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The effect of COVID-19 on financial inclusion in the Kigezi and Lango subregions in Uganda

Marus Eton^a, Fabian Mwosi^b, and Mary Ejang^c

^aDepartment of Business Studies, Kabale University, Uganda; ^bDepartment of Postgraduate Studies, Uganda Christian University, Uganda; ^cDepartment of Public Administration, Lira University, Uganda

ABSTRACT

The year 2020 opened with tough policy measures to control the rapid spread of COVID-19. We sampled, explored, and analyzed the most recent studies that linked COVID-19 to business and finance. We identified two mitigations, which had strong effects on financial inclusion but had been neglected: lockdown and social distancing. We used lockdown and social distancing to conceptualize COVID-19, and developed two theoretical nexuses among COVID-19 and financial inclusion, and COVID-19 and government policy interventions. We explored each of the nexuses. First, we described the extent of lockdown and social distancing, financial inclusion, and government policy interventions. Second, we compared these nexuses in both the Lango and Kigezi subregions, and explained the significance of the interventions. Third, we used beta coefficients to quantify the effects of COVID-19 on financial inclusion. We provide a solid foundation for compulsive online banking in developing countries.

KEYWORDS

COVID-19; policy interventions; financial inclusion

Introduction

The dawn of 2019 introduced a plethora of regulations that intended to control the rapid spread of COVID-19, a virus that resulted in closure of small businesses that could not operate at a social distance (International Council for Small Business, 2020). Until the lockdown and pronouncements on social distancing, small businesses had not registered significant shocks in their operations. In Uganda, small businesses continued to operate normally until March 21, 2020 when the first COVID-19 case was reported. Confirmed cases of infection rose to 33,360, with 10,905 recoveries, and 245 deaths, as of December 28, 2020 (Ministry of Health, 2020). Despite the increase in the number of infections, recoveries, and deaths confirmed, reports on the effect of COVID-19 mildly unfolded. COVID-19 disrupted the supply of goods and services internationally, escalated tensions in trade, and shut down of the economies. These scars are still visible on the global economy. Table 2 shows responses regarding FI during the COVID-19 period.

Government securities and financial markets across countries performed much lower than expected as a result of the risks involved (Organisation for Economic Co-Operation and Development [OECD], 2020a). In Africa, four in every five businesses carry with them the scars of COVID-19, a rate that has been described as “severe” by (UN Economic Commission for Africa, 2020). The impact of COVID-19 was more in small and medium-sized enterprises, traders, transporters (Taxi as known in Uganda) because people in these categories earn their living on their daily business operations (African Union, 2020). Emergency cash bailouts by many economies in the world were initiated in order to reduce the adverse effects of the pandemic but the effects were far from over (Gentilini et al., 2020). The short- and long-term policies initiated by governments to support households, boost their financial muscle, and enable them to handle the challenges caused by the pandemic did not effectively work. In Uganda, the Ministry of Finance, Planning and Economic Development (MoFPED, 2020, March 20) revealed that the government’s intervention, such as provision of tax holidays and stimulus packages in combating business failures during the COVID-19 pandemic, did not benefit all businesses that deserved getting the package due to inadequacy of the funds. This study, therefore, established the effect of COVID-19 on financial inclusion (FI), drawing experience from the two subregions of Kigezi and Lango in Uganda. The study explored the effect of COVID-19 on FI and the moderating effect on government policy interventions among business firms in the Kigezi and Lango subregions.

Literature review

COVID-19

The COVID-19 pandemic is a new thorn in the flesh of businesses; it presents difficulty in conceptualizing it. Much of this study attempted to conceptualize COVID-19 in the business context. Wicke and Bolognesi (2020) reviewed a number of tweets on COVID-19 between March and April 2020, and summarized the effects of the virus on the population in figurative terms like MONSTER, STORM, and WAR. These terms seem indefinable to describe the effect of COVID-19 on business. Using such terminology to determine the impact of the pandemic on business undermines the importance of business survival during and or after the pandemic. Xu and Sattar (2020) conceptualized COVID-19 in terms of media reports on the outbreak and self-experience of the lockdown to understand peoples’ perception of the Coronavirus pandemic, and the effects felt after the eventual outbreak and global spread. The authors’ version of the consequences were sociological; however, the use of “self experience of the lockdown” may extend to “business lockdown,” an aspect that the study ignores. The lockdown means physical inability to

accessing finance that would otherwise bolster business. In this article, we observe that the conceptualizations by Wicke and Bolognesi (2020) and Xu and Sattar (2020) were derivatives of social media communication rather than official government communications. This still makes the conceptualizations indefinable in a business context. Devereux et al. (2020) used the Food and Agricultural Organization's four pillars to conceptualize the effect of COVID-19. Thus the authors conceptualized the consequences of COVID-19 in terms access, utilization, availability, and stability of food.

During COVID-19 times, individuals with low socioeconomic status were found in "basic" jobs such as restaurant and hotels, environmental services, and small and medium-sized enterprises (SMEs) where the risk was high (Cowan et al., 2021). Additionally, most of the lockdown policies generated varied effects on the vulnerable population of the world, particularly those that participate in business (Glover et al., 2020; International Council for Small Business, 2020). While strict lockdowns remained effective in controlling the impacts of COVID-19, they had adverse impacts on the economies of the world (Johnstone et al., 2019; Medeiros de Figueiredo et al., 2020), and yet population studies on such effects remain necessary, especially in less developed economies. However, countries that had unrestrictive lockdowns had mild impacts on businesses. The lockdown effects appear in stratifications of low- or middle-income to high-income individuals (Fairlie, 2020; Pramathesh Mishra & Yadav, 2020). Borrowing and exemplifying the above conceptualizations, we draw on lockdown and social distancing to highlight the COVID-19 dilemma on FI. While businesses shrunk due to physical distancing, even connecting socially remained a challenge, as some of the businesses operated through social networks (International Council for Small Business, 2020; Saif, 2020). The World Health Organization (WHO; 2020) observed that a proper application of social and physical distancing, if balanced with other strategies, can encourage social connection, protect incomes, and secure food supplies.

Financial inclusion

FI is geared toward provision of affordable, effective, and efficient financial accessibility to the poor through a formal financial system. The goal of this policy for African economies would therefore be to provide adequate cash flows to individuals by creating a good business opportunity in the economy (Ozili, 2020a). FI has been embraced globally and 23 percent of the adult population in the continent in sub-Saharan Africa has opened bank accounts and still in Africa it's estimated that over 40 percent of the population are saving part of their money and only half of the said population have access to financial services within their reach (Nizam et al., 2020). Dupas et al. (2018) revealed that developing economies have got the largest percentage of

unbanked population in the world, which limits their financial inclusiveness, whereas Ozili (2020b) posited that FI in developing nations is lower than that of developed nations.

Policy makers and financial institutions ought to support the community by raising the level of FI of its citizens in order to enhance and stimulate the economic growth and development of their country (Nizam et al., 2020). Similarly, inclusive access to finances by all the citizens is very significant in that it ensures financial inclusiveness and supports economic growth (Ibor et al., 2017). The monetary transmission and financial service measures would aim to ease financial burdens affected by small businesses and individuals and these depend on the FI services (Mehrotra & Yetman, 2015). Similarly, Beck and Cull (2015) posited that financial institutions in Africa are seen to be less financially inclusive than those in the developed world, and this affects the consumption and household income of the population. Financial institutions and governments ought to provide cheaper access to financial services to poor citizens in order to support their household needs and their businesses (Eldomiaty, 2020).

The COVID-19 pandemic and its effects on the business and socioeconomic well-being of the population

The European Commission (2020) posited that most countries should develop measures that may help contain or reduce the spread of the coronavirus in order to reduce the mortality rate. However, most measures that governments imposed during the lockdowns greatly affected small and medium-sized enterprises (SMEs), business start-ups, households, and many sectors in the economy. The COVID-19 pandemic and its implications will most likely bring a challenge to the sustainability of the societal changes if this crisis is not well handled (Sarkis et al., 2020). COVID-19 has been termed by health experts as a public health calamity that needed a critical analysis that has impacted more than 85 percent of businesses in Uganda (Financial Sector Deepening-Uganda [FSD-U & MoFPED], 2020). The micro- and small-scale businesses that employed most of the urban poor experienced the worst effects, as opposed to large- and medium-scale enterprises (Economic Policy Research Center; 2020).

As soon as the first case of COVID-19 was announced in Uganda, the foreign exchange started deteriorating and has been worsening. The deteriorating foreign exchange rates may likely cause adverse effects, especially in areas such as importation of basic and important products and services and drawing from foreign reserves to stabilize Uganda's shilling. Financial institutions have also revealed that they are unable to receive any disbursement from their clients who were affected by the pandemic and whose livelihoods were very much affected (Arunachalam & Crentsil, 2020). This was considered as the

“demand side effect” of COVID-19 (International Council for Small Business, 2020). The COVID-19 pandemic has been seen as a highlight on how FI can help governments handle and absorb the economic shocks that had been brought about by COVID-19 (Ayadi & Shaban, 2020). The economic effects on the pandemic are felt in various businesses, such as hospitality, entertainment, retail, and SMEs; others were completely shut down (Sainato, 2020).

The COVID-19 pandemic has caused a global economic crisis for vulnerable citizens, especially those who lost their jobs both formally and informally as a result of the lockdown from the pandemic (Kasradze, 2020). The COVID-19 pandemic affected most businesses, which led to most countries shutting down their economies; locking down schools, recreation facilities, and international travel; and this caused loss of jobs and budget cuts in different countries (Jacob et al., 2020). Islam et al. (2020) revealed that it’s predicted that both in the short and long run the effect of the COVID-19 pandemic may cause more havoc on the manufacturing and service industries as opposed to the agricultural sector. As mitigations to the challenges caused by COVID-19 on business, effective communication with all stakeholders is important. Tell customers of any changes in business operations, tell your employees of the economic reality, and maintain the connection with other entrepreneurs (Liguori & Pittz, 2020). Business owners ought to exercise a lot of flexibility and adaptability for rapid actions supported by information (Durst & Henschel, 2021).

Policy interventions that support FI

Governments globally developed measures of intervention in supporting businesses from collapsing by waiving financial expenses, tax holidays, and other measures to support financial inclusiveness (OECD, 2020b). Blanchard et al. (2020) revealed that governments ought to support straggling firms by relieving them from the hostile business environment caused by the COVID-19 pandemic by debt subsidization, restructuring their debts, equity losses, and tax credit, among others in such a harsh period. Governments should provide financial support to their citizens that are affected by the coronavirus outbreak (Canoe, 2020). Other measures that may be taken up by governments could supplement the efforts by financial institutions in availing credits to SMEs and also provide partial diversification of credit guarantee schemes for loans offered by private financial institutions (Lakuma et al., 2020, May).

The highlights of important policies by various economies in the world target policies that support the tradeoffs between ghost firms vis-à-vis a viable firm (Barrero et al., 2020). The linkages and social networks in the business environment have seen the aggregate consequences that the economies adopted in order to deal with the sectoral shocks that have impacted financial inclusiveness of citizens (Woodford, 2020). Most organizations and

individuals have taken serious precautions on the transmission of COVID-19 through physical money contact. The WHO has encouraged the community to embrace the use of information technology in transacting business to prevent the rapid spread of the virus (Wang, 2020). Digitalization by business owners has greatly improved accessibility to services and thus enhanced financial market inclusion. The Global Partnership for Financial Inclusion (2016) revealed that the G20 partnership for FI encourages economies to adopt an approach to digitalize FI, and those governments who adopted this approach have seen a significant increase in FI in their countries.

Methodology

The study adopted a correlational design that brought out the effects of COVID-19 dimensions (lockdown and social distancing) on FI in two regions. The study considered 360 participants from three districts of Kigezi (Kabale, Rubanda, and Kisoro), while in Lango the districts under study were Lira, Oyam, and Dokolo. The study targeted hotel owners, transporters, manufacturers, construction firms, private school owners, and SMEs, among others. The study investigated 60 respondents from each district. The districts and the businesses targeted for this investigation were purposively selected. The respondents were first of all stratified and after the stratification, individual business owners were drawn randomly to constitute the sample study. Both questionnaires and interviews were used to collect data. The questionnaire constituted closed-ended questions on lockdown, social distancing, FI, and government policy interventions. The scale items used in constructing the questionnaire were gleaned from a literature review. Data analysis was multivariate, and included relational and predictive tests.

Results

Descriptive statistics

This study used percentages and counts to show a descriptive account of COVID-19 (lockdown and social distancing), FI, and government interventions as they related to business. The description given here was generic and not comparative. The research aggregated the percentages on “strongly disagree” and “disagree” to represent “disagreement.” Similarly, the researchers aggregated the percentages on “strongly agree” and “agree” to represent “agreement.”

The researchers asked business owners about the lockdown and their businesses. From [Table 1](#), the findings showed that 85 percent of the businesses investigated could least increase the transmission of COVID-19. Obviously, from the business perspective, the businesses could not increase

Table 1. Lockdown and social distancing.

Variable list	A	U	D
Lockdown			
(1) Your business could less increase the transmission of COVID-19	6.1	8.9	85
(2) Your business continued even during the lockdown	19.2	5.1	75.7
(3) Your customers could easily access your goods/services	12.2	15	72.8
(4) The prices at which you offer your products/services increased	15.4	12.8	71.9
(5) Your business is situated in an area where COVID-19 was less spread	16.3	13.7	70
Average	13.8	11.1	75.1
Social distancing			
(1) Social distancing cut you off from your customers	4.5	10.2	85.3
(2) Social distancing cut off you from your suppliers	4.4	11.8	83.7
(3) Social distancing reduced the number of staff you would employ in a day	7.6	12.5	79.8
(4) Social distancing made it difficult for you to deliver your goods and services	9.6	12.5	77.9
(5) Social distancing reduced the number of customers you would meet in a day	7.6	22	70.3
Average	6.74	13.8	79.4

Note. A = Agreement; U = Uncertain; D = Disagreement

Table 2. Financial inclusion.

Variable list	A	U	D
1. The time you take to access financial services increased	3.5	9.9	86.6
2. You and your customers were cut off from financial services	7.7	6.7	85.7
3. The conditions for accessing financial services became tight	12.4	10.9	76.7
4. You found it hard to find credit during the lockdown	10.2	14.1	75.7
5. Your customers' sources of income were greatly affected	8.3	20.1	71.5
6. The interest paid on financial credit increased	14.7	14.7	70.6
7. Your customers found it hard to access credit for consumption	15.4	17.6	67.1
8. The sources from which you could obtain financial services reduced	16.3	17.3	66.5
Average	11.0	13.6	75.4

Note. A = Agreement; U = Uncertain; D = Disagreement

the transmission of COVID-19. However, from the Standard Operating Procedure (SOPs) perspective, it was likely that these businesses could escalate the spread of the disease, especially hotels, schools, and transporters. When asked whether their businesses continued during the lockdown, 75.7 percent of the businesses did not continue during the lockdown. During the lockdown, 72.8 percent of the businesses investigated indicated that their customers could no longer access their goods nor their services. In particular, schools and hotels owners were emphatic on the inaccessibility of their goods and services to their customers. About 71.9 percent of the businesses investigated did not see an increase in the prices at which they offered their products or services. This finding was characteristic of the transporters, the manufacturers, and the constructors who continued to operate even during the lockdown. Finally, 70 percent of the businesses investigated were situated in areas where COVID-19 was much spread. During the period when social distancing was pronounced, 85.3 percent of the business owners investigated were not cut off from their customers. Some of them continued to connect with their customers.

Of the businesses that had to reduce their number of employees due to social distancing in the COVID-19 period, 79.8 percent did not reduce the number of employees they would employ in a day. Rather than reducing the number of employees, they simply managed their operations in shifts. With respect to delivering goods and services, and the number of customers received in a day, 77.9 percent did not find difficulty in delivering their goods and services, and 70.3 percent did not register a reduction in the number of customers they would meet in a day.

With reference to FI, 86.6 percent of the participants did not report any increase in the time they took to access financial services, and 85.7 percent of the participants did not see their customers as being cut off from financial services. The statistics imply that even during the COVID-19 period, businessmen had access to financial services. Evidence from 78.3 percent of the participants shows that the conditions for accessing financial services did not become tight, and obtaining credit during the lockdown was not hard, as observed by 75.7 percent of the participants. While 15.4 percent of the participants agreed that their customers found it hard to access credit for consumption, 16.3 percent of the participants reported that the sources from which they could obtain financial services were reduced.

Table 3 shows responses on government intervention during and post-COVID-19 period.

In relation to government policy interventions that were aimed at cushioning businesses from shocks during and post-COVID-19, 80.5 percent did not benefit from any cheaper sources of income, 78.9 percent did not see the benefits of a policy shift in business, 78.6 percent did not access the money that was given to SMEs through Uganda Development Bank, and 76.3 percent did not benefit from the relaxation government put on tax collection. The statistics generally imply that most of the interventions that were initiated around the COVID-19 period did not benefit many business people. A number of business people did not benefit from what government termed as “cheaper sources of income” because some SMEs could not meet the criteria used and MoFPED

Table 3. Government intervention.

Variable list	A	U	D
1. Cheaper source of finance from formal financial institutions	12.1	7.3	80.5
2. Policy shift in support of business	8.3	12.8	78.9
3. Boosting the economy by giving money to SMEs through Uganda Development Bank	8.6	12.8	78.6
4. Government relaxed on tax collection from business firms	9.2	14.4	76.3
5. Digitalization of the economy	9.5	15	75.4
6. Lockdown of the economy	10.5	15	74.4
7. Loan restructuring	12.2	16.9	70.9
8. Allowed cargo businesses to continue during the lockdown	17	14.1	69
9. Training of community against COVID-19	17.9	20.4	61.6
10. Survival of urban poor, food distribution within towns	18.3	34.5	47.3
Average	12.4	16.3	71.3

Source: Field data, 2021.

also said money was inadequate. Additionally, the policy shift in business during and after the COVID-19 period, such as tax holidays and loan rescheduling, did not benefit many business firms because other SMEs were not in that bracket. This excerpt generally suggests that government interventions during the COVID-19 period were indeed short term and did not provide long-term interventions to the shocks encountered by most of the businesses.

Table 4, Table 5, Table 6 shows relationships that exist among COVID-19, FI, and government policy interventions around the COVID-19 period.

The relationship between lockdown and FI was moderate ($r = .498$; p -value $< .01$) in Lango, while in Kigezi it was strong ($r = .617$; p -value $< .01$). The statistics imply that as government enforced lockdown on business operations, access to finance increased moderately in Lango and strongly in Kigezi. The relationship between social distancing and FI was strong in both Lango ($r = .641$; p -value $< .01$) and Kigezi ($r = .631$; p -value $< .01$). Similarly, the relationship between COVID-19 and FI was strong in both Lango ($r = .632$; p -value $< .01$) and Kigezi ($r = .682$; p -value $< .01$). By implication, enforcing social distance, which was interpretively physical distancing, meant that whether business owners or customers, the cheapest and most feasible way to access finances was to register for electronic financial services. The relationship

Table 4. Correlation.

Region		(1)	(2)	(3)	(4)	(5)
Lango	Lockdown_(1)	1				
	Social distancing_(2)	.603(**)	1			
	COVID-19_(3)	.906(**)	.884(**)	1		
	Financial inclusion_(4)	.498(**)	.641(**)	.632(**)	1	
	Government policy intervention_(5)	.558(**)	.710(**)	.704(**)	.676(**)	1
Kigezi	Lockdown_(1)	1				
	Social distancing_(2)	.666(**)	1			
	COVID-19_(3)	.934(**)	.888(**)	1		
	Financial inclusion_(4)	.617(**)	.631(**)	.682(**)	1	
	Government policy intervention_(5)	.441(**)	.576(**)	.547(**)	.590(**)	1

** Correlation is significant at the .01 level (2-tailed).

Table 5. Partial correlations.

Region	Control variables			COVID-19	Financial inclusion
Lango	Government policy intervention	COVID-19	Correlation significance (2-tailed)	1	.
		Financial inclusion	Correlation significance (2-tailed)	.298	1
			Df	168	0
Kigezi	Government policy intervention	COVID-19	Correlation significance (2-tailed)	1	.
		Financial inclusion	Correlation significance (2-tailed)	.531	1
				.000	.

Table 6. Coefficients.^a

Region	Model	Unstandardized coefficients		Standardized coefficients		T	Sig.
		B	Std. error	Beta			
Lango	1	(Constant)	.890	.263		3.381	.001
		Lockdown	.170	.071	.176	2.408	.017
		Social distancing	.573	.078	.535	7.328	.000
	2	(Constant)	.424	.259		1.639	.103
		Lockdown	.087	.067	.089	1.288	.200
		Social distancing	.307	.088	.287	3.500	.001
	Government policy intervention	.497	.093	.423	5.374	.000	
Kigezi	1	(Constant)	1.387	.263		5.280	.000
		Lockdown	.273	.064	.354	4.268	.000
		Social distancing	.393	.082	.395	4.765	.000
	2	(Constant)	.858	.275		3.115	.002
		Lockdown	.249	.061	.322	4.108	.000
		Social distancing	.235	.086	.237	2.752	.007
	Government policy intervention	.333	.076	.312	4.355	.000	

^aDependent variable: Financial inclusion.

between government policy interventions and COVID-19 was strong ($r = .704$; p -value $< .01$) in Lango and moderate ($r = .547$; p -value $< .01$) in Kigezi. Similarly, the relationship between government policy interventions and FI was strong ($r = .676$; p -value $< .01$) in Lango and moderate ($r = .590$; p -value $< .01$) in Kigezi.

From Table 5, the study adopted partial correlation to determine the moderating role of government policy interventions on FI during COVID-19. When government policy interventions were controlled, the relationship between COVID-19 and FI changed from ($r = .632$; p -value $< .01$) to ($r = .298$; p -value $< .01$) in Lango, and from ($r = .682$; p -value $< .01$) to ($r = .531$; p -value $< .01$) in Kigezi. The reduction in the strength of the relationship between COVID-19 and FI was strong in both regions because of government policy interventions that were enacted around the COVID-19 period. Otherwise, in the absence of such policy interventions, COVID-19 had a significant effect on FI in both regions. Therefore, the relationship between COVID-19 and FI in both Lango and Kigezi was weak. However, the effect of COVID-19 on FI was more pronounced in Lango than in Kigezi.

From Table 6, the effect of lockdown and social distancing on FI on business firms before government policy intervention in Lango (beta = .176; p -value $< .01$) and (beta = .535; p -value $< .01$) was 17.6 percent and 53.5 percent, respectively. When government intervened with different policy interventions, the effect of lockdown and social distancing on FI (beta = .089; p -value $< .01$) and (beta = .287; p -value $< .01$) was 8.9 percent and 28.7 percent, respectively. This suggests that government interventions positively helped business firms in Lango to access finances. In Kigezi, the effect of lockdown and social distancing on FI before government policy interventions (beta = .354;

p -value $< .01$) and (beta = .394; p -value $< .01$) was 35.4 percent and 39.5 percent, respectively. When government intervened, the effect of lockdown and social distancing on FI (beta = .322; p -value $< .01$) and (beta = .237; p -value $< .01$) was 32.2 percent and 23.7 percent, respectively. This also shows that government policy interventions positively helped business firms in Kigezi to access finances. Much as government policy interventions positively affected FI, the statistics show that the effect of government policies on FI was less evidenced in Kigezi than in Lango. In practicality, the policy shift in business during and after the COVID-19 period, such as tax holidays and loan rescheduling, did not benefit many business firms because other SMEs were not in that bracket, meaning that government intervention during the period was short lived.

Discussion of results

The study explored the effect of COVID-19 on FI in the Lango and Kigezi subregions in Uganda. Basing on 313 business men and women, it was found that COVID-19 had a significant effect on FI among hotel owners, school owners, constructors, transporters, and manufacturers. The effect of COVID-19 on FI was reported among transporters, who found that while they could freely transport their food stuff across markets in the entire country, their intended customers had lost their sources of income. In other words, even though consumer goods remained in high supply during the COVID-19 period, there was no money to buy these goods. The findings agree with Kasradze (2020) who reported that people lost their jobs both formally and informally due to the lockdown. In Uganda, service sectors like hotels and schools were greatly affected by the pandemic because schools and hotels were completely locked and closed for about seven months. Additionally, schools and hotels that had loans from banks were hard hit for failure to meet their monthly obligations to their bankers (Arunachalam & Crentsil, 2020). The study found that government policy interventions had significant effects on the relationship between COVID-19 and FI, although the effect was very minimal. It was established that before the government intervened with some policy measures, a number of businesses were shrinking, especially SMEs.

Conclusion and policy implication

Lockdown and social distancing accounted for significant variations in FI through government policy interventions, such as availing cheaper sources of finance from financial institutions, a policy shift in business, and giving money to SMEs. The study contributes to government policy interventions that timely financial and procedural support can help small businesses to survive during and post catastrophes. While some businesses registered some relief when the lockdown was

lifted, businesses like schools continue grappling financially, some of which have closed completely. First, the continuous need for observing social distance continues to affect businesses that lack financial access. Second, the mere fact that accessing financial bailouts from government turned bureaucratic and procedural hindered many businesses from benefiting from government provisions. This study suggests to government that some of its interventions are unevenly productive to small businesses due to poor implementation. The study suggests that immediate follow-ups are necessary to ensure equity in supporting small businesses. Uganda, like many countries, was taken unaware by the effects of COVID-19. This study suggests to government to strengthen disaster management departments at ministerial levels in preparation for handling business shocks. In developing countries like Uganda, mobile and online banking remain optional to customers. This study suggests to banking institutions to implement compulsive online banking to all bank customers.

Disclosure statement

No potential conflict of interest was reported by the author(s).

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