour Organization 2025.



## 1. Introduction

There is an increasing tendency among development actors to highlight social protection (SP) policies and instruments as the preferred means of addressing poverty and inequality and enhancing inclusion in the global South (Deacon 2007; Hickey and Seekings 2017; Hickey et al. 2020). However, the expansion of SP in sub-Saharan Africa is taking place in a context where informal labour markets are the norm, and where most workers have uncertain and precarious livelihoods and lack access to formal SP. To fill this gap, a myriad of collective initiatives formed voluntarily by groups of informal workers seek to provide alternative forms of SP, such as cushioning in the event of illness or death in the family or help in accessing formal SP (Riisgaard, Mitullah and Torm 2022). In this article, we refer to these groups as informal worker associations (IWAs). Although they are considered informal because their members operate informally, some groups are highly organized structures, while others are more loosely formed. Most IWAs are sector-specific rather than family/kinship networks or other forms of community-based Indigenous systems. Moreover, they may fulfil some of the same functions as formal worker unions, including providing advocacy and representing members in their dealings with employers or authorities (namely, lobbying for voice and representation). Examples of matters on which IWAs negotiate include worker registration, access to jobs and social insurance contributions (to formal insurance schemes). Smaller, less organized IWAs often provide SP measures tailored to workers' needs, such as support during periods of sickness and bereavement.

During the COVID-19 pandemic – an example of a widespread and multifaceted crisis – informal workers suffered disproportionately from the combined effects of the virus and containment strategies owing to the precarious nature of their livelihoods and their limited access to formal SP. IWAs have been shown to play an important role both as providers of informal SP and in facilitating access to formal health and social insurance to protect workers facing *idiosyncratic* shocks linked to individuals, households or lifecycle events, such as eviction, illness or large-scale events whose effects are limited in time but disproportionate in their impact. However, little is known about what happens to IWAs and their ability to cushion informal workers when, in addition to idiosyncratic shocks, they face a *covariate* crisis that affects a whole neighbourhood, community or country, as in the case of the COVID-19 pandemic (Bhattamishra and Barrett 2010). Initial assessments indicate that the impact of public health measures against COVID-19 – in particular, full and partial lockdowns – on informal workers' livelihoods was sudden and severe and, in many cases, led to a permanent loss of income (WIEGO 2020; Wangari et al. 2021). However, most informal workers were forced to continue working despite the lockdowns and risks of contagion, since the relief measures taken by government were limited or inadequate to cushion them (Boatang-Pobee et al. 2021; Kugler et al. 2023).

The first cases of COVID-19 were confirmed in both Kenya and Tanzania in mid-March 2020. Although the countries adopted different coping strategies, the pandemic was a severe social and economic shock for the informal economy in both and tested the ability of IWAs to cushion workers. This article examines the hypothesis that SP delivered by IWAs is more fragile in the context of covariate crisis than when dealing with idiosyncratic shocks. More specifically, we investigate the following two-part question: *What were the challenges faced by informal workers during the COVID-19 pandemic and to what extent are IWAs able to cushion workers during multiple crises?*

To answer this question, we used survey and interview data from informal workers engaged in the informality-prone sectors of construction, micro-trade and passenger transport in the capital cities of Kenya and Tanzania.<sup>1</sup> The data were collected as part of a larger project on SP and informal workers in urban areas of Kenya and Tanzania (SPIWORK).<sup>2</sup>

<sup>1</sup> See Riisgaard, Mitullah and Torm (2022) for further background on the chosen sectors.

<sup>2</sup> For more details, see: <https://ruc.dk/en/forskningsprojekt/informal-worker-organisation-and-social-protection>.

The article focuses on the challenges facing workers and the capacity of IWAs to provide and uphold SP in times of simultaneous idiosyncratic and covariate crises, using the example of the COVID-19 pandemic. In order to examine the situation before and after the outbreak, we supplement quantitative data from 2018 with a follow-up survey and interviews undertaken in the latter half of 2020. Comparing Kenya, where COVID-19 restrictions were strictly implemented, and Tanzania, where COVID-19 was largely downplayed, allows us to assess country-level differences in tackling the pandemic.

Prior to the pandemic, the characteristics of IWAs and the kinds of assistance they offered were found to vary across sectors (Riisgaard, Mitullah and Torm 2022). A comparison of different sectors thus allows us to assess how sector-specific characteristics might influence both the challenges faced by IWAs during the pandemic and their responses. Even though the pandemic was a covariate crisis, it presented workers in different sectors and situations with widely varying challenges.

Our findings reveal country- and sector-level similarities, but also some differences in the responses to COVID-19. In both countries, micro-traders largely continued with their daily activities, while transport workers were significantly affected by the lockdown restrictions, even though many continued working at lower capacity. In construction – which was not considered to be an essential service – many lost their jobs, especially those working on larger projects, and restrictions on movement across counties in Kenya and regions in Tanzania meant that many workers were unable to find work. However, some small-scale construction work did continue, subject to mobility restrictions, whereby workers avoided leaving restricted areas for fear of being unable to return.

As regards IWAs, the picture is mixed across both countries. Some of the more established associations remained fully operational, especially in the Kenyan transport sector; others restricted their activities, providing limited financial assistance and social cushioning, or even redirected their focus to other more achievable services, such as providing training on COVID-related health and safety measures. Differences emerge when considering the interrelation between government measures and the IWAs' ability to cushion workers. For instance, in Kenya, most informal assistance came from the IWAs' own initiatives, while in Tanzania, measures were often the result of government directives. Notwithstanding the sectoral and country differences in both the reactions to and implications of the COVID-19 pandemic, most of the IWAs that we surveyed did not collapse; however, many became inactive and others functioned at a reduced rate. The article concludes that, while IWAs respond well to one-off individual shocks, they are often not resilient enough to carry workers through nationwide health and economic crises. Our findings thus show a need to strengthen the capacity of formal protection systems to handle covariate crises and provide informal workers with adequate protection, in turn preventing informal support structures from collapsing.

This article is structured as follows. In the second section, we provide a brief overview of the setting of our study, followed by a presentation of our methodology and data in the third section. In the fourth section, we outline the literature relevant to, and the theoretical framing of, our analysis, which is presented in the fifth section. We examine (i) the challenges faced by informal workers during the COVID-19 pandemic and (ii) the ways in which the pandemic has affected IWAs, including their role in addressing the needs of their members. In the sixth section, we provide some concluding remarks, including a discussion of the relevance of our findings for policy.

## 2. COVID-19 in Kenya and Tanzania

In Kenya, as in many other African countries, various measures were put in place to contain the spread of COVID-19 at the start of the pandemic. These measures, which can be characterized as a partial lockdown, included a stay-at-home order, requirements to social distance, wear masks and sanitize hands, the closure of educational institutions, suspension

of international flights, a dusk-to-dawn curfew, a ban on public gatherings, a mandatory quarantine, the closure of bars and restrictions on restaurant opening hours. The lockdown was lifted in early July 2020, but Nairobi remained under a dusk-to-dawn curfew until October 2021. Measures such as requiring people to wash their hands, social distance and wear masks, bans on public gatherings and encouraging workers – especially those in the public sector – to work remotely remained in place. In order to cushion workers from the effects of the pandemic, the Government introduced measures such as tax exemptions for low-income earners, tax cuts for those with higher incomes and a reduction in value added tax (VAT). However, these measures were largely removed in January 2021 when the pandemic was still at its peak. Furthermore, apart from isolated cash transfers and food subsidies given to some workers, informal workers were largely left to fend for themselves, since they were not specifically targeted by any benefits or cushioning programmes. Existing social registries only account for the poorest and the most vulnerable, with registration focusing on households and individuals targeted for social assistance programmes. As a result, during the pandemic, many informal workers were left struggling to cope with not only their day-to-day needs but also their arrears in association and healthcare payments, all while incurring debts with their employers and/or IWAs because they could not repay loans.

In Tanzania, the Government's initial reaction to COVID-19 was to implement swift measures to contain the spread of the virus. However, even during the short period of lockdown (from March to May 2020), most informal workers across multiple sectors continued with their normal activities. In May 2020, the Government reversed its directives, began lifting containment measures and stopped reporting the numbers of COVID-19 cases and deaths. The late President Magufuli directed people to resume their activities and removed quarantine requirements for international arrivals. He said that tourists would have their temperature checked upon arrival; "If they have no signs of corona, let them go see the animals" (*SABC News* 2020). In June 2020, the Government of Tanzania declared that the immediate COVID-19 pandemic was over and all schools were allowed to reopen, leading most informal workers to believe that the pandemic had ended. This change of strategy came from concerns about the economic and social impacts of the lockdown, not least in relation to the vulnerable parts of the population. The Government addressed these concerns, for example, by introducing an economic stimulus programme that reduced VAT from 16 to 14 per cent, thereby lowering fuel costs and directly benefiting transport workers. Although there was an acknowledgement that COVID-19 would be present for an unforeseeable amount of time, the public was told to treat it like other common viruses, such as the flu. Accordingly, people were to continue with their work, while observing the precautions set out by the Ministry of Health.

The COVID-19 containment measures impacted society as a whole, but informal workers in particular, the implications being exacerbated by inconsistency in application and effect. For example, in both Kenya and Tanzania, food market vendors were considered essential workers and could largely continue their activities, yet some markets were closed and adhered to COVID-19 guidelines throughout (Boatang-Pobee et al. 2021). New ad hoc street markets emerged in some urban areas and became popular, especially among those who had lost their jobs as a result of the pandemic (see Kiaka et al. 2021). Passenger transport workers were also allowed to continue operations in both countries, albeit with reduced capacity, and some public transport vehicles were used to transport food and other commodities between rural and urban areas.

### 3. Methodology

The analysis in this article is based on (i) baseline data on informal workers in the construction, micro-trade and transport sectors gathered in 2018 as part of the SPIWORK project,<sup>3</sup> and (ii) data from a follow-up survey of informal workers and key informant

<sup>3</sup> See supplementary online appendix A for further details of the data collection process.

interviews collected in two phases (July–August 2020 and October–November 2020) in the capital cities of Nairobi and Dar es Salaam. As indicated in the previous section, lockdown measures were lifted relatively quickly in both countries. COVID-19 was still rampant when we started collecting data in mid-July 2020, but informal workers were already referring to the pandemic in the past tense. Accordingly, in this article we use “post-COVID” to refer to the 2020 data collection period. All research was authorized and complied with the ethical requirements in each country.

During the first data collection phase, in July–August 2020, workers in the trade, construction and passenger transport sectors were interviewed using a semi-structured questionnaire with both open and closed questions to ascertain how the crisis had affected their existing work–life challenges and what kind of new challenges IWAs had experienced. For ethical reasons, and in order to protect both researchers and respondents from potentially contracting COVID-19, interviews were conducted by telephone at a time convenient to respondents. When respondents requested physical interviews (mostly during the second data collection phase), precautionary measures, such as wearing masks, keeping the required distance and washing hands after interviews, were taken to ensure the safety of researchers and respondents. The subjects explored in the survey included membership contributions, association meeting frequency and coping and support mechanisms. All the respondents (and their associations) had participated in the baseline survey in 2018, and in both countries the questionnaires were administered by trained research assistants.

In order to ensure a broader base of information, we selected approximately ten associations per sector, per site (Nairobi/Dar es Salaam), totalling around 70 IWAs (35 in each country), which varied in size, type (key purpose) and robustness. A few of the IWAs covered are formal trade unions, such as the Transport Workers Union of Kenya (TAWU), the Tanzania Road Transport Workers Union (TAROTWU) and the Tanzania Union of Industrial and Commercial Workers (TUICO). Other types of IWAs in our sample include savings and credit cooperative organizations (SACCOs), which are common in the transport sector in Kenya, and village community banking associations (VICOBAs) in Tanzania, as well as large umbrella associations for small businesses, such as the association of groups of small businesses and producers, *Jumuia ya Vikundi vya Wenye Viwanda na Biashara Ndogondogo* (VIBINDO) in Tanzania, and the Nairobi Informal Sector Confederation (NISCOF) and Kenya National Alliance of Street Vendors and Informal Traders (KENASVIT) in Kenya. Lastly, we also surveyed many loosely formed smaller informal welfare groups, known as *chamas*.

Seeking to capture different views within the IWAs, we interviewed both ordinary members and association leaders from each association. In Kenya, we conducted 71 interviews with informal workers (34 leaders and 37 members), of whom 23 were with micro-traders, 21 with construction workers and 27 with transport workers. In Tanzania, we conducted 65 interviews (38 leaders and 27 members), of which 20 were with micro-traders, 12 with construction workers and 33 with transport workers. Across the two countries, the average age of the workers in our sample was 35 and the average daily earnings were about US\$10. In terms of educational attainment, around 48 per cent of the workers in our sample had completed secondary school in Kenya, compared with 39 per cent in Tanzania. Lastly, men made up about 70 per cent of the sample in both countries.<sup>4</sup> We acknowledge that the small sample does not allow for any quantitative analysis beyond descriptive statistics.

The second data collection phase, between October and November 2020, involved conducting key informant interviews with selected decision-makers and practitioners dealing with informal workers. In Kenya, this included the Micro and Small Enterprises Authority, the National Construction Authority, the National Health Insurance Fund (NHIF) and the Boda Boda Safety Association of Kenya (BAK). In Tanzania, key informant interviews were conducted with the Dar es Salaam Commuter Bus Owners Association (DARCOBOA) and

<sup>4</sup> The sample is not representative of the gender balance in the informal economy, as in both Kenya and Tanzania most informal workers are women (ILO 2018). However, the construction and transport sectors are male-dominated in both countries.



VIBINDO. The purpose was to obtain their views on the effects of COVID-19 on informal workers. The interviews were recorded with the participants' permission and detailed notes were also taken. The qualitative data were coded and analysed using Nvivo, while the quantitative data were analysed using STATA.

#### 4. Literature and theoretical framing

Although there are signs that this is starting to change, the role of informal support structures for informal workers is not yet fully acknowledged globally, being overlooked in current formal SP extension strategies and the conceptual thinking behind them (Riisgaard, Mitullah and Torm 2022; Awortwi and Walter-Drop 2018). Nevertheless, across the global South, informal SP mechanisms and social networks provide important risk management strategies for households and individuals. For instance, IWAs partially fill the gap in formal SP provision, especially where such protection is either non-existent or weak (Awortwi and Walter-Drop 2018; Kamau et al. 2018; Mushunje and Kaseke 2018; Oduro 2010). Although they often offer only the most rudimentary protection, informal SP systems also tend to be more adaptive and responsive to immediate needs, as well as being more inclusive than formal schemes (Kaseke 2003). In Kenya and Tanzania, there are examples of IWAs going beyond risk management to offer SP services such as educational investments/grants, vocational training and representation with authorities (Riisgaard, Mitullah and Torm 2022). In Kenya, Oware (2020) argues for the importance of traditional SP arrangements in smoothing incomes and consumption, yet she also notes that informal SP may create exclusion and have limitations. Similarly, Kamau et al. (2018) find that informal support systems through IWAs are effective during individual shocks.

Studies considering a wider range of developing countries and types of community-based risk management suggest that informal risk-sharing mechanisms are most efficient in dealing with idiosyncratic shocks linked to individuals, households or lifecycle events, such as illness or death, but that they may fall short when it comes to covariate crises that affect a wider geographical area (Bhattamishra and Barrett 2010; OECD/ILO 2019). In fact, covariate crises, namely those related to weather events, economic downturns and public health events, tend to break down informal insurance mechanisms, in turn adversely impacting vulnerable households whose resources are already constrained (Watson 2016; WIEGO 2020). IWAs are often small and have limited resources, designed explicitly to pool resources in order to support workers facing individual one-off shocks, sometimes on a rotating basis. They are therefore not suited to respond to a covariate crisis that affects everyone at the same time. Other limitations include IWAs not necessarily being pro-poor (Calder and Tanhchareun 2014; Dercon and Krishnan 2002) owing to entry barriers and contribution requirements (Riisgaard, Mitullah and Torm 2022). As IWAs are member-based, they tend to be exclusionary and differentiate among members according to status within the association. Given the limited ability of IWAs to insure against covariate crises, Oware (2020), in line with Bhattamishra and Barrett (2010), concludes that a nationwide crisis requires intervention from governments and non-governmental organizations. She emphasizes the need for comprehensive state SP, although in most cases this is unrealistic owing to limited state resources. Oware (2020) also engages with the interaction between formal and informal SP schemes, arguing that the former should supplement the latter. She follows Oduro (2010), who considers whether the addition of formal SP “will displace informal social protection and have an adverse impact on the welfare of the poor and vulnerable” (p. 23). The key here, as emphasized by Oduro (2010), is that the extension of SP should reinforce rather than undermine the positive aspects of informal support mechanisms. Adding to this discussion, Dafuleya (2018 and 2023) acknowledges the fragility of informal systems in the face of covariate risks, yet also cautions that activities in the informal economy cannot be treated uniformly. Our data certainly testify to the diversity of both informal workers and their associations and illustrate the need to take sector-specific differences into consideration. We seek to assess the ability of IWAs to provide

SP for informal workers during a covariate crisis, while simultaneously attending to daily idiosyncratic shocks, such as evictions, confiscations of goods and sickness in the family. To this end, we draw on the experiences of informal workers, as well as examples of how IWAs have sought to mitigate crises. As in Riisgaard, Mitullah and Torm (2022), we follow the SP typology elaborated by Devereux and Sabates-Wheeler (2004) and define SP broadly as encompassing *preventive* (health insurance, pension, etc.), *promotive* (microfinance, vocational training, etc.) and *transformative* (e.g. representation and voice) SP.<sup>5</sup> We elaborate on these types of SP in supplementary online appendix B and make explicit linkages to our data in the analysis in section 5.2.

## 5. Analysis

The following three subsections present our findings as follows. First, we analyse the main COVID-related challenges faced by informal workers. Second, we examine the support that workers received from IWAs to deal with these challenges. Third, we consider the associational level and the different coping and cushioning mechanisms used by IWAs, organized according to different interlinking, and sometimes overlapping, themes. All three sections draw primarily on our qualitative data, yet these are supplemented, when relevant, with quantitative data to provide a cross-sectoral view and enable comparison with the pre-COVID situation. Such data triangulation allows us to draw up a fuller and more nuanced picture.

### 5.1. Challenges for informal workers during the COVID-19 pandemic

#### 5.1.1. Kenya

In Kenya, workers across the three sectors identified reduced work and income as the greatest challenges during this period in terms of the implications for their livelihoods. Micro-traders complained of low profits due to reduced purchasing power among consumers. Transport workers experienced a decline in income due to reduced working hours and a government directive that reduced the carrying capacity for public service vehicles, combined with the imposition of a nationwide curfew. *Boda-boda* (motorcycle taxi) operators, who also faced the challenge of physical distancing when carrying passengers, were among the transport workers who reported income-related concerns:

Riders experienced increased levels of deficits due to lack of jobs and reduced incomes during the pandemic. [The] majority of riders were unable to pay their contributions to NHIF [National Health Insurance Fund]. (BAK representative, Nairobi, 18 July 2020)

Although the above quote is from a *boda-boda* worker, the majority of those who were unable to pay the NHIF contributions were construction sector workers. Some workers in our sample continued paying NHIF contributions during the pandemic, possibly reflecting the fact that our sample consists of association members and leaders, the latter being financially better off and thus more likely to continue paying the contributions. In addition, there is evidence that NHIF statutory contributions also decreased among formal sector employees as a result of employment loss and reduced incomes during the pandemic (Kairu et al. 2023).

A youth officer working with IWAs did raise concerns about loss of income among *boda-boda* workers:

*Boda-boda* operators used to work during the night. With the night curfew many cannot work. Their working hours have reduced, meaning reduced incomes. (Youth Officer, Nairobi, 15 July 2020)

<sup>5</sup> We do not address what Devereux and Sabates-Wheeler (2004) refer to as “protective” SP, such as narrowly targeted safety nets (social assistance), since these fall outside the assistance commonly provided by most IWAs.

However, the *boda-bodas* were often used close to curfew hours when *matatus* (private minibuses) stopped operating and, in some cases, to transport passengers (illegally) across restricted areas.

The directives issued by the Government of Kenya to restrict movement and close construction sites meant that construction workers were more likely to be out of a job than transport and trade workers. Some 93 per cent of transport sector workers in Kenya reported that they had continued working during the pandemic – albeit at lower capacity – and 91 per cent of micro-traders remained active, compared to 67 per cent of construction workers.<sup>6</sup> The construction sector thus proved less resilient and adaptive to the nationwide health-related economic shock than the micro-trade and transport sectors. However, the construction workers' situation was also more complex, as building work in residential areas was not restricted, and workers who had previously worked for large projects retreated to smaller-scale, less reliable, lower-paying and more precarious construction jobs.

Some workers said that their situation improved when the government restrictions were eased, although the reasons were sector-specific. The reduction of the curfew allowed informal workers to conduct business for two extra hours, leading to increased incomes, particularly for transport workers and micro-traders. While the lifting of restrictions on movement gave workers greater leeway in general, it was especially important for construction workers, as it allowed them to seek employment elsewhere:

Since the lockdown was lifted, we can travel and get jobs outside Nairobi. (Construction worker, Nairobi, 15 July 2020)

Yet, other workers said that the situation three months into the pandemic was unchanged or even worse due to lower earnings, mounting debts, lack of jobs and lack of assistance from associations. Recovery from the effects of the pandemic was complicated by multiple waves of COVID-19, which prompted renewed restrictions of movement and working hours.

### 5.1.2. Tanzania

In Tanzania, as in Kenya, all respondents across the three sectors said that reduced income due to insufficient work or poor business days was the most important challenge for them during the pandemic. As a member of one trade association explained:

Since most of us are petty traders [near] the schools, our customers are students who weren't there when schools were closed, so we stopped. This affected our income greatly and we had to stay at home figuring out what else to do. It was a difficult time [for] most of us. (Micro-trader, Dar es Salaam, 8 July 2020)

However, it is the *dala-dala* (minibus) workers who probably suffered the greatest absolute drop in earnings, being subject to the "level seat" restriction.<sup>7</sup> In fact, almost all the informal transport workers interviewed mentioned that this restriction was a major challenge during the pandemic:

The issue of "level seat" was not taken lightly by the workers. Therefore, there was a need to constantly meet to educate the members of the relevance of such action, which was for their own and passengers' safety. (Secretary of DARCOBOA, Dar es Salaam, 24 July 2020)

Reduced petrol costs did make up for this restriction to some extent:

Also the Government announced the drop in [fuel] prices at petrol stations to 1,500 Tanzanian shillings per litre from a high of 1,800 Tanzanian shillings. This helped because this compensated for the reduced number of passengers, because we were also only allowed to

<sup>6</sup> Overall, in both Kenya and Tanzania, around 85 per cent of workers in micro-trade and transport continued working during the pandemic.

<sup>7</sup> This refers to the directive that *dala-dala* carry only the number of people as per their seat capacity, with no standing passengers. This was enforced to curb the spread of COVID-19, following the guidelines issued by the Ministry of Health.



carry level seats. Therefore, during that time, you found yourself doing your job satisfactorily and real relaxed. (Transport worker, Dar es Salaam, 7 August 2020)

Although some workers were laid off by vehicle owners who were unsatisfied with their daily takings, the vast majority (81 per cent) continued to work, compared with 50 per cent of micro-traders and 33 per cent of construction workers. As in Kenya, Tanzanian construction workers were more likely to suffer job losses and/or struggle to find new work owing to the restrictions. Moreover, there were knock-on effects between sectors:

Passengers were very few and this even hit other business people such as *mama lishe* [street food vendors] who mostly closed their businesses, but some of us were hired to transport food items to doorsteps, for those who did not go out for fear of the virus. (Transport worker, Dar es Salaam, 16 July 2020)

Interestingly, some *boda-boda* workers (like some micro-traders) benefited from increased earnings during the pandemic owing to their status as essential workers. Accordingly, they were the only ones providing services, including delivering food to doorsteps (mostly in Dar es Salaam) and providing a reliable means of transport for those required to continue working, such as hospital staff.<sup>8</sup> Nevertheless, many *dala-dala* and some *boda-boda* workers said that one of the biggest challenges they faced was meeting unchanged daily targets, which led to the accumulation of debt, as illustrated by the testimonies below:

Yes, now we are back to business although the income is still low, but we thank God food can be accessible. But we have to give money to owners of vehicles as some of the vehicle owners refused to accept that income has gone down and that they should receive less daily pay submissions, but they say you will pay later as a debt. Now many have debts to those greedy owners. (Transport worker, Dar es Salaam, 16 July 2020)

Yes, for instance, I have a contractual motorcycle, so we asked our bosses to lower their quotas but they refused. They said if you get a little then you bring and we record it on the financial books as a debt and when things get back to normal you will pay them. This has made a life full of debts for us till now. (Transport worker, Dar es Salaam, 16 July 2020)

Despite the swifter return to “normality” in Tanzania, many informal workers suffered during the initial lockdown, some having to go without food:

My situation was tough. [I] am a widow and mother of three. I can't even explain that sometimes I couldn't afford meals for my family. I don't want to remember that time at all. (Micro-trader, Dar es Salaam, 30 July 2020)

Furthermore, debt incurred during the lockdown created long-term repercussions for individuals and groups alike:

The pandemic led me to get into [such] huge debts that even until now I haven't been able to pay all of them. (Micro-trader, Dar es Salaam, 10 July 2020)

In sum, in both Kenya and Tanzania, the main COVID-related challenge for micro-trade and transport workers was the lack of customers and, therefore, reduced earnings, while for construction sector workers the main challenge was accessing jobs. An overwhelming majority in both countries reported a decline in incomes due to the pandemic. As a result, workers struggled to pay for food, rent and utility bills, as well as the contributions to their respective associations. This indicates that informal workers mainly work for subsistence and have minimal savings or income substitutes to sustain them in the event of crisis.

However, despite the restrictions, most informal workers in Kenya and Tanzania continued to work during the pandemic, and some workers even adapted to the changing circumstances by diversifying their business practices. Some micro-traders adapted

<sup>8</sup> Furthermore, during the pandemic the authorities allowed *boda-boda* operators to enter the city centre to pick up and drop off customers. They had previously been banned from the city centre owing to an increasing number of allegations of crime and bag snatching by *boda-boda* drivers.

positively through reskilling, for example, by switching from selling their usual fare to selling lemons, ginger, hot pepper, garlic, onions, turmeric, mint, eucalyptus and other traditional herbal remedies that were believed to be effective against COVID-19 symptoms. Some also produced their own face masks, which were cheaper than the industrially manufactured ones. Moreover, in Tanzania, President Magufuli had advised people to use masks made in the country (Kombe 2021). Changes in product demand opened up new business opportunities for some micro-traders, which in turn allowed them to set higher prices as demand increased. This is in line with Kugler et al. (2023), who find that Kenya and several other countries in sub-Saharan Africa had comparatively low rates of work stoppage during the pandemic, precisely because of the large share of informal workers.

## 5.2. Support provided by informal worker associations: Pre- and post-COVID-19

The challenges outlined in the previous section seem to be in line with the issues about which workers contacted their associations. Across the three sectors, 30 per cent of Kenyan workers and 34 per cent of Tanzanian workers said that they contacted their IWAs during the pandemic. This share rose as high as 39 per cent among Tanzania's transport workers and fell below the average among its micro-traders:

We all know this pandemic affects all of us – even our leaders are part of us. So I didn't ask for assistance, but rather kept working hard where I can to make sure I provide for my family. There was no time to waste. (Micro-trader, Dar es Salaam, 8 July 2020)

In some cases, micro-traders may not have asked for assistance because they knew that the IWAs could not afford the loan amounts that they needed. COVID-19 social distancing and mobility restrictions – responsible for the restriction or suspension of associational meetings – were another reason for workers not contacting their associations. Despite the possibilities of online communication, most IWAs did not hold virtual meetings on account of members not having smartphones, not being able to afford high internet connection charges, not being tech-savvy (especially the older members), lacking interest or being in the habit of holding in-person meetings. Not meeting undermined the sense of social solidarity. Some of the in-person meetings that did take place were restricted to leaders, leading to claims that ordinary members were being kept in the dark about certain issues. Although this might not have been the intention, the covariate crisis revealed, and to some extent reinforced, an existing divergence between the SP benefits of association leaders and ordinary members.

In Kenya, the share of workers who contacted their associations was evenly distributed across the sectors. Just over half of these workers (52 per cent) said that the main reasons for contacting their IWAs were to request loans or withdraw savings (promotive SP):

During lockdown things were really tough. We wanted help for food, rent and even support for business from the group, but it was not enough since all ended up paying debt. I had rent arrears for three months and had taken food on credit so it did not help a lot. (Micro-trader, Nairobi, 16 July 2020)

Other issues included employment-related concerns (24 per cent), requests for sanitizer and masks (14 per cent) and voice and representation (10 per cent). In Tanzania, the majority of workers (56 per cent) contacted their associations about dealing with COVID-19 itself (preventive SP), for example, with requests for sanitizer (particularly for transport workers); this was followed by requests for financial assistance (17 per cent), employment-related issues (17 per cent) and other concerns (10 per cent), such as training. Thus, requests for promotive and preventive SP measures were more common than requests for transformative SP.

Across both countries, most workers said that contacting their association helped to resolve their issues – this was especially the case in Kenya (81 per cent compared with 64 per cent in Tanzania) – as illustrated in this quote from a micro-trader in Nairobi:

Since everyone is suffering there was no time for delay. We had fears that there was going to be a lockdown for two months. We decided before we get help we sort ourselves with what we had. Each member received 20,000 Kenyan shillings. (Micro-trader, Nairobi, 16 July 2020)

In general, Tanzanian transport workers (who were more likely to have contacted their IWA) confirmed that IWA assistance helped address their issues, highlighting the associations' instrumental role in supporting their members:

We were able to get sanitizers, masks from the government Medical Stores Department [MSD] at cheaper prices through our associations. (Transport worker, Dar es Salaam, 22 July 2020)

Our bosses are not understanding at all, despite what's going on, that we are forced to carry few passengers [...] they would like us to submit the normal daily amount of money to them. If you cannot do so, you are forced to pack the vehicle and leave. We thank our leaders such as TADU [Tanzania Association of Drivers Union], who were able to intervene in some instances to resolve conflicts. (Transport worker, Dar es Salaam, 16 July 2020)

Workers in Tanzania who said that their association did not help them to resolve their issues (36 per cent) indicated that they had resolved these themselves – for example, by buying their own sanitizer or obtaining information about COVID-19 protection measures elsewhere – thereby demonstrating the different capacities of associations and the importance of personal networks:

During the pandemic, no, I didn't ask [for] any help in the association, but there were other members who asked, so we helped them. Some assistance came from the association, but also we had to contribute from [our own] pockets [...] to rescue our members' situations. (Construction worker, Dar es Salaam, 10 July 2020)

Apart from the COVID-19 health-related measures, the issues that workers in both Kenya and Tanzania contacted their associations about during the pandemic did not differ much from those that were being raised just before the pandemic, as shown in the table. In pre-pandemic Kenya, the top issues were savings, loans and investment, employment concerns, and representation and voice. Financial assistance and employment issues were important for workers across the sectors, the latter particularly so for transport and construction workers (who mentioned contracts, non-payment, safety and insecurity), while representation and voice were particularly important issues for micro-traders (citing lack of worksites and facilities, and police harassment as major problems). Transport workers

#### Reasons for contacting IWAs before the COVID-19 pandemic

	<b>Kenya</b>	Construction	Trade	Transport	<b>Tanzania</b>	Construction	Trade	Transport
Savings, loans and investment	<b>37</b>	10	17	10	<b>11</b>	3	4	4
Employment	<b>18</b>	6	1	11	<b>3</b>	2	–	1
Training/ leadership/ capacity-building	<b>4</b>	2		2	<b>3</b>	–	2	1
Representation and voice	<b>8</b>	2	3	3	<b>2</b>	–	1	1
Welfare (e.g. bereavement and illness)	<b>4</b>	1	2	1	<b>9</b>	3	2	4
IWA development issues	–	–	–	–	<b>12</b>	2	5	5
Number of observations	<b>71</b>	21	23	27	<b>40</b>	10	14	16

Note: In Tanzania, only 40 out of the 65 workers interviewed contacted their IWA about a specific issue, while in Kenya all 71 workers interviewed did so.

Source: Our own compilation.

also said that harassment and stigmatization were key issues about which they contacted their associations, indicating the importance of transformative SP matters. In Tanzania, the top three pre-pandemic issues were savings, loans and investment, IWA development<sup>9</sup> and employment issues (see table). As in Kenya, there was some variation across sectors. The interviews indicate that associations were also contacted by micro-traders to negotiate with the authorities, while transport workers brought to their attention repeated instances of police harassment, including law enforcement officers demanding bribes, as well as conflicts between *boda-boda* drivers and motorcycle owners in relation to breaches of contract. These results again indicate the prevalence of transformative SP concerns.

As regards savings, loans and investment (promotive SP), the nature of the interlinkages between idiosyncratic and covariate crises was revealed by the COVID-19 pandemic, which exposed, and generally amplified, pre-existing gaps in protection preparedness. This increased the vulnerability of informal workers, as they were unable to rely on income replacement or savings, incurring mounting levels of debt. Compared to the pre-pandemic period, the share of workers who indicated that their associations provided loans dropped substantially – by 30 per cent in Tanzania and 50 per cent in Kenya – to around 25 per cent across both countries, pointing to the pandemic-induced financial limitations of associations. In Kenya, most respondents (78 per cent) reported that their associations offered loans to members prior to the pandemic, but only a quarter of the associations had provided loans to their members since. In Tanzania, the pre-COVID loan share stood at 62 per cent compared with 26 per cent post-COVID.<sup>10</sup> In Kenya, sector disaggregation reveals that transportation workers received the highest share of loans, followed by construction workers and micro-traders, while in Tanzania loan provision was highest among micro-traders and lowest among construction workers. The share in Tanzania reflects traders wanting to buy supplies and goods that were in demand, as the shift in consumer product preferences, noted earlier, provided an economic opportunity for them. The smaller share of loans for construction workers is partly explained by the comparatively large loans required, making it difficult for IWAs to meet their requirements. In addition, in Tanzania, construction workers' associations are generally weak and their savings low (Riisgaard, Mitullah and Torm 2022). Accordingly, while financial assistance was listed as the most important means of IWA support both pre- and post-COVID, the actual loan provision varied substantially by sector and country over time.

In terms of representation and voice (transformative SP), more than half (58 per cent) of association members in Kenya said that pre-COVID their IWAs dealt with harassment by city authorities and/or employer–employee relations. However, this figure dropped post-COVID, 39 per cent of respondents reporting that their IWAs had continued with advocacy activities. Micro-traders, in particular, experienced a decline in this type of associational support. Only a few respondents noted that their associations shifted their advocacy focus to COVID-specific issues. In Tanzania, where IWAs were reported as being less involved in representation and voice activities, this involvement generally remained the same post-COVID – on average, around 30 per cent of IWAs maintained advocacy activities. However, it is noteworthy that for transportation IWAs, the level of representation increased from 33 per cent before the pandemic to 42 per cent during the pandemic, reflecting their engagement and their protest against the Government's restrictions on transportation capacity. Overall, across the countries and sectors, COVID-19 pushed IWAs away from transformative SP measures and towards promotive and especially preventive SP measures, indicating that a covariate crisis moves more urgent issues to the fore, at the expense of longer-term strategic concerns.

<sup>9</sup> "IWA development issues" includes situations in which the IWA had invested in land or *dala-dala/boda-boda* had invested their own money to buy vehicles, as well as issues related to the registration of the association.

<sup>10</sup> Apart from loans, welfare services offered by IWAs in Kenya included support for costs related to funerals (90 per cent), weddings (49 per cent), sickness (76 per cent), unemployment (53.5 per cent), formal health insurance (41 per cent) and school fees (32 per cent).

### 5.3. Informal worker associations: Coping and cushioning mechanisms

In Tanzania, around 52 per cent of IWA members stated that, beyond the new dimension of relaying health and safety guidelines, association services changed as a result of the pandemic, while in Kenya this was the opinion of around 41 per cent of members. In this section, we examine the main coping and cushioning mechanisms used by IWAs.

#### 5.3.1. Contribution requirements

As seen in the previous sections, reduced earnings had enormous consequences for the livelihoods of workers in both of the countries in this study and resulted in lower or no IWA membership contributions. In Kenya, for instance, 60 per cent of workers indicated that the suspension or reduction of membership contributions was a major challenge for IWAs, again demonstrating the interlinked nature of the crisis. Many IWAs (75 per cent) adjusted their membership contribution rules to allow for the suspension of contributions, reductions or flexibility in contribution amounts or to remove interest/penalties on loans. In this way, most IWAs retained members who might have otherwise left and would have thus eroded the financial base (and associational power) of the associations even further.

Interviews reveal that although most IWAs made adjustments, some did not. This was particularly the case in the transport sector, though many transport employers did reduce workers' daily targets. The reason for this presumably lies in the nature of the transport associations. In Kenya, they are SACCOs, which operate more like employers, generally favouring the interests of vehicle owners over workers' concerns, often leading to tensions between SACCOs and workers.<sup>11</sup> Associations which failed to adjust their contribution rules were unable to retain members, as illustrated by one construction association:

We had started with 32 members but now we are 16. COVID-19 has made some to go upcountry while some could not manage the contributions we were making hence left the group. As for those who left, 12 were ladies and we are [left] with one. Eight of them went upcountry, one relocated, while two dropped [out] because of the contributions. (Construction worker, Nairobi, 19 July 2020)

In Tanzania, about half of the IWAs suspended membership contributions or made conditions easier, for example, by turning a blind eye to those who were late paying contributions, particularly in the trade and transport sectors, while others – particularly in the construction sector – became dormant:

We don't meet and we can't progress as an association, our accounts are dry since there are no contributions made. (Construction association leader, Dar es Salaam, 19 July 2020)

#### 5.3.2. Scaling back loans and welfare support

As seen in section 5.2, in both Kenya and Tanzania, suspending the provision of loans and/or decreasing loan amounts seem to have been the most common IWA coping measures across sectors:

They gave me half of it because they said many people would come with a similar problem. (Construction worker, Nairobi, 18 July 2020)

Even when you apply for a loan you won't get the amount you are asking for. (Transport worker, Nairobi, 18 July 2020)

Some IWAs would only allow members to take out their savings but did not offer loans, while other associations – mostly in the trade sector – opted to provide a one-off amount to all members, as observed by a member of two associations:

In United KambiMoto every member was given 10,000 Kenyan shillings and in Vision Sisters everyone was given 4,000 Kenyan shillings. (Micro-trader, Nairobi, 15 July 2020)

<sup>11</sup> Since 2012, *matatu* operators in Kenya have been required by law to join SACCOs, which are registered with the State Department for Co-Operatives and are expected to manage vehicles registered under them and clear workers for licensing by the National Transport and Safety Authority.



These experiences confirm that, although some associations issued members with loans, limited resources meant that they could not issue the full amounts requested. Consequently, some IWAs shared out their funds in one-off payments, others reduced the size of loans and still others stopped loans but gave support in the event of death (funeral costs and support for surviving dependants) or hospitalization. Given that members stopped paying fees, most IWAs paused their financial support to workers to avoid defaulting. In general, IWAs in Kenya did not collapse but responded with coping mechanisms that, despite being quite limited, eased the burden on members. It appears that the construction IWAs were the hardest hit, often suspending the provision of loans in order to continue providing their members with welfare support. As found in Riisgaard, Mitullah and Torm (2022), these IWAs were comparatively weak before the COVID-19 outbreak, which explains their lower resilience when it came to granting loans during the pandemic, again illustrating how pre-existing adverse conditions were exacerbated by the crisis.

In Tanzania, the IWAs were also overwhelmed with loan requests and were not able to pay out the full amounts requested:

For us petty traders, loans are everything to help our businesses. So, even during the pandemic we continued to provide loans, although we had to decrease the amount because many members were coming in to ask for loans. (Micro-trader association leader, Dar es Salaam, 30 July 2020)

There is also evidence that the reasons for requesting loans changed:

Yes, many people started asking for loans to buy necessities [...] people made request[s] for loans to pay for rent, for food. Before, they wanted loans to buy *boda-boda* or licence. (Transport worker, Dar es Salaam, 7 August 2020)

Loans mostly went towards paying rent and buying meals. In some instances, especially in the transport sector, the loans were given in-kind:

We had to say no to some of the request for assistance; otherwise the association was going bankrupt. Therefore, we searched for donation[s] of food and issued food instead of loans. (Transport association leader, Dar es Salaam, 22 July 2020)

By issuing foodstuffs such as maize, flour and sugar, the IWAs discouraged workers from using assistance funds to buy alcohol, for instance. Among micro-traders and transport workers, welfare support services were scaled back to cater for the increased number of loan requests (mostly to buy food or pay rent), while in the construction sector some associations prioritized support for funerals (and other welfare services) but put everything else on hold:

Everything is [on] hold right now, but for issues like funerals, you get half of what we used to get. We withdraw from our kitty since no contributions [are made by] members. (Construction worker, Dar es Salaam, 10 July 2020)

But due to this pandemic, we had to stop the usual activities such as [...] investments, because we also had to use our association savings for emergency issues, and now we have just started from square one. (Transport association leader, Dar es Salaam, 2 July 2020)

We are not meeting, no contributions are made, most members have no jobs and the group is stuck. (Construction association leader, Dar es Salaam, 24 July 2020)

As noted earlier, one factor contributing to the reduction in loans in construction is that workers generally demanded larger loans, to buy work equipment, for example, thus making it difficult for IWAs to meet requests. In general, the loans provided during the pandemic were not specifically for investment purposes and were often for smaller amounts.

### 5.3.3. Health-related coping strategies

In Kenya, 41 per cent of workers said that their associations had shared information specific to the health-related challenges of COVID-19 (namely, information on safety measures such as washing hands with soap, social distancing and wearing masks) and 35 per cent reported

that the IWAs had provided or facilitated access to health and safety training. The interviews suggest that these health-related services were provided particularly in the construction and transport sectors:

In fact, where we are working we have the sanitizer and water with soap. We also bought masks. (Construction worker, Nairobi, 19 July 2020)

IWAs in Kenya provided health-related assistance mainly on their own initiative, rather than in compliance with government directives. By contrast, in Tanzania, special measures, particularly among transport IWAs, were often the result of government directives. At the outset of the pandemic, the Government formed a team comprised of both national and local-level leaders, health practitioners and community welfare workers to inform and direct people. It also issued directives requiring buses to carry only seated passengers (level seating), bus stations to provide water, soap and sanitizer and passengers to wear masks. The IWAs adhered to the directives, ensured that their members were supplied with the required items and continued to monitor the situation. Since initial bans on large gatherings prevented associations from meeting, some IWAs shared information on health and safety measures and COVID-19 protocols with members through social media. The associations that did continue to meet were mostly in the transport sector, where some even increased the frequency with which they met:

Initially, we contacted them monthly but after this calamity we agreed to contact them weekly in order to proceed with directing the people working in the bus terminal and motivating them not to change routes. (*Dala-dala* association leader, Dar es Salaam, 2 July 2020)

Some association leaders also facilitated health and safety training at small informal meetings conducted in, for example, parking lots. Furthermore, IWAs were instrumental in ameliorating situations in which members were frustrated by rules and regulations that restricted their earnings. In some cases, owners opted to park their vehicles rather than incur losses. But in certain instances, as in the case of hired *boda-boda* vehicles, workers were allowed to pay partial fees during the pandemic and worked out a payment plan with the vehicle owners to finalize total payment afterwards.

Overall, in both Kenya and Tanzania, IWAs became instrumental in raising awareness among informal workers about health and safety issues, and in facilitating access to affordable materials and equipment such as masks, buckets, water, soap and sanitizer. In the transport sector, IWAs played a critical role in diffusing tensions and threats of strikes brought on by decreased earnings. Some associations also created part-time jobs for those who lost their jobs, as well as increasing their advocacy with the authorities, the public sector and civil society, among others. In some cases, the pandemic thus provided an opportunity for IWAs to prove their worth by addressing pre-existing issues, such as the promotion of general health protection and income diversification.

## 6. Concluding discussion

This article has examined the multiple challenges faced by informal workers as a result of the COVID-19 pandemic and the coping mechanisms adopted by IWAs to cushion their members. In both Kenya and Tanzania, many informal workers had no choice but to continue working during the lockdown, and thus the informal sector played an important part in keeping the economy moving during a challenging time. Ironically, though, owing to their limited power and fragmentation, informal workers have received little attention in debates on the economic and social costs of COVID-19.

The pandemic-induced lockdown, the severity of which differed between Kenya and Tanzania, disrupted both formal and informal work as well as the services offered by IWAs, most workers experiencing a loss in earnings. Many IWAs had traditionally cushioned their members from idiosyncratic shocks, including by covering costs associated with sickness,

funerals, school fees, weddings and unemployment. During the pandemic, however, they stopped or suspended contribution requirements, which in turn made it difficult for them to continue providing such preventive SP. Some associations did continue to provide promotive SP, such as financial support, often in the form of interest-free loans, which, although inadequate, provided evidence of the innovativeness of IWAs in responding to crisis. Thus, despite their limitations, associations played a critical role in supplementing government emergency aid by delivering necessary resources and supporting vulnerable members who lost their jobs during the pandemic. However, since most informal groups make savings throughout the year and share dividends (savings plus profit) at the end of the year, they did not have a buffer in the event of unexpected crises, such as the COVID-19 pandemic. Indeed, interest-free loans present a temporary solution but may not be effective for long-term crises. One of the lessons from this period would therefore be for IWAs to reserve some of their savings to avoid starting from a blank sheet every year. One way of doing this would be to register as cooperatives with investment portfolios. Moreover, except for an intensification of representational activities in the transport sector (especially among *dala-dala* workers in Tanzania), this article reveals a missed opportunity by IWAs in exploiting/promoting transformative SP (voice and representation), since they did not attempt to capture the attention of policymakers by advocating for support during the COVID-19 crisis. Overall, although there are examples of informal support structures proving their worth through specific COVID-19 coping strategies, our study confirms the hypothesis that the support delivered by IWAs is more fragile during a covariate crisis than during individual shocks, notwithstanding country- and sector-level variations.

Sectoral evidence reveals that, across the two countries, construction IWAs were hit harder than micro-trade and transport IWAs. The relatively higher resilience of transport associations is due to the fact that they are generally more established and regulated than construction IWAs. Moreover, in Tanzania, transport sector IWAs averted planned strikes and promoted their members' interests by negotiating a collective bargaining agreement with the Government. The transport sector faced particular challenges, including reduced numbers of passengers and carrying capacity. As a result, most workers earned less or lost their jobs, yet many IWAs continued operating despite a reduction in revenue (from membership contributions and fees) and, in some cases, the loss of members.

The lack of, or inadequate, resources because of partial payments generally restricted IWAs' capacity to issue loans during the pandemic. In both countries, they were overwhelmed with loan requests from members and, as a result, issued fewer and smaller loans. In Tanzania, the provision of loans decreased particularly in the construction sector, while the delivery of welfare services increased, indicating some re-prioritizing in order to meet immediate needs. Transport sector workers were particularly challenged by the government "level seat" directive, yet for the most part *dala-dala* workers continued to operate as usual, except for having to enforce health protection measures among passengers (wearing masks and using sanitizer). Moreover, specific regulations, such as allowing *boda-boda* access to the city centre and reducing VAT on petrol, served to cushion informal workers in the transport sector from pandemic-induced restrictions. Many Tanzanian transport IWAs took on new tasks, association leaders taking part in the health and safety training and the acquisitions of affordable supplies such as sanitizer. Importantly, the more innovative associations were able to survive thanks to initiatives such as the relaxation of associational rules and reducing contributions and penalty charges to support emergent needs. Such flexibility and the redirecting of funds or activities allowed IWAs to respond quickly to the COVID-related challenges facing informal workers. This stands in contrast to the state-level SP, such as that provided by the NHIF, whose rigid rules did not allow for worker contribution (or penalty) waivers, as expected by many members. Formal insurance schemes, therefore, have important policy lessons to learn from the IWAs' flexibility in adjusting their rules and processes to cushion their members in a crisis.

Even though most of the IWAs surveyed did not collapse, at least during the initial phase of the pandemic, their capacity to support members during a covariate crisis proved to be limited. This suggests that a double-edged approach, involving both associations and the government, is necessary in order to enable IWAs to weather storms and to ease their burden. One approach might be to create a social register that would enable the government to identify individual informal workers and provide them and their associations with targeted support. In Kenya, however, many IWAs are registered with the Department of Social Services, suggesting that lack of registration is not necessarily the reason why cushioning was limited. Moreover, in the Kenyan SP registry, informal workers are not included except in an implicit mention of collecting data for potential beneficiaries (Maintains 2021). Thus, one policy recommendation would be to include IWAs and informal workers more explicitly as a special category in an enhanced SP registry. This should address the social insurance subscription challenges that IWAs face in order to enable quick and effective responses, especially in a crisis. However, registries do not come without their challenges – in particular, the digitalization of social data has been found to facilitate exploitation in certain political settings (Khan and Roy 2019). The question of registration has also been discussed in Tanzania and some small pilot initiatives have been launched to register micro-traders so that they can be easily reached and included in national response strategies in the event of crises of a magnitude similar to the COVID-19 pandemic.

However, despite the authorities' good intentions, we acknowledge that there will always be a need for IWAs, given that limited government budgets prevent standard formal SP measures from meeting the requirements of all citizens, especially informal workers. There is thus a need for measures aimed at strengthening the resilience of informal cushioning mechanisms, since IWAs remain the primary absorbers of idiosyncratic shocks. In line with the literature (Oware 2020; Oduro 2010), we reiterate the importance of formal SP supplementing and reinforcing, rather than undermining, the positive aspects of informal support mechanisms. As well as encouraging informal workers to subscribe to formal social insurance, IWA representatives should participate (not only on an ad hoc basis) in processes to design insurance schemes and in official decision-making mechanisms relating to policies affecting informal workers to ensure that their needs are given adequate consideration. Policymakers should tap into the latent capacity of IWAs by partnering with them in designing SP programmes that cater to IWAs and individuals during covariate shocks.

In addition to longer-term policy implications, a more immediate and short-term strategy to respond to future nationwide crises would be to extend targeted cash transfers to protect informal workers and enable their associations to weather such storms. In Kenya, the beneficiaries of the top-up cash transfer funds disbursed during the pandemic were mainly individuals who were already recipients of other cash transfer programmes (such as households in informal settlements), whereas there were no mechanisms for many other workers who needed help. The Tanzania Social Action Fund provides cash transfers to those in extreme poverty, yet informal workers are not part of that group and there are no cash transfers specifically for those not poor enough to be covered by social assistance – also referred to as “the missed middle” (Guyen, Jain and Joubert 2021).<sup>12</sup> Thus, a system of unconditional cash transfers during a covariate crisis might provide a way to reach the most vulnerable individuals in the urban informal sector.

## Acknowledgements

We gratefully acknowledge funding from the Danish International Development Agency (DANIDA). We also thank all the people who kindly took time to share their experiences and knowledge with us.

<sup>12</sup> See also the discussion by Bodewig et al. (2020) in the context of the COVID-19 pandemic in Africa.

## References

- Awortwi, Nicholas, and Gregor Walter-Drop, eds. 2018. *Non-State Social Protection Actors and Services in Africa: Governance below the State*. Abingdon: Routledge.
- Bhattamishra, Ruchira, and Christopher B. Barrett. 2010. "Community-Based Risk Management Arrangements: A Review". *World Development* 38 (7): 923–932. <https://doi.org/10.1016/j.worlddev.2009.12.017>.
- Boatang-Pobee, Lydia, Sarah Heneck, Anne Kamau, Francis Kapere, Kweku Kyere, Misiwe Maphumulo, and Rachel Moussié. 2021. "Women Informal Traders and Child Care during the COVID-19 Pandemic: Findings from Accra, Durban and Nakuru", WIEGO Resource Document No. 20. Manchester: Women in Informal Employment: Globalizing and Organizing.
- Bodewig, Christian, Ugo Gentilini, Zainab Usman, and Penny Williams. 2020. "COVID-19 in Africa: How Can Social Safety Nets Help Mitigate the Social and Economic Impacts?" *World Bank Blogs – Africa Can End Poverty*. 24 April 2020. <https://blogs.worldbank.org/en/africacan/covid-19-africa-how-can-social-safety-nets-help-mitigate-social-and-economic-impacts#:~:text=And%20yet%2C%20social%20safety%20nets,by%20increasing%20cash%20transfer%20amounts>.
- Calder, Rebecca, and Tom Tanhchareun. 2014. *Informal Social Protection: Social Relations and Cash Transfers*. Barton, ACT: Department of Foreign Affairs and Trade, Commonwealth of Australia.
- Dafuleya, Gift. 2018. "(Non)state and (In)formal Social Protection in Africa: Focusing on Burial Societies". *International Social Work* 61 (1): 156–168. <https://doi.org/10.1177/0020872815611196>.
- . 2023. "Linking Formal and Informal Social Protection in an Insecurity Regime: The Case of Zimbabwe". In *Handbook on Social Protection and Social Development in the Global South*, edited by Leila Patel, Sophie Plagerson and Isaac Chinyoka, 331–349. Cheltenham: Edward Elgar.
- Deacon, Bob. 2007. *Global Social Policy and Governance*. London: SAGE.
- Dercon, Stefan, and Pramila Krishnan. 2002. "Informal Insurance, Public Transfers and Consumption Smoothing". Paper presented at the Royal Economic Society Annual Conference, University of Warwick, Coventry, March 2002.
- Devereux, Stephen, and Rachel Sabates-Wheeler. 2004. "Transformative Social Protection", IDS Working Paper No. 232. Brighton: Institute of Development Studies.
- Guen, Melis, Himanshi Jain, and Clement Joubert. 2021. *Social Protection for the Informal Economy: Operational Lessons for Developing Countries in Africa and Beyond*. Washington, DC: World Bank.
- Hickey, Sam, Tom Lavers, Miguel Niño-Zarazúa, and Jeremy Seekings, eds. 2020. *The Politics of Social Protection in Eastern and Southern Africa*. UNU-WIDER Studies in Development Economics. Oxford: Oxford University Press.
- Hickey, Sam, and Jeremy Seekings. 2017. "The Global Politics of Social Protection", WIDER Working Paper No. 2017/115. Helsinki: United Nations University World Institute for Development Economics Research.
- ILO. 2018. *Women and Men in the Informal Economy: A Statistical Picture*. 3rd ed. Geneva: ILO.
- Kairu, Angela, Stacey Orangi, Boniface Mbuthia, Brian Arwah, Fatuma Guleid, Janet Keru, Ileana Vilcu, Anne Musuva, Nirmala Ravishankar, and Edwine Barasa. 2023. "The Impact of COVID-19 on Health Financing in Kenya". *PLOS Global Public Health* 3 (10): Article No. e0001852. <https://doi.org/10.1371/journal.pgph.0001852>.



- Kamau, Anne, Paul Kamau, Daniel Muia, Harun Baiya, and Jane Ndung'u. 2018. "Bridging the Entrepreneurial Gender Gap through Social Protection among Women Small-Scale Traders in Kenya". In *Women Entrepreneurs and the Myth of "Underperformance": A New Look at Women's Entrepreneurship Research*, edited by Shumaila Yousafzai, Alain Fayolle, Adam Lindgreen, Colette Henry, Saadat Saeed and Shandana Sheikh, 159–172. Cheltenham: Edward Elgar.
- Kaseke, Edwin. 2003. "Social Exclusion and Social Security: The Case of Zimbabwe". *Journal of Social Development in Africa* 18 (1): 33–48. <https://doi.org/10.4314/jsda.v18i1.23818>.
- Khan, Mushtaq, and Pallavi Roy. 2019. "Digital Identities: A Political Settlements Analysis of Asymmetric Power and Information", Working Paper No. 015. London: Anti-Corruption Evidence (ACE) Research Consortium.
- Kiaka, Richard, Shiela Chikulo, Sacha Slootheer, and Paul Hebinck. 2021. "'The Street Is Ours': A Comparative Analysis of Street Trading, COVID-19 and New Street Geographies in Harare, Zimbabwe and Kisumu, Kenya". *Food Security* 13 (5): 1263–1281. <https://doi.org/10.1007/s12571-021-01162-y>.
- Kombe, Charles. 2021. "Tanzania President Creeps towards Acknowledging Presence of COVID-19". *VOA News*, 22 February 2021. [https://www.voanews.com/a/covid-19-pandemic\\_tanzania-president-creeps-toward-acknowledging-presence-covid-19/6202386.html](https://www.voanews.com/a/covid-19-pandemic_tanzania-president-creeps-toward-acknowledging-presence-covid-19/6202386.html).
- Kugler, Maurice, Mariana Violaz, Daniel Duque, Isis Gaddis, David Newhouse, Amparo Palacios-Lopez, and Michael Weber. 2023. "How Did the COVID-19 Crisis Affect Different Types of Workers in the Developing World?" *World Development* 170 (October): Article No. 106331. <https://doi.org/10.1016/j.worlddev.2023.106331>.
- Maintains. 2021. "Towards Shock-Responsive Social Protection: Lessons from the COVID-19 Response in Kenya", Policy Brief, March 2021. Oxford Policy Management.
- Mushunje, Mildred T., and Edwell Kaseke. 2018. "Indigenous Social Security Systems in Zimbabwe: Strengths, Challenges and Prospects". In *Indigenous Social Security Systems in Southern and West Africa*, edited by Ndwana Noyoo and Emmanuel Boon, 105–122. Cape Town: Sun Press.
- Oduro, Abena D. 2010. "Formal and Informal Social Protection in Sub-Saharan Africa". Paper presented at the workshop "Promoting Resilience through Social Protection in Sub-Saharan Africa" organized by the European Report on Development, Dakar, 28–30 June 2010.
- OECD (Organisation for Economic Co-operation and Development)/ILO. 2019. *Tackling Vulnerability in the Informal Economy*. Paris: OECD.
- Oware, Phoebe Mesa. 2020. "Informal Social Protection Actors: A Focus on Women Self-Help Groups in Kenya". *International Social Work* 63 (5): 612–625. <https://doi.org/10.1177/0020872820940013>.
- Riisgaard, Lone, Winnie Mitullah, and Nina Torm, eds. 2022. *Social Protection and Informal Workers in Sub-Saharan Africa: Lived Realities and Associational Experiences from Tanzania and Kenya*. Abingdon: Routledge.
- SABC News. 2020. "Tanzania President Magufuli Orders the Resumption of Schooling". 21 May 2020. <https://www.sabcnews.com/sabcnews/tanzania-president-magufuli-orders-the-resumption-of-schooling/>.
- Wangari, Edwin N., Peter Gichuki, Angelyne A. Abuor, Jacqueline Wambui, Stephen O. Okeyo, Henry T.N. Oyatsi, Shadrack Odikara, and Benard W. Kulohoma. 2021. "Kenya's Response to the COVID-19 Pandemic: A Balance between Minimising Morbidity

and Adverse Economic Impact". *AAS Open Research* 4 (3). <https://doi.org/10.12688/aasopenres.13156.2>.

Watson, Carol. 2016. "Shock-Responsive Social Protection in the Sahel: Community Perspectives", Shock-Responsive Social Protection Systems Research, Working Paper No. 3. Oxford Policy Management.

WIEGO (Women in Informal Employment: Globalizing and Organizing). 2020. *Informal Workers in the COVID-19 Crisis: A Global Picture of Sudden Impact and Long-Term Risk*. Manchester.