## **POLICY BRIEF**

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ENSURING FOOD SECURITY DURING THE COVID-19 PANDEMIC: PANDEMIC: REVIEW OF SHORT-TERM RESPONSES IN SELECTED COUNTRIES

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## Ensuring Food Security During the COVID-19 Pandemic: Review of Short-term Responses in Selected Countries

\* A special thanks to Isabelle Tsakok, Senior Fellow, Policy Center for the New South for her valuable comments

### Summary

Food insecurity is not a new concern. Many people around the world are already undernourished because of several factors, including climatic, economic, and political factors. Unfortunately, in times of crisis, as currently with COVID-19, food insecurity becomes more acute and requires urgent intervention to mitigate the negative impact on people's access to food. Aware of this, many governments have implemented different short-term measures to tackle this issue. However, it is important to remember that food insecurity is the result of poorly-managed past food policies, and governments should take this into account while rethinking their food policies for the future.

## Introduction

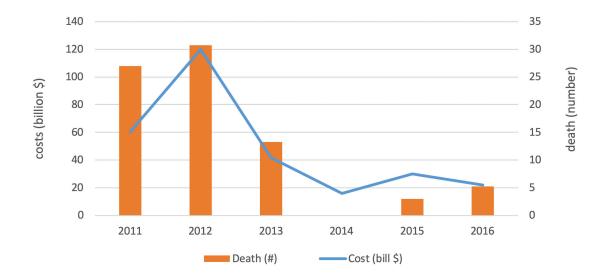
It is obvious that everyone wants to be food secure, especially in times of crisis. Ideally, in all situations, all people should have access to nutritious food in order to lead healthy and active lives. However, in times of crisis, many people might not have access to food for a number of reasons. These may be financial, or just related to the non-availability of food in markets because of disruptions to production or food value chains.

The COVID-19 crisis potentially has an impact on food security. To limit the spread of this highly contagious virus, several countries have implemented containment measures restricting the movement of the population by ordering them to stay at home. This situation is deeply impacting our way of life and is leading to a general panic. In light of these developments, this paper addresses the short-term measures undertaken in different countries in order to mitigate the impact of this pandemic and their effect on the population's food insecurity, especially in relation to vulnerable people.

# I. A great number of people are already food insecure and COVID-19 is making the situation much worse

Food insecurity is not new. Many people around the world already face this issue. The Food and Agriculture Organization of the United Nations' 2019 report on the world's food security situation showed that, in 2018, more than 820 million people suffered from hunger and malnutrition (FAO, 2019). An estimated 63% of these people were in Asia, 31% in Africa and 5% in Latin America (FAOSTAT, 2020).

Many factors explain this dire situation. Some are related to climate change. Long periods of drought, precipitation variability, scarcity, and delay, and temperature rise are factors that affect directly agricultural productivity, particularly in rainfed areas. Climate change thus affects agricultural production, food availability, and prices, leading to increases in the number of food-insecure people. Climate change impacts are not differentiated on the basis of economic performance, development levels or the power of states. Climate change affects both developing and developed countries and causes considerable damage. For example, in 2016, drought heavily affected agricultural production in the United States, resulting in a loss of \$6 billion (Kogan et al, 2016). Drought-induced losses in agricultural production amounted to \$932 billion in 2011 (Kogan & al.,2019).. The impact of drought in developing countries is much greater, resulting in food shortages, hunger, famine, severe health issues, high rates of migration, and sometimes increased mortality. In the last two decades, 1.5 billion (mostly in Africa)



#### Figure 1: U.S. Drought and WildfiresDisasters in 2011–2016

Source: Kogan et al (2019).

On the other hand, the low use of inputs has a negative impact on agricultural production and could lead to food shortages, especially in developing countries. In Africa, only 6% of arable land is irrigated (MaMo Panel, 2018). The remaining 94% of arable land represents risky business since it depends on climate fluctuations. In addition to very limited irrigation, several technical issues are also at the origin of low agricultural productivity in Africa, including the extent of use of fertilizers, high yielding varieties, and mechanization. These elements play a major role in the production function of farmers and low use of inputs leads to lower agricultural production and higher food prices.

The availability of food depends not only on variables that directly impact agricultural production. It is also affected by the quality of infrastructure and the performance of logistics and transport sectors. As food products are perishable, they should be transported rapidly to markets or stored in a suitable way so that they preserve their quality and nutritional value. The absence of those conditions lead to high food losses which reduce the availability of food.

From a political point of view, violent conflicts are a major factor undermining food security. Increasingly, the number of undernourished people in conflict-prone countries is significantly more than in stable countries. In sub-Saharan Africa, the number of undernourished people in unstable countries increased by 23.5 million between 2015 and 2018. This increase was greater than in other more politically stable sub-Saharan countries (FAO, 2019). Furthermore, studies indicate that violent conflicts are more likely to occur in low-income countries, where they are often accompanied by severe famine (FAO, 2018).

These elements are just a few of the many factors that affect food security. However, other factors could also affect food security at a time when it is least expected. the COVID-19 pandemic poses severe health risks to all age groups and also affects economic performance because many global value chains have been disrupted.

Although it is still early to assess the full impact of the COVID-19 crisis on food security, there are alarming signals in relation to food accessibility and availability, especially for vulnerable populations, in both developed and developing countries. Food security should be taken seriously into consideration in addressing the COVID-19 crisis. For example, 11% of U.S households were food insecure before this crisis<sup>1</sup>. This percentage is expected to increase and will include low-income households if appropriate action is not taken.

The International Food Policy Research Institute (IFPRI) estimated the impact of the global economic slowdown on worldwide poverty. According to this model, an economic slowdown of 1% will increase worldwide poverty by 2% (IFPRI, 2020). As a consequence, at the global level, the number of poor will increase by 14 million people, with rural areas especially affected. The impact will of course depend of the duration of the crisis and the development of the pandemic, but IFPRI simulated scenarios under a specific hypothesis. According to this hypothesis, only national activities will be paralyzed and global trade channels are not disrupted.

## II. Panic Behavior Related to the Spread of COVID-19

The spread of COVID-19 has led to some panic among consumers. People started buying food and stockpiling to protect themselves from the situation deteriorating. In China, 58% of people reported that they stocked food and beverages, especially staple foods such as rice, flour, and instant noodles (Veeck, 2020). A similar pattern of panic buying was also apparent among French households, during the week of March 9 to 15, 2020: sales of several food products increased dramatically, in particular pasta, sales of which increased by 196%, flour by 200%, and frozen poultry by 112%<sup>2</sup>. Panic-buying behavior has also been recorded in South Korea, where food sales by online retailers shot up. For instance, during the first quarter of 2020, canned food sales increased by 268%, rice by 187%, instant noodles by 175%, and prepared meals by 168%<sup>3</sup>. Panic

<sup>1.</sup> For 2018. See United States Department of Agriculture: https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/food-security-and-nutrition-assistance/.

<sup>2.</sup> See Nielsen Scantack: https://www.nielsen.com/fr/fr/insights/article/2020/grande-consommation-record-de-ventes-avant-le-confinement/.

<sup>3.</sup> See Statista: https://www.statista.com/statistics/1102956/south-korea-change-in-online-sales-of-emergency-foods-due-to-covid-19-2020/.

buying of food led some countries (e.g. Indonesia and Philippines<sup>4</sup>) to put in place restrictions on food purchases. Knowing that the virus is highly contagious and that it is easily transmitted from person to person, one reason behind restricting purchases is to limit the close grouping of people, rather than to prevent a shortage of food products. While it is certainly true that basic food demand is inelastic and that individual food needs are limited, this hoarding behavior can lead to severe market shortages and a mismatch between food supply and demand.

For the time being, no panic behavior has been recorded at producer level. Only a lack of availability of workers has been reported. However, if the pandemic continues for some time, changes in production processes would most likely result. In addition, a lack of timely information on food prices and stocks might lead farmers to make wrong production decisions. Obviously, fresh produce such as vegetables and fruit require specific growing conditions. Fortunately, new agricultural technologies have enabled farmers to produce a wide range of crops, and timely market information about food shortages will help famers make better choices. Furthermore, because of the lack of information and labor, producers might also lack imported raw materials and intermediate inputs because of the disruption of global value chains.

At government level, many countries have tried to manage this crisis in order to ensure food security for the population. With regard to domestic food stocks, governments have constantly reassured the public and confirmed that considerable stocks of food are available, meaning no need for households to stockpile food. At the international level, apart from a few transport and logistics problems, food prices are falling steadily and the quantities required can be obtained. This situation will persist as long as there is no recurrence of export restrictions. Past incidents have shown that, in times of crisis, some countries, in order to protect themselves from the emergence of global shortages, impose restrictions on food exports to satisfy domestic food demand. Since international prices of agricultural products are closely linked to the volume of global stocks, export restrictions can result in price spikes on international markets and can negatively affect the food security of importing countries.

## III. Short-term Measures Undertaken During the COVID-19 Pandemic in Selected Countries

In the face of the pandemic, countries have undertaken several emergency measures. As of March 27, 2020, a total of 84 countries had introduced or adapted social protection and employment programs in response to COVID-19. Globally, 283 programs are currently in place, demonstrating a dynamic response to the pandemic, and government awareness of the population's food security concerns. Various schemes have been adopted. Social assistance is the most widely used, followed by actions in the area of social insurance and supply-side labor market interventions. Within social assistance, cash transfer programs are clearly the intervention most widely used by governments. A total of 58 countries have such programs in place, with 35 introducing new initiatives specifically to respond to COVID-19.

<sup>4.</sup> See https://www.foodnavigator-asia.com/Article/2020/03/27/Stop-COVID-19-hoarding-Indonesian-police-and-Philippines-government-order-purchase-limits.

Table 1: Social programs in response t	to COVID-19, as of March 27, 2020
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Social assistance programs	N. of programs
Cash transfers (conditional and unconditional)	97
Universal one-off cash	2
Childcare support	6
Cash for Work	3
in-kind food/voucher schemes	18
Social pensions	2
School feeding	4
Utility and financial obligation support (waiver/postponement)	18
Global : total	150

Source: Gentilini et al (2020).

The following section gives an overview of measures taken in a few countries with regard to social assistance aimed primarily at ensuring the food security of the population:

**Morocco:** The government has taken several measures to address the current crisis. With regard to food security, formal and informal workers that lose their jobs during the crisis will receive subsidies from the government directly, from April 6, 2020<sup>5</sup>. Formal workers will receive 2000 MAD (\$195) per month, while informal workers will receive cash transfers depending on the size their households. Households of two persons or less will receive assistance of 800 MAD (\$78); those of three to four persons will receive 1,000 MAD (\$98) and those of more than four persons will receive 1,200 MAD (\$118)<sup>6</sup>.

**Paraguay:** By Executive Decree No. 78 of March 16, 2020, the government implemented various social assistance measures aimed at vulnerable populations. These measures take two forms: cash transfers and the distribution of food baskets. In this capacity, additional transfers are planned for the Tekoporá social protection program for 167,000 families, and advance payment will be made as part of the Senior Citizen Program (del Programa de Adultos Mayores) to 207,000 people. Under the Ñandereko Food Security Program, the government announced 330.000 will benefit from the program. As today, 41,662 families received food aid as food vouchers or kits The social protection program amount is about 1.4 billion guaraníes (\$211 million)<sup>7</sup>.

**Jordan:** The Jordanian National Aid Fund (NAF) has announced that because of the current situation, the government will transfer money to the current recipients of the National Aid Fund (NAF). The monthly cash transfer program will benefit approximately 100,000 households from March 29. The government has said that the bread subsidy registration database will be used for a temporary emergency program to support

<sup>5.</sup> See Ministry of Economy and Finance, March 2020: https://www.finances.gov.ma/fr/Pages/detail-actualite. aspx?fiche=4977.

<sup>6.</sup> See Ministry of Economy and Finance, March 2020: https://www.finances.gov.ma/fr/Pages/detail-actualite. aspx?fiche=4996.

<sup>7.</sup> See https://www.prensa-latina.cu/index.php?o=rn&id=349597&SEO=anuncian-medidas-en-paraguay-porcrisis-economica-ante-el-coronavirus.

households that have been affected by COVID-19 at a rate of 70 JD (approximately \$100) every two weeks. The Ministry of Local Affairs coordinates the distribution of bread from local bakeries, with deliveries made door-to-door by buses patrolling the localities, escorted by police officers to deter crowds. NAF beneficiaries will receive the bread free of charge with the support of municipalities (Gentilini et al, 2020).

**Spain:** Measures to support families in Spain include ensuring the basic right to food for vulnerable children affected by school closures. More specifically, a total of  $\in$  25 million is being put in place to provide income support (wallet cards, bank transfers, supermarket vouchers). These measures also include assistance to homeless persons<sup>8</sup>. Support will be provided through social services, which will distribute hygiene kits, food, and drinks during the entire period of the pandemic.

**Japan:** The government plans to spend more than 20 trillion yen (\$190 billion) to address this crisis. The amount includes cash transfers to improve the access of vulnerable households to food. Japan has also started a program of school feeding in some cities such as Osaka, where free lunches are offered to all students at government-run elementary and junior high schools from April 2020. According to the government, this program would save parents between 50,000 yen (\$470) and 60,000 yen (\$552) per child per year<sup>9</sup>.

**Australia** is considering the implementation of cash transfers as part of an economic stimulus package in response to the virus. The government has announced that about one in four Australians will receive a cash payment of AUD 750 in their bank accounts. This includes parents earning less than AUD 130,000 a year, the elderly, veterans, and the particularly vulnerable<sup>10</sup>. These measures were due to start on March 31, 2020 and will cost AUD 4.8 billion.

**Taiwan:** On the supply side, the government of Taiwan is implementing plans to provide loans and subsidies to domestic retailers and food service providers. The government has also considered providing NT\$2 billion (New Taiwan dollars; US\$66.1 million) in coupons to be used in night markets, shops, and restaurants, to extend shopping time and limit the spread of the virus<sup>11</sup>. According to the Ministry of Economic Affairs, the coupons can be used in about 140,000 restaurants, 280,000 shopping centers, 10,000 night markets, and 1,700 artistic and cultural venues<sup>12</sup>.

**Rwanda:** The government is still working on a protective social plan to mitigate the impacts of COVID-19 on livelihoods. In the meanwhile, a free door-to-door food delivery system is being implemented, benefiting nearly 20,000<sup>13</sup> households.

<sup>8.</sup> See https://elpais.com/economia/2020-03-11/escriva-anuncia-una-prestacion-extraordinaria-para-los-padresque-tengan-que-cuidar-a-sus-hijos.html.

<sup>9.</sup> See https://www.mhlw.go.jp/english/new-info/index.html.

<sup>10.</sup> See http://www.premier.tas.gov.au/releases/ministerial\_statement\_covid-19\_response\_measures.

<sup>11.</sup> See https://www.taiwannews.com.tw/en/news/3875674.

<sup>12.</sup> See https://focustaiwan.tw/business/202003040011.

<sup>13.</sup> See https://www.iol.co.za/news/africa/rwanda-to-deliver-free-food-to-20-000-households-during-coronavirus-lockdown-45756889.

## **IV. Conclusion and recommendations**

Food insecurity will always surface as long as there is a vulnerable population in the world with limited access to food. In times of crisis, whether economic, political, or health crises, such as that we are experiencing today, the problem of food insecurity becomes more severe and requires urgent intervention by the public authorities. Today, many governments are taking this health crisis seriously and are concerned not only with the health and economic situation, but also with the issue of availability and accessibility of food, especially for the most vulnerable populations. Governments have implemented various measures to mitigate the impacts of the COVID-19 pandemic on food security. It is certainly not easy for governments to set up emergency plans, given the specific constraints of each country and long-standing structural problems. Identifying and monitoring vulnerable populations are not easy tasks, especially for countries implementing social protection systems for the first time. However, the mobilization of public authorities has been considerable in some countries, especially in Asia. Regardless of the type of intervention, it is too early at this stage to assess their effectiveness. Containing the evolution of the pandemic over time is now the only way to limit the damage, as long as scientists have not found a cure for the virus. Being aware of the problem and implementing short-term measures is a way to remedy the shortcomings of the food policies adopted in the past. The problem of food security is profound, and governments need to consider these difficult circumstances when rethinking food policies and preparing for possible future crises.

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Fatima Ezzahra Mengoub is an economist at the Policy Center for the News South. She specializes in agricultural economics and works on several issues related to agricultural growth analysis, economic structural change, inter and intra-regional agricultural trade, natural resource management and food security. She has published various articles on the role of agricultural investment, agricultural value chains, productivity and technological change in agriculture and water management. She has also taught macroeconomics and microeconomics at the Hassan II Institute of Agronomy and Veterinary Sciences (IAV) and the School of Governance and Economics (EGE). She holds an engineering degree in agricultural economics from the Hassan II Institute of Agronomy and is preparing a doctoral thesis on the impact of technological changes induced by irrigation on agricultural growth in Morocco.

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