

COVID-19 and Food Security



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Update April 30, 2020

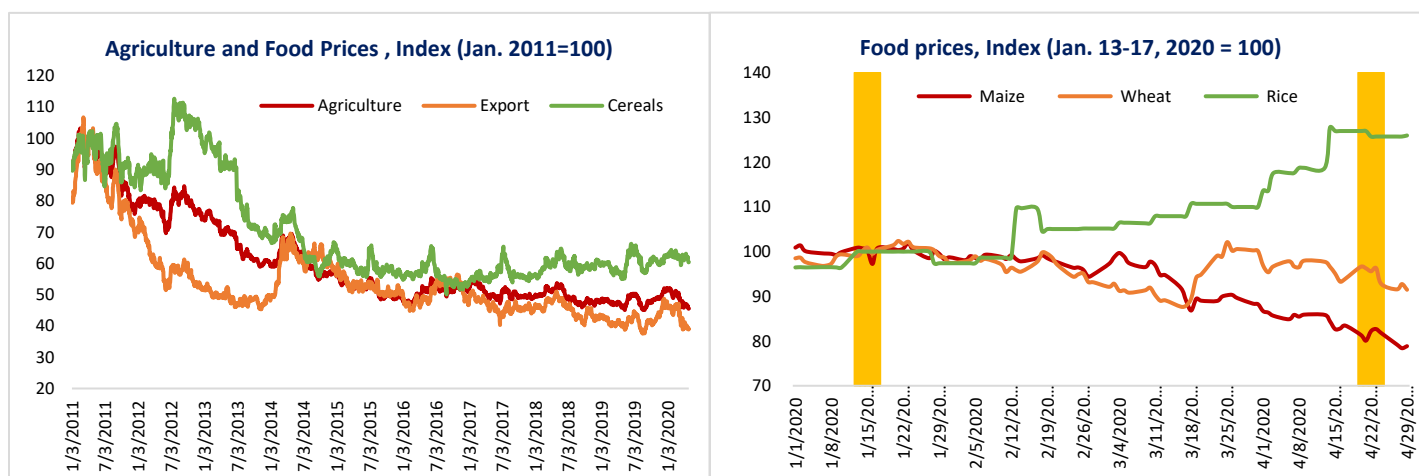
AT A GLANCE

- Global markets for food staples are well supplied and aggregate international prices are generally stable.
- Despite the stability in global markets, food security risks remain high at the country level. The primary sources of sources of risk are income losses and breakdowns in domestic food supply chains.
- COVID-19 is projected to increase the number of poor by 49 million in 2020. This will have significant food security implications. WFP estimates that income and remittance loss due to COVID 19 could increase the number of acute food insecure people from 135 to 265 million people in low and middle-income countries.
- Priorities to reduce domestic food supply disruptions are: (i) inclusion of food, agricultural inputs, and food-related logistical services as “essential services” with clear communication on associated regulations and effective implementation; and (ii) clear guidelines on health-safety measures for food system workers. These actions will maintain incomes of workers in the food system while reducing the risk of infections.
- Priority to reduce declines in food access from income loss or stoppage is to scale up social protection programs. These safety net programs should be augmented with safe, direct food distribution (where measures described above fail to deliver safely functioning food markets), accompanied by advisories/messages on nutrition, social distancing and hygiene.

GLOBAL MARKETS OUTLOOK (AS OF APRIL 23, 2020)

Global market prices for staples remain stable

Figure 1: Long and short-term trends in Agriculture and Cereals Prices (Nominal Indices)



Note: Daily prices (Jan. 1, 2011 to Apr. 20, 2020, on left, and Jan. 1 to Apr. 21, 2020, on right). Export index includes cocoa, coffee, and cotton; cereals include rice, wheat and maize. The first vertical bar (right panel) indicates the week of Jan. 13, 2020, with the first known human-to-human transmission of COVID-19. The second shows the week of April 13, 2020.

Source: World Bank Commodity Price Data.

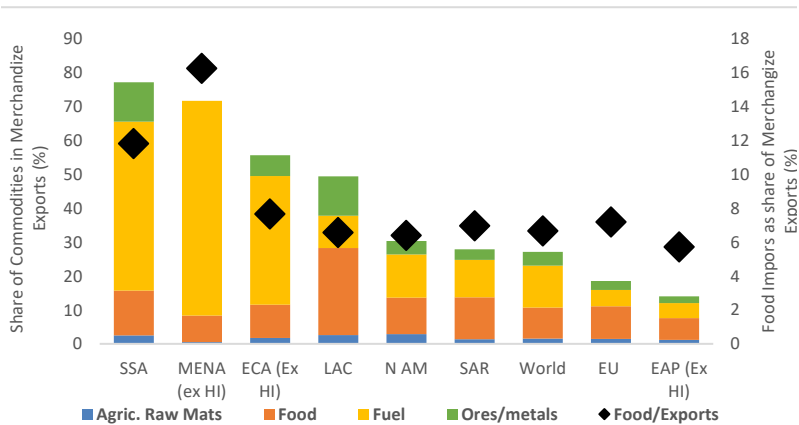
Agricultural prices remain stable (as of April 29, 2020) at near the lows since January 2011 (Figure 1, left panel). The indices of cereals (rice, wheat and maize) and export crops (coffee, cocoa and cotton) maintain a downward trend since the start of the COVID-19 crisis. Among the three most widely consumed cereals, a notable development is a slight easing of rice prices over the last week (Figure 1, right panel). This follows the lifting of the export ban and the subsequent removal (this week) of the quotas on rice exports by Vietnam. Wheat prices have also held steady while maize prices have continued to decline. As noted in the last update, the prices for fertilizers - a key intermediate input for agriculture - increased somewhat in the first quarter of 2020 but remain below the levels in March 2019.

Collapsing Prices for Primary Commodities Pose Risks to Food Security

A majority of the developing countries import substantial shares of their food and agricultural inputs such as fertilizers, making export earnings important to ensure adequate availability of food. For example, on average between 2013–16, of the 146 countries for which data are available (in FAOSTAT), 73% had cereal imports exceeding 5% of their domestic production. A large number of countries also rely on primary commodities (e.g., oil, cash crops, metals/precious metals) as a major source of export earnings (Figure 2). Other than EU and North America only developing countries (excluding high income) are included (as classified in the World Development Indicators). The figure shows the highest level of dependence on commodity exports in Sub-Saharan Africa and the Middle-East and North Africa Regions, but also high in Europe and Central Asia, and Latin America and the Caribbean Regions. Figure 2 also shows food imports as a share of total merchandize exports, which show a correlation with commodity export dependence.

The collapse in demand (with income shocks) and trade (with border closures for non-essential goods and services) is reflected in the decline in prices for most commodities (Figure 3). Energy prices have declined sharply since January 2020 (reflecting the collapse in oil prices), with ores and metals also falling significantly. In contrast, precious metals have increase slightly (with gold bucking the general downward trend).

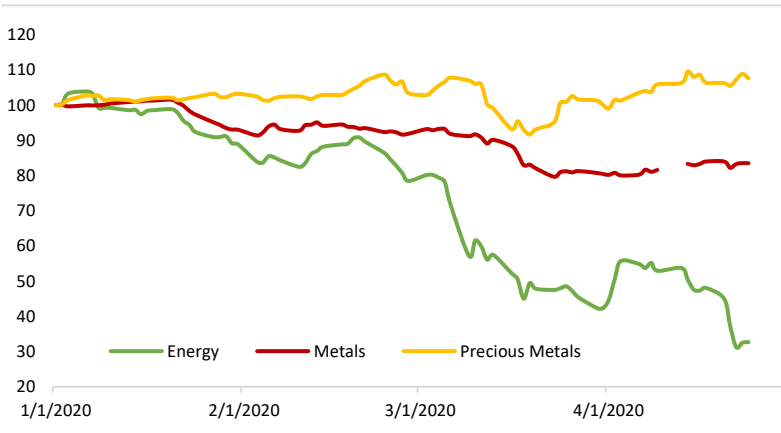
Figure 2: Commodity and Food Imports (Average 2015-2018)



Source: World Development Indicators.

Note: The bars show the share of 4 primary commodity groups (raw materials, food, fuel, and metals) in merchandise exports. The diamonds show food imports as a percent of merchandize exports

Figure 3: Falling Non-food Commodity Prices (Mar-19=100)



Source: World Bank Commodity Price Data.

EMERGING ISSUES

The impacts of COVID-19 on food security are being felt across a large number of countries, with the most serious consequences for the areas already suffering from acute hunger and ongoing crises, including the Fragile, Conflict, and Violence (FCV) areas, widespread areas in Africa, the Middle East and South Asia affected by the locust plague and areas suffering from droughts. These areas require urgent attention.

The loss of incomes due to massive disruptions in all markets is now a reality. A large number of countries are rapidly scaling up social protection and emergency response programs. The main challenge facing many developing countries, besides loss of incomes, is the disruption in local food supply-chains. In these countries, access to food is a major risk despite the availability of food – within the country and globally. The irony is that most countries had a good harvest this past year, with normal to better than normal levels of agricultural production in most countries. Yet with the disruption in logistics, rising import prices due to currency depreciations, loss of incomes, movement restrictions and closure of some markets, food is not able to reach some areas where it is needed. Disruptions in supply chains are evident even in countries that have declared food production and distribution activities as essential, but where implementation of the regulations is highly variable. In other countries, food processing plants are being shut down as COVID-19 infections spread, breaking down well established and highly efficient supply chains, as is the case with the meat value chains in the US and horticulture value chains in India.

WFP estimates that COVID-19 impacts could double the number of people suffering acute food insecurity from 135 million to 265 million people

COVID-19 exacerbating ongoing crises

Even before the onset of the COVID-19 pandemic, an estimated 2 billion people suffered from moderate levels of food insecurity (FAO),¹ meaning that they did not have regular access to safe, nutritious and sufficient food. About 820 million people suffered from hunger in 2018 (“State of Food Security and Nutrition in the World (SOFI)” FAO).² Among these, WFP estimated that 135 million suffered from acute hunger.

COVID-19 is projected to increase poverty headcount by 49 million people in 2020 (World Bank). This will have significant food security implications. WFP estimates (projections published in the [UN Global Report on Food Crises](#)) that income and remittance loss from COVID-19 could increase the number of people in acute food insecurity from 135 million to 265 million in low and middle-income countries (in 55 countries in 2019). The methodology is based on the [Integrated Food Security Phase Classification \(IPC\)](#) and the focus on acute food insecurity as opposed to chronic and acute malnutrition is to strengthen short-term strategic guidance.

¹ While severe food insecurity is associated with the concept of hunger, people experiencing moderate food insecurity face uncertainties about their ability to obtain food and have been forced to compromise on the quality and/or quantity of the food they consume. [2019 FAO State of Food Security and Nutrition in the World \(SOFI\)](#)

²Hunger is defined by FAO as insufficient consumption of dietary energy becoming chronic when a person does not consume a sufficient number of calories (dietary energy) on a regular basis to lead a normal, active and healthy life. [FAO State of Food Security and Nutrition in the World \(SOFI\) 2019](#)

- In 2019 acute food insecurity was concentrated mainly in countries affected by conflict (77 million), climate change (34 million) and economic crises (24 million people). Ten countries constituted the worst food crises in 2019: Yemen, the Democratic Republic of the Congo, Afghanistan, Venezuela (Bolivarian Republic of), Ethiopia, South Sudan, Syria, Sudan, Nigeria and Haiti. These 10 countries accounted for 66 percent of the total population in Crisis or worse ([IPC/CH Phase 3 or above](#)) or 88 million people. South Sudan had 61 percent of its population in a state of food crisis (or worse) in 2019. Seven countries also had at least 35 percent of their populations in a state of food crisis: Sudan, Yemen, Central African Republic, Zimbabwe, Afghanistan, Syrian Arab Republic and Haiti.
- The largest concentration of acute food insecurity is found in African countries. There are 25.1 million people with acute food insecurity (IPC phase 3 or above) in Eastern and Southern Africa with three countries accounting for about half of these people (13.4 million people): Sudan (6.2 million), South Sudan (6.1 million), and Zimbabwe (1.1 million) (WFP 2020). Many countries are heading towards a food emergency (IPC phase 4) with large numbers of people in IPC phase 3 or above-- Ethiopia (8.1 million), Lesotho (0.5 million), Malawi (1.9 million), and Zambia (1.2 million). More than 46 million people are chronically food insecure in Eastern and Southern Africa as of March 2020. Some countries are already in food deficit, such as South Sudan. In West Africa, the food insecurity hotspots are Nigeria, Sierra Leone, Liberia, and Cameroon. In Senegal, Mauritania, Cabo Verde, The Gambia and Bissau Guinea, the total population affected by food insecurity is estimated at 1.7 million. For further details see also FEWS Net [PROJECTED FOOD ASSISTANCE NEEDS](#).
- The COVID-19 crisis will significantly worsen the suffering in the areas already severely affected by the locust outbreak in parts of Africa, the Middle East, North Africa and South Asia. Tackling the locust crisis has already overstretched public and community coping capacities. Affecting 23 countries, East Africa is at its epicenter, with Ethiopia, Kenya, Somalia and Uganda among the worst affected. Food insecurity in these areas is already high with an estimated 24 million people food insecure and 12 million internally displaced persons. The damages and losses due to locusts are estimated at US\$8.5 billion by the end of 2020. (see: [The locust plague: Fighting a crisis within a crisis](#)).
- COVID-19 is also expected to have long-term consequences on human capital development. Besides the impact on education, the closure of school feeding program means about 369 million children worldwide are missing out on meals ([WFP: Global Monitoring of School Meals During COVI-19 School Closures](#)). In India 90 million children (more than 24 % of the global total) are affected. An additional third of the children unable to get school meals live in four countries (Brazil: 40 million, China: 38 million, the US: 30 million and Egypt: 10 million). [The Global Survey of School Meal Programs](#) offers detailed information on school feeding programs in many countries and [recommendations](#) to all stakeholders on [Enhancing Value and Exploring Challenges and Good Practices in School Meal Program Implementation](#).

Nutrition and COVID-19

Malnutrition weakens the immune system, increasing the body's susceptibility to infections, which in turn can worsen their nutritional status and impede recovery from infections thereby setting in to motion a vicious cycle of malnutrition, infection and death. Young children and women are the most vulnerable to the interaction between malnutrition and infections. Malnutrition increases the chances of getting ill, staying ill and dying because of illness.

In the context of COVID-19, malnutrition and death are estimated to deteriorate as a result of disrupted health/nutrition services³, exacerbated further by livelihood disruptions and loss of incomes, food system and food security disruptions at local levels, and as a direct result of COVID infections among the poor and the vulnerable.

Undernutrition and Immunity against infections: Breastfeeding provides the first line of protection for young children as it boosts the child's immunity and reduces the risk of infection. Micronutrients – also known as vitamins and minerals – are essential components of a high-quality diet and have a profound impact on health. While they are only required in tiny quantities, micronutrients are the essential building blocks of healthy brains, bones and bodies. Micronutrient deficiencies are often referred to as 'hidden hunger' because they develop gradually over time, their devastating impact not seen until irreversible damage has been done. Widespread global micronutrient deficiencies (MNDs) pre-existed even before COVID19. Iron, iodine, folate, vitamin A, and zinc deficiencies are the most widespread, and all these deficiencies are common contributors to poor growth, intellectual impairments, perinatal complications, and increased risk of morbidity and mortality. Iron deficiency is the most common worldwide and leads to anemia, decreased physical and mental work capacity, as well as impaired immune function. Adequate zinc is necessary for optimal immune function, and deficiency is associated with an increased incidence of diarrhea and acute respiratory infections, major causes of death in those under 5 years of age. Vitamin A deficiency also impairs immune function and is linked to higher child mortality. These deficiencies are often inter-linked and rarely occur alone, with the same populations often suffering from multiple deficiencies. Some micronutrients have a specific role in strengthening the immune system, such as vitamin A, zinc and iron – with over 2 billion people worldwide deficient in these vitamins and minerals worldwide⁴, many of which are in low- and middle-income countries.

Vitamin D plays a special role in reducing the risk of respiratory tract infections,⁵ ⁶ with a potential for lessening the effect of the SARS-CoV-2 although the evidence is not yet conclusive. Vitamin C in the form of high-dose intravenous therapy has been used in the treatment of acute respiratory distress syndrome; yet there is no clear evidence/knowledge about its effectiveness for COVID-19 as yet. Vitamin E acts as a powerful antioxidant against oxidative damage from free radicals and has been also shown to have an important role in modulating immune functions. More importantly (in the context of COVID-19) even a slight Vitamin E deficiency has been shown to weaken the immune response and its role in promoting a healthy immune system is particularly evident in older people.

Obesity and susceptibility to COVID-19: Emerging evidence suggests that people with pre-existing conditions such as severe obesity, heart disease, and diabetes, suffer more serious consequences of COVID-19, including more severe illness, including bilateral viral pneumonia, and higher healthcare needs, such as respirators. There is emerging evidence that severely obese adults tend to develop more severe illness from COVID-19⁷.

³ Robertson et al, 2020: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3576549

⁴ https://www.who.int/vmnis/anaemia/prevalence/summary/PW_anaemia.pdf?ua=1
https://www.who.int/vmnis/anaemia/prevalence/summary/Pre-SAC_anaemia.pdf?ua=1

⁵ Grant WB, Lahore H, McDonnell SL, et al. Evidence that Vitamin D Supplementation Could Reduce Risk of Influenza and COVID-19 Infections and Deaths. *Nutrients*. 2020;12(4):E988. Published 2020 Apr 2.

⁶ <https://www.ncbi.nlm.nih.gov/pubmed/30225965>

⁷ Lighter, J., Michael, P., Hochman S., Sterling, S., Johnson, D., Francois, F. and Stachel, A. Obesity in patients younger than 60 years is a risk factor for Covid-19 hospital admission. Accepted manuscript. *Clin Infect Dis*. 2020 Apr 9. pii: ciaa415.

<https://www.ncbi.nlm.nih.gov/pubmed/32271368>

Overall, a combination of malnutrition, other infectious diseases and non-communicable diseases linked to obesity, overcrowded living conditions, poor and ever more restricted access to quality healthcare and to clean water and sanitation, food insecurity, poverty and misinformation about COVID-19 could further aggravate the crisis among the poorest and most vulnerable people and communities, especially when lock-downs lead to disruptions in service delivery as is being observed in many countries. Over 40% of the world's livelihoods are linked to the food sector making food insecurity an even more critical concern.

The response: Given the above, it is critical to ensure that nutrition is an integral part of the COVID19 response, both to mitigate the impact of the current crisis, as well as to build resilience against future shocks, especially among the most vulnerable. **The priorities areas for a COVID-19 response to protect and promote improved nutrition are:**

- Maintain critical community-based nutrition-relevant services through alternative/innovative service delivery options for basic services such as promotion of breastfeeding and micronutrient supplementation, as well as basic primary health care such as immunization (for example twinning digital cash transfers with digital/social media messaging to influence nutrition behaviours, etc).
- Ensure increased access to a healthy and diverse diet as part of the agriculture and food security response, with special attention to the elderly, and women and young children. This might entail the following:
 - National policies to dissuade trade bans on food supplies, especially staple foods
 - Strengthening local supply chains for vegetables, fruit and other perishable foods that are subject to food waste and loss, especially as local supply chains fall prey to lockdowns
 - Putting in place longer term policy responses such as taxation on unhealthy foods such as sugar sweetened beverages, etc that promote obesity
- Ensure that all emergency food distribution programs/safety net programs that distribute food (including school feeding programs) use foods that are fortified with Vitamins and Minerals, so as to maintain dietary quality, and accompany those with nutrition-education.
- National communication campaigns that provide credible and consistent information on COVID19, reiterating the need for social distancing while continuing safe behaviors such as breast-feeding for infants, WASH/handwashing, and the need for healthy diets and immunization.

Food Safety and COVID-19

- Currently there is no evidence that food is a likely source or route of transmission of the COVID-19 virus. Although it is unlikely that the virus will be transmitted via contaminated food or imported products, general everyday hygiene rules, such as regular hand washing, and hygiene rules for food preparation ([Protection-against-foodborne infections](#)) should be observed when handling them. Clear, concise and coordinated communication to the public to reassure consumers that a transmission of the virus via contaminated food or imported produce is unlikely.
- As it is assumed a wet market in Wuhan being the first place the new Coronavirus occurred, wet and informal markets need special attention. Well over 50% of Africans depend on informal markets for their food. The same phenomenon is observed in countries in South and East Asia where a large percentage of the population, and particularly the urban poor, relies on street food and informal markets to buy and sell fresh food. These are potential places for the spread of the virus and measures to protect workers and consumers are necessary: Where markets are still in operation, food market operators should take measures like ensuring hygiene to

safely sell their products without encouraging crowds by

- (i) taking orders online or by telephone in advance and pre-packing orders to limit face-to-face time in the market;
 - (ii) considering delivery services if possible; and
 - (iii) opening markets every other day to allow for sanitation of the markets on alternate days.
- Where markets are closed, disproportionate negative impacts on poor, who depend on wet markets for daily food supplies; on sellers, the majority of whom are women, risking to lose their sources of income; and on small scale farmers, who rely on these markets for their livelihoods should be avoided. Governments should consider (i) ensuring that informal market workers are included in the social safety net programs being designed as a result of COVID-19 and (ii) consider relaxing regulatory measures that may prevent smallholders from selling in front of their homes, as long as strict hygiene requirements are followed. Large retail food outlets (supermarkets) may also consider increasing their sourcing of fruits and vegetables locally.
 - To ensure consumers can continue to trust food safety standards globally whilst also mitigating impact on the supply chain, the [Global Food Safety Initiative](#) (GFSI), an industry body, recognizes travel restrictions and lockdowns are affecting audits of food businesses in order not to jeopardize the safety of auditors traveling to production sites for conduct of audits. As the outbreak continues to expand, audit restrictions will increase, impacting the certification of production sites. GFSI offers [guidance to address audit requirements for food business operators](#). Temporarily alternative ways to verify compliance with food safety standards, such as sampling and testing, or food safety records review should be considered.
 - Capacity building for risk-based food safety management is key, to ensure risky foods are identified and tested adequately preventing food safety incidents. Harmonizing standards and establishing sanitary and phytosanitary measures for trade facilitation like inspections at ports of entry, risk-based import screenings, between trading partners are equally important to ensure the trade of safe products.

Women likely to be affected disproportionately by COVID-19 impacts

The COVID-19 lockdowns pose disproportionately higher risks to women's food security. Emerging experience indicates high pay offs to investments that support rural women's resilience, offering prospects for supporting future inclusive food systems.

- Women play an outsized role in lower ends of fishery value chains. While fishing has continued to a certain extent in most countries, the processing, marketing and fish retail business has come to a halt due to COVID-19 containment measures. According to estimates from FAO "women represent 60% of seafood retailers and traders." These jobs expose them to greater risks relative men, who are better protected in the formal seafood sector with full-time work contracts and as office workers (who are mainly men) ([NRI](#)).
- In Nigeria, the Women's Stallholder Farmers Association is drawing attention to the urgent needs of women smallholder farmers for support: they face post-harvest losses on perishable crops, [lost income from lack of access to markets; and are unable to access inputs such as fertilizer, seedlings and feed for poultry and fisheries](#).
- With school closures in most places, children are spending more time at home. In rural areas, they are likely to be engaged in farm work providing agricultural labor. The incidence of child labor needs to be monitored, especially for the 111 million girl children in the least developed countries. UNESCO warns that there is a larger risk that many of the girl children may not return to school once they become economically productive.
- On the positive side, investments in women networks are demonstrating their strength as tools of resilience: in Vanuatu, women are leveraging a climate information network to convey crucial information related to

cropping, services, health and more.

- The strength of the women's community organization model from India continues to show its durability, as programs supporting kitchen gardens are proving to be a key element in food security. Women are using the networks to distribute vegetable crops in the absence of markets, and self-help savings groups are helping cushion income shocks.
- The closure of markets and travel bans have the greatest negative impacts on perishable farm products (e.g., vegetables, dairy, eggs, etc.) whose production and distribution is managed by women traders in many parts of the world. Evidence also shows that 70% of households across 11 African cities buy most of their food from in formal vendors. Allowing trade in these products and configuring market safety is a priority to protect these women's income. Policy response need to explicitly address gender-differentiated roles, constraints and access to inputs along food value chains to ensure adequate food security.

Food supply chains: main concern is domestic disruptions; international trade channels are currently operational

Domestic trade/supply chains: There are emerging reports of significant disruptions within countries

Reports from many countries continue to highlight growing incidences of local food supply chain disruptions. Strict movement restrictions, "curfews," and closing down of markets are causing breakdowns in food supply chains in many locations. In others, slower operations along supply chains because of health safety and social distancing requirements are causing delays. Lower availability and morbidity of workers are also reducing capacity and efficiency in logistics and processing activities. Local market conditions continue to require close and high-frequency monitoring given the fast pace at which the infections and impacts are felt and the impacts of bottlenecks cascade down supply chains. At the same time, a number of reports highlight a plethora of innovations using digital solutions and e-Commerce innovations to overcome marketing challenges. The lack of real-time information on ground conditions remains a major challenge (the summaries below are based on anecdotal reports, local media reports, or through CSO networks and other international agencies such as WFP and FAO).

- Transport costs are increasing in some countries (in **Bhutan**, the price of rice has increased because the transporters charge double given the risk and alleged illegal tax collection along the Indian highways)
- Lockdown measures are causing shortages in farm labor, which is affecting the harvest in many countries (India, Nepal).
- Agricultural input markets are starting to be impacted (seed, fertilizers) restricting access to critical inputs for planting the next crop (India, Ghana, Jordan).
- Food and livestock markets have been shut down to control the spread of COVID-19 (Nigeria, Sierra Leone, Jordan, Burkina Faso, Sri Lanka).
- A large number of primary producers face large losses on perishable produce such as vegetables, fruits, dairy, fish, day-old chicks, and poultry (Bangladesh, India, Bhutan, Pakistan, Liberia, Mexico, Nepal).
- Panic buying and hoarding are still causing shortages in several countries (Sri Lanka, Nepal)
- Online markets are thriving in some countries, with consumer preference shifting to e-commerce (India).

Divergent Retail and Farmgate Prices for Food Pose a Double Challenge

Logistics and value chain disruptions are resulting in divergent prices - in increases in retail food prices with declines in farmgate prices for produce. Price movements are complex to anticipate because of the market dynamics which may generate asynchronous impacts (grains are storable so may see a delayed price disruption while perishable commodities will see more immediate price impacts). These trends need to be monitored more closely with high-frequency monitoring of prices and market conditions to identify emerging issues and devise appropriate responses.

- Falling wholesale and farmgate prices of many commodities as demand has declined in the short term (India, Sri Lanka)
- Rising food prices in some countries
 - **AFR:** In Eastern and Southern Africa, prices are at exceptionally high levels in March due to production shortfalls, a difficult macro-economic situation (and the lingering impact of conflict in FCVs). The price increase for 14 categories of food are among the highest worldwide in East and Southern Africa since Feb. 14, 2020 (FAO). Similar price trends are observed in other African countries (Burundi, CAR, Comoros, DRC, Kenya, ROC, Rwanda).
 - **SAR:** Prices increased in Bangladesh (ginger, rice, oils, potatoes), Afghanistan (wheat, flour, and sugar), Bhutan (chili, rice, vegetables), Pakistan (pulses, oranges and bananas), India (wheat, pulses, onion and potato), and Sri Lanka.
 - **LAC:** Price increases in Argentina (vegetables), Paraguay (fruits and vegetables), and Honduras (rice, beans, and corn).
 - **MENA:** In general, people continue to have access to food, with price hikes experienced for a short period after the lockdown and curfew was announced (Jordan).
- Falling price due to unfounded COVID-19 rumors (egg, poultry and fish in India; livestock products in Nepal).
- Falling export prices (beef in Uruguay).

International trade/supply chains: there are some delays but no major logistics disruptions in sea freight; air freight remains severely affected

- The status of international trade logistics for agricultural commodities remains broadly similar to situation summarized in the last Update. Overall trade has declined substantially because of the global economic slowdown, which has thrown the container movements in disarray, creating a global shortage of containers and especially refrigerated equipment. Overall shipping capacity is down 50% but trade in essential goods, including food, is continuing at all ports without any major hinderance with all major ports open and functioning. The level of efficiency is reduced due to availability of port worker as a result of sickness. The social distancing measures and health checks are causing delays, but ports and sea freight remain operational. Carriers are generally charging surcharges, with refrigerated container surcharges at 3 to 4 times regular containers. Examples of disruptions include:
 - **India.** 500,000MT of rice exports stuck at ports/pipeline due to labor & domestic supply chain disruptions. This disruption affects Nepal, Bangladesh, Senegal, Benin, and the Middle East. All the ports have reported issues pertaining to reduced manpower from port users, aggregators, transport services providers which is affecting evacuation from the port. Apart from manpower, non-availability of trucks, equipment operator, vessel for chartering and cancellation of vessels coming from affected countries are unresolved issues.

- **Pakistan** - Hatchery operators unable to import brood stock for shrimp, tilapia or groupers.
- Air freight capacity has improved somewhat, but remains constrained to and from South and East Asia, and some places in Africa (e.g., South Africa, Ghana). Middle East, Brazil and Europe also face some constraints. The biggest impact of air capacity is on high value agricultural trade, despite high demand and prices for some of these products in countries affected by labor shortages to harvest horticultural crops (e.g., Europe). The booming cut flower market has collapsed global exports, a combination of both a sharp decline in demand and availability of freight capacity on passenger aircraft. Some countries are particularly hard hit (e.g., Kenya, Ethiopia, Tanzania, Ecuador) by reduced availability of air freight and customer demand in destination countries, while exports from West Africa and MENA countries are affected by shortage of reefer equipment.
- Truck freight is significantly affected in some regions because of border restrictions, morbidity, and a reluctance of drivers to go through affected areas (Europe, Africa, MENA and South Asia).
- Trade finance is expected to be disrupted with a greater need for US dollar liquidity to keep critical supply chains working, such as milk powders (for infants and staple UHT milk). European processors envision issues in high demand areas of local milk deficit markets of West Africa and Northern Africa and Middle East.

TRADE POLICY RESPONSES

Restrictive trade policies and domestic support also remain a source of risk to commodity prices. Despite the continuing restrictions on export by some countries (mainly Central Asian wheat producers and limited restrictions on rice in East Asia) because of concerns about domestic availability of food supplies, most food commodity prices have remained stable as the markets are well-supplied.

Among notable policy developments, the first is the removal of restrictions on rice exports by Vietnam. The export quota put in place in March was removed this week, with an immediate effect of easing world rice prices.

A [Joint Ministerial Statement](#) was issued by Australia, Brunei Darussalam, Canada, Chile, Laos, Myanmar, Nauru, New Zealand, Singapore and Uruguay (April 23, 2020) committing to (i) eliminate applied tariffs for essential goods including agricultural products; (ii) refrain from imposing export prohibitions or restrictions on essential goods including agricultural products; and (iii) expedite the movement of such essential goods through sea and airports.

Ministers and Secretaries of Agriculture of 34 countries of the Americas agreed to share information on policies, actions and plans to deal with the impact of the COVID-19 pandemic on their countries' food security, agriculture, food systems, the rural environment and health of workers in the food chain(22 April). They also emphasized the need to foster intra-regional trading of food.

There were no new announcements of export restrictions or bans this past week. The restrictions in place, noted in the last Update, remain unchanged. About 15 countries have so far announced restrictions of various kinds. Some of the major announcements are:

- **Russia and others in the Eurasian Economic Union (Armenia, Belarus, Kazakhstan, and Kyrgyz Republic):** Banned the export of selected food products outside the EAEU. These products account for a small share of

the EAEU's exports.

- **Russia and Ukraine:** announced limits to the volumes of wheat exports which are largely in line with the announcements made earlier (before COVID-19) and at anticipated levels.
- **Kazakhstan:** In addition to EAEU ban, banned exports of additional food products. On April 1, it introduced the export quotas for wheat (200,000 tons a month) and all types of wheat flour (70,000 tons a month) for all countries, including the EAEU members. The main impact of wheat and wheat flour ban is expected to be felt by the neighboring countries in the region.
- **Thailand:** Export of eggs has been restricted until end of April 2020.
- **North Macedonia:** A temporary ban on wheat, meslin and wheat flour is active until April 30, 2020.
- **Syria:** Export restrictions on eggs, cheese, yoghurt, processed cereal and beans until May 8, 2020.
- **Egypt:** Export of pulses is banned until June 28, 2020.
 - **Turkey:** Lemons are restricted to be exported until August 31, 2020.
 - **El Salvador:** Export ban on red beans was from March 26 to December 31, 2020.
 - **Honduras:** Export ban on red beans effective March 31, 2020.

EMERGING SOLUTIONS AND INNOVATIONS ON DEALING WITH COVID-19

Producer Organizations Mitigating COVID-19 Induced Supply Chain Shocks in Bangladesh

- Bangladesh declared a 10-day COVID-19 induced shutdown effective from March 26. The COVID-19 pandemic has impacted local agriculture supply chains in the country and consequently the livelihoods of crop, vegetable and livestock farmers, fishermen and agricultural laborers.
- Missing Middle Initiative (MMI) is an innovative flagship of Global Agriculture and Food Security Program (GAFSP) for more directly supporting Producer Organizations (POs). Under this Initiative, MMI-Bangladesh project supports 55 POs in eight districts in the country targeting 10,000 small-scale farmers, 50 percent of whom are women.
- In response to the COVID-19 shutdown, the MMI POs in Bangladesh with technical support from the Food and Agriculture Organization (FAO) launched COVID-19 Emergency Response on April 4 to mitigate the pandemic's impact on local agriculture supply chains. 57 Virtual Call Centers (VCCs) have been established across the country. Volunteer VCC operators collect relevant information about daily agriculture input requirements and type of produce for selling in the market from PO members via mobile phones. The VCC operators then use hired rickshaw vans to pick-up and deliver aggregated inputs and produce. This has resulted in stopping multiple transactions by PO members and reducing the risk of Coronavirus transmission. The VCC operators maintain records of transactions and share information daily using a digital social platform. Over the past three weeks the COVID-19 Emergency Response has enabled more than 2000 farmers to: (a) aggregate and sell produce to buyers including private companies; and (b) purchase essential agriculture inputs and services both from public and private sector. The PO members are using mobile money (BKash or MobiCash) to avoid paper currency transactions as these are potential vectors for spreading Coronavirus. Data shows that the prices of produce received by PO members have been on average higher in the VCC approach.
- Access to markets is one of the success factors of MMI. The VCC approach by the MMI-Bangladesh project has demonstrated how POs can swiftly respond in mitigating COVID-19 induced shocks to local agriculture supply

chains and helping small-scale farmers during the pandemic.

Countries are scaling up Social Protection Programs to assist the most vulnerable, including refugees

- Designing effective social protection measures: Given its cost-effectiveness and consumer sovereignty, a favored response to compensate vulnerable groups for income loss is cash transfers, especially where electronic [Government to People payment systems are available](#). The effectiveness of the instrument, however, critically hinges on operational, and now also safe, food markets. This reinforces the case for keeping food supply channels and markets open, benefitting both rural producers and urban consumers, while providing and implementing health and safety procedures to minimize the risk of COVID-19 risks. This may, for example, be more feasible in more formally organized supply chains and supermarkets than informally traded food chains and wet markets. If not possible, organized food transfers may be a more effective channel.
 - Cash transfers (Burkina Faso to fruits and vegetable sellers, Mali, Niger, Namibia, Bangladesh, Pakistan, Rwanda, Senegal, The Gambia, Cabo Verde)
 - Allowances for widows and abused women (Bangladesh)
- Public Food Distribution (Bangladesh, Afghanistan, Bhutan, India, Ethiopia, Senegal, The Gambia, Sri Lanka). In Peru, the Ministry of Education and Science (MEC) is delivering food kits to replace the school lunch in several educational institutions in Asuncion.
- Informing social safety net designs using mobile disbursements. In Bangladesh, upon WFP's request, IFPRI is providing inputs on the optimum transfer amount and duration for a national safety net program targeting working lactating mothers in urban areas. The transfers are disbursed to beneficiaries via government-to-person (G2P), which provides transfers digitally and, in turn, reduces the risk of COVID-19 exposure compared with cash.
- See also the [Weekly Social Protection Links](#)

Some countries are intervening in food markets through subsidies, price ceilings, and strategic food reserves

- Price ceilings and other types of price controls on essential food items (Niger, Burkina Faso, Jordan, Comoros for basic imported products)
- Subsidies for cereals (Niger, Philippines)
- Direct purchase of perishable products by the Government (Madagascar)
- Strategic food reserves (Sudan, Malawi, Tanzania)
- Agricultural subsidy to vulnerable farm families (Peru)
- Credit line to support MSMEs ([Paraguay](#))

Other responses

- **Argentina.** Certain vegetables are showing COVID-19 crisis related price hikes. Following an agreement with stakeholders, the Central Market of Buenos Aires has launched the "Social Commitment for Supply" initiative, to avoid speculation and excessive consumer prices.
- **India.** Overall, there has been a slump in domestic demand amidst likely glut (for perishables) on account of lockdown and supply chain disruption. As a mitigation strategy, Asia's biggest mandi at Azadpur in Delhi will

remain open 24x7 to help farmers bring their produce while observing social distancing. Some 2,728 consignments have been released for exporting rice, dairy products and processed food products. However, full data on exports is not currently available.

- **Panama.** E-commerce is booming, and produce purchases via Internet platforms or WhatsApp are being promoted.
- **Costa Rica.** E-trade in agricultural products both on the internet and social networking sites is on the rise.
- **Sri-Lanka.** E-commerce, designated economic centers and home gardens
 - E-commerce: Prior to COVID-19, several of the larger supermarket chains had online purchasing / home delivery systems, though this represented only a very small (<5%) of their trade, and furthermore, purchases of produce from supermarkets nationwide only makes up 20 percent of all food purchases which is typically from open markets or small stores. The imposition of the curfew led to a massive increase in the demand for online/home delivery services which far exceeded the capacity of existing systems. The online demand for essential commodities remains high. The capacity of systems has been improved, plus numerous semi-formal systems have emerged (e.g., via WhatsApp, SMS and phone ordering).
 - Primary Designated Economic Centers: On April 6, it was announced that designated Economic Centers, which serve as regional wholesale markets for trade in agricultural produce, would be closed. An alternative system has been functioning, with Sri Lanka's Civil Defense Force buying produce directly from farmers, then distributing it across the country, based on demands from Divisional Secretaries
 - Home based food crop cultivation program. Related to moving towards increased production of food, the "One million Home Gardens" program has been launched by Government in the wake of the COVID-19 crisis. This program will be implemented by MOA jointly with the other relevant agencies and ongoing projects recognizing the household as the primary economic unit. The focus is to improve backyard economy with crops, animal husbandry and fisheries. Provision of seed and planting materials with an advisory package is promoted under this program.
- **Afghanistan.** To stabilize the market for major food commodities the Government started the distribution of the Strategic Grain Reserve (SGR) stocks to 200,000 households in Kabul and also got engaged in discussion with key trade partners like, Pakistan, Kazakhstan and other neighboring countries to remove the trade restrictions imposed mainly during the COVID-19 pandemic. Finally, communications through media are encouraging people to refrain from panic buying as borders remain open to food imports. The Government interventions have been effective to some extent to stabilizing for major food commodities. Prices for wheat, flour, rice and cooking oils have started to decline in April 2020.
- **Bangladesh** is providing agricultural machinery to mitigate the impacts of labor shortage caused by the lockdown measures. The Ministry of Agriculture (MoA) has taken some actions to address the labor shortage during the Boro harvesting season. It has supplied 180 combined harvesters and 137 reapers among the 7 districts in Haor areas for Boro harvesting to address the expected labor shortage due to COVID-19. Moreover, MoA has taken measures to supply 50% subsidized agricultural machineries (mainly combined harvesters) to farmers. MoA also requested law enforcement agencies to ensure smooth movement of agricultural labor with proper health measures from northern part of the country to the Haor areas (low lying areas: the main clusters of Boro rice production) to ensure smooth Boro harvesting.

WORLD BANK RESPONSE

The World Bank is activating CERCs components, preparing specific emergency operations (including DPOs), and restructuring existing projects.

- **Afghanistan.** Re-aligning its portfolio to address the immediate food security challenge.
- **Bangladesh.** Repurposed its agricultural projects to provide food and grants transfer, subsidized inputs and support the animal health for the country.
- **Bhutan.** Re-aligned its portfolio to support food distribution in the short term and enhance food production in the medium term through inputs supply and irrigation
- **Burundi.** Will trigger CERCs of some ongoing operations and refocus two ongoing agricultural operations.
- **Cameroon.** Two options being considered: (i) accelerate implementation of existing operations and possibly modify/scale up to support SMEs and improve food security, and (ii) activate the CERC of the Livestock Development Project and reallocate funds.
- **Côte d'Ivoire and Benin.** Expedited preparation of a food crop project (Scheduled for Q3 FY21) to boost domestic rice production (CIV imports half of its rice consumption). Considering reorienting [E-agriculture projects](#) to boost the use of e-extension services as social distancing makes reaching farmers difficult.
- **Comoros.** Green channel is proposed in the Bank's Emergency DPO to transport food and medicine from the mainland and across islands (inter-island).
- **DRC.** Preparation of a DPO. The agriculture team has proposed a number of prior actions to avoid a food crisis. Additional short-term measures will be taken as part of the ongoing agriculture portfolio.
- **India.** Refocusing Livelihoods projects on COVID priorities.
- **Liberia.** Responding through two windows under the on-going Smallholder Agriculture Transformation and Agribusiness Revitalization Project (STAR-P). Also activating CERCs and fast-tracking the preparation of an IPF a under the MPA for COVID response.
- **Mali.** Working with the Government to activate the CERCs to mobilize US\$ 25 million through several projects. An Emergency COVID operation is also in the pipeline.
- **Mozambique.** Active projects with FAO, through the SUSTENTA AF, to support emergency activities. Support is also being provided through a DPO.
- **Nepal.** Planned support includes support to the animal health system under one health, livestock breed improvement and inputs supply.
- **Nigeria.** Engaged in the design of a multisectoral PforR (with SP, FCI, and Water) to protect livelihoods and support local economic activity.
- **Pakistan.** Repurposing the existing portfolio and taking actions to safeguard overall positive food security position.
- **ROC.** Commercial Agriculture Project is implementing two special matching grant financing rounds geared at MSMEs and producer organizations impacted by the crisis. The project is also financing labor-intensive rural roads rehabilitation and food safety measures targeted at large urban markets. The government has requested activation of the CERC.
- **Rwanda.** The Sustainable Agricultural Intensification and Food Security Project (SAIP) will provide support to the National Agency in charge of agriculture export (NAEB) to maintain current levels of exports and to help

cooperatives of horticulture growers to face increased airfreight and other logistics costs as a result of covid-19 and lockdown. The Bank's existing Social Protection project is being adjusted to be Covid-19 responsive.

- **Sierra Leone.** Possible activation of the CERC of the ongoing Smallholder Commercialization and agribusiness Development Project.
- **Sri Lanka.** The Bank is supporting GoSL's accelerated food production program to overcome potential food shortages. The Bank re-aligned its portfolio to support food distribution and enhance food production through input supply, SME revival and irrigation infrastructure development.

KNOWLEDGE AND INFORMATION LINKS

SD Corner

[SD COVID-19 Knowledge Platform](#)

Juergen Voegelé:

Blog: [Three imperatives to keep food moving in a time of fear and confusion](#)

Video: [The Impact of Coronavirus of Global Food Security](#)

COVID-19 and Locust Crisis: <https://blogs.worldbank.org/voices/locust-plague-fighting-crisis-within-crisis>

DATA TRACKER

WBG: [Commodity Markets](#)

- [Commodity Market Outlook](#)
- SPECIAL FOCUS [A Shock Like No Other: The Impact of COVID-19 on Commodity Markets](#)
- [Set up to fail? The collapse of commodity agreements](#)

WBG: [EFI COVID-19 Trade Watch](#)

Agricultural Market Information System (AMIS): [Market Monitor](#)

FAO: [Food Price Monitoring and Analysis \(FPMA\)](#)

FAO: Mapping tool with [Recommendations on planting and harvesting tasks during the COVID-19](#) outbreak using crop calendars

Famine Early warning Systems Network (FEWS NET): [Impact of COVID-19 on Food Insecurity](#)

GEOGLAM: [Crop Monitor](#)

IFPRI: [Monitoring Crop Harvest using Satellite Remote Sensing](#)

International Grains Council (IGC): [Market Information](#) (including Freight Rates)

OECD: [Tackling Coronavirus \(COVID-19\)](#)

U. S. Department of Agriculture: [Market and Trade Data \(PSD Online\)](#)

WFP: [Hunger Map Live and COVID-19](#)

WFP: [DataViz's Hunger Analytics Hub](#)

WFP: [Global Monitoring of School Meals during COVID-19 School Measures](#)

POLICY TRACKER

WTO: [COVID-19 and world trade](#)

IFPRI: [Food Policy Tracker on Food Export Restrictions](#)
FAO: [Food and Agriculture Policy Decision Analysis \(FAPDA\)](#)
Devex: [Funding Tracker](#)
Social Protection World Bank: [COVID-19 Social Protection Policy Response Tracker](#)

RESOURCES AND INFORMATION

WBG Agrifinance CoP: [Covid-19 Updates](#)
WBG EFI: [COVID-19 Response and Resources](#) and [Trade and COVID-19 \(Coronavirus\)](#)
WBG Gender Group: : [Brief](#) and [Background Note](#) on Gender Impacts of Covid-19.
African Union/FAO: [AU-FAO ministerial meeting on the impacts of COVID-19 on food security in Africa](#)
CARE: [Savings Group Risk Mitigation, Support, and Engagement in Relation to COVID-19](#)
EU/EFSA: [Coronavirus no evidence that food is a source or transmission route](#)
FAO: [Agri-food markets and trade policy in the time of COVID-19](#)
FAO: [COVID-19: Channels of transmission to food and agriculture](#)
Food and Land Use Coalition (FOLU): [Call for Action](#)
GODAN: [POVERTY, FOOD SECURITY, OPEN DATA AND COVID-19](#)
[COVID 19 AND PRIVACY: PERSONAL DATA RIGHTS](#)
Global Food Security Cluster: [Coronavirus, Impact on Well-Being, Health, Food Access and Food Security](#)
IFAD: [Rural Poor Stimulus Facility \(RPSF\)](#)
IFAD: [COVID-19](#)
IFAD: [Shaping a holistic response to COVID-19: Protecting food systems and rural producers](#)
IFPRI: [Analyses of COVID-19](#)
[COVID-19 Impacts on Global Poverty](#) [Blog](#) and [Scenario Analysis](#)
OIE: [Q&A on the 2019 Coronavirus Disease \(COVID-19\)](#)
Pennsylvania Department of Agriculture: Practical Guides [Farm and on-farm Delivery](#) and [Farmers markets and on-farm markets](#)
Triple Pundit - [The Burdens of the coronavirus pandemic are largely falling on women](#)
UN Innovation Network: [COVID-19 Special Edition](#)
UNCTAD: [Repositories of measures on cross-border movement of goods and persons](#)
UNSCN: [Resource list on Food Systems and Nutrition Responses](#)
WFP: [Food Security Cluster](#)
WFP: [2020 Global Report on Food Crises](#)
WFP: [Report on the Economic and Food Security Implications of COVID-19](#)
WTO: [Information Note EXPORT PROHIBITIONS AND RESTRICTIONS](#)

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