FAO Short Brief

Food Security Dimensions of the COVID-19 Crisis: Scenario and Response

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Summary: The COVID-19 pandemic, in combination with corresponding mitigation measures and the emerging global recession, could progressively disrupt the functioning of market-based food supply systems in locations around the world – unless there is large-scale coordinated action. Such disruption already exists in many national markets and is likely to cumulate rapidly in the coming months, with potential consequences for health and nutrition of a severity and scale unseen for more than half a century.

The potential for a doubling or even greater increase in acute food insecurity, with the rising risk of outright famine, demands urgent attention but does not comprise the essence of the threat. In most of the developing world, food supply systems are the backbone of the national economy, supplying the largest share of food production and constituting in their entirety the predominant source of incomes and livelihoods for a substantial majority of the population. In addition, while international food markets are highly important as a necessary supplement and food security safety valve, local food markets dwarf international food supplies as sources of food in most developing countries and cannot, in the context of global crisis, be fully replaced by international supply.

Ensuring continuity of national as well as international food supply is essential for maintaining population health and resilience to pandemic, for protecting incomes and livelihoods for most of the population, and for avoiding the political disruptions, conflict, and displacements that invariably accompany growing public anxiety over food insecurity. The scope of the policy response must be adequate to the nature of the crisis. We see eight elements as indispensable:

1. Measuring the invisible. Intensive use of repeat (monthly) surveys in approximately 100 countries to identify emerging food insecurity hotspots combined with rapid mapping of national and international food supply chains to identify and evaluate potential and emerging bottlenecks and systemic risks to national food supply;
2. Scaled-up direct assistance to national authorities for improved food supply monitoring and comprehensive, country-specific policy response, recognizing the need to adapt policy prescriptions to local and regional realities;
3. Making sure the poorest and most vulnerable people have **access to nutritious food**, as food is essential in safeguarding health. Cash transfers that help people buy food in the market is ideal and should require them to purchase only healthy foods. Countries can subsidize producers, so that they can deliver unsold products to food banks, instead of throwing them away. The U.S. Department of Agriculture is **helping farmers deliver** pre-approved boxes of fresh produce, dairy products and meat to food banks and community organizations. These social protection measures should be accompanied with efforts to increase production and employment. Infrastructure projects throughout the agri-food system can help. It is vital that rural populations benefit from this combination, as it will help prevent the further spread of poverty and hunger, and contain inequality. Vulnerable countries that are already in food crisis need funding to put this policy combo into action;

4. Keeping the supply chains operating to ensure continued flow of food. This means protecting the health of all supply chain workers. If they fall ill, countries will be forced to resort to second rounds of lockdowns. Without health, there is no getting the economy back on track. This is already happening in the **meat processing plants in the U.S.** and **the markets of Peru and Brazil;**
5. Accelerated/repurposed investment to address key food supply operating constraints using a "build to transform" rubric to steer investment toward improving inclusion, sustainability and resilience of food supply systems;
6. Provide temporary support to smallholder farmers and micro, small and medium enterprises (MSME) to help them survive a drawn-out period along the bottom in a U-shaped recovery. They are facing severe liquidity constraints. Governments have to support them to protect their food production, reduce pre-harvest and post-harvest crop losses, and secure access to markets. These enterprises in agricultural value chains must stay liquid to ensure food supply. If not, the problem of food access and food availability could converge, creating a severe crisis. Central Banks (when countries have the resources) or International Financial Institutions can provide warranties so banks can give loans at affordable interest rates to MSMEs. Such support — highly concessional emergency loans, business continuity grants, moratorium of loans payments, among others — should be adopted only if they are temporary and have a well-defined exit strategy. Businesses should qualify for this support only if they continue to produce food and deliver them to local markets and food banks. This line of access to credit or soft loans assures that small businesses stay open to serve local markets even when most other demand drops;
7. Create new market opportunities. Accelerating intra-regional trade can create a new demand for food. This requires significant political commitment and investment to ramp up access to infrastructure and improve food safety. Improving food safety across the value chain can reduce nontariff trade barriers — so that governments don't restrict imports more than is necessary. This is central to promoting trade within a region. Africa could hugely benefit from removal of nontariff barriers because the region can make up for the slumping export demand from Europe. The African Continental Free Trade Agreement is key to this;
8. Continuing commitment to strengthening international coordination, information-sharing and collective action to meet the scale and scope of the crisis, and as a foundation for future food systems transformation.

Context: The emergent food crisis breaks from the pattern of previous crises in decisive respects. Existing food emergencies are driven by essentially local factors related to conflict and natural disaster, but the main drivers of the current crisis – the pandemic and world-wide recession as well as the compounding impacts of climate change – are global in scope. A problem unfolding on a global scale requires a global approach, but not only at global level. Unlike the food price spikes of 2008 and 2012, the main sources of market disruption are not related to issues of supply and demand at global scale, but to highly variable disruptions in local food markets and diverse sources of crisis transmission[1] interacting with local circumstances.

[1] J. Schmidhuber, J. Pound, B. Qiao. 2020. *COVID-19: Channels of transmission to food and agriculture*. Rome, FAO. https://doi.org/10.4060/ca8430en.

Critical, complementary objectives of the global response must include: (1) Preserving open access to food between and within nations, and (2) assisting where necessary to ensure the continued functioning of food supply chains at national levels.

Except where national authority has completely broken down or is too weak to implement a coordinated national response, the international community will need to work closely with and through national authorities in order to achieve the reach and impact required to effectively address an emerging global food crisis that operates in multiple geographies and at multiple scales. Placing food supply assistance to the degree possible "beyond geopolitics" and emphasizing national ownership of the policy response may be a necessary precondition to establishing a pragmatic and cooperative environment for effective collective action.

Monitoring Food Security and Insecurity[2]: According to the internationally accepted definition, "Food security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life." Food insecurity, by contrast, exists when one or more of the conditions of food security does not obtain, and so can be classified by matters of degree. Several measures are currently in use. The Integrated Food Security Phase Classification (IPC) Scale (Annex 1) is designed for use in emergency contexts to provide an international standard for comparative classification of the risk or prevalence of acute malnutrition and is often used to provide an objective basis for prioritizing food allocations in national or local contexts. The Prevalence of Undernourishment (SDG 2.1.1), a measure of chronic food insecurity, and the newer Food Insecurity Experience Scale, or FIES (SDG 2.1.2), which measures moderate and severe food insecurity, were both designed to provide broader population coverage and to guide longer-term development action (Annex 2).

More than an accurate and agreed estimate of the number of food insecure is at stake. Measures of food insecurity measure different things, and have been designed for different purposes. These measures also respond to different institutional mandates – for short-term humanitarian or for longer-term development assistance. Under "normal" circumstances, humanitarian food assistance and development assistance for agricultural and rural transformation have maintained an uneasy co-existence, converging philosophically around the principle that it is important both to save lives and livelihoods; the latter where feasible, the former where necessary.

Prior to the onset of COVID-19, more than 135 million people had been classified in IPC phase 3 ("crisis") or higher. In addition, there are 183 million of people in IPC/CH Phase 2, which can move into a higher phase. FAO estimates the number of undernourishment could increase up to 116 million because of COVID 19 using the current new numbers of the World Bank Outlook of expected GDP decrease of -5.2% (Annex III and IV). Moreover, when we look at structural vulnerabilities (Annex V),

[2] The section draws upon discussion of various food insecurity measures in the *Global Report on Food Crises 2020* (April 2020). http://www.fightfoodcrises.net/food-crises-and-covid-19/en/.

it is clear that there will be new hot spots of food insecurity (dark blue countries) which are not necessarily the fifty five countries currently classified as food crises countries[3].

Many food insecure people live in poorer countries that have been hardest hit. The oil price crash dried up sources of revenue for exporters in Africa and Latin America. Tourism shut down, which is especially damaging for Small Island Developing States like Fiji, Maldives and Mauritius. Remittances are falling because the senders in rich countries have lost their jobs in the informal economy. The World Bank expects **remittances to fall by 20%**, the sharpest decline in recent memory. The pandemic could decimate 35% of employment in the food systems. That is 451 million jobs and more than a billion livelihoods — and that is not counting losses of informal jobs (Annex 7).

Africa ticks all the boxes. Pre-pandemic forecasts indicated that the desert locust outbreak would force 25 million people in East Africa, including Ethiopia, Kenya, Somalia, Uganda and Sudan, to **face acute food insecurity** in the second half of the year (Annex 6). A single swarm, containing some 150 million insects per square kilometer, can devour in a single day the amount of food that could feed 35,000 people. Tumbling oil prices has led to decrease in revenue in countries like Nigeria, Chad, Libya and Algeria; it has also weakened local currencies against the dollar, making debt repayments to other countries all but impossible. The sub-Saharan region, which has the world's highest prevalence of undernourishment, faces **the first recession in 25 years**. The continent's poor, for whom social distancing is not an option, are debating whether to **fall to the virus or hunger**.

Strengthening the Policy Response: In order to enable political decision-makers to take early decisions and act before it is too late to save livelihoods, we recommend a focus on the following areas:

- Invest early and repeatedly in gathering, analysing and publishing data on food security and nutritional health status to improve the efficiency and effectiveness of policy response;
- Prioritize protection of food workers and livelihoods, both to keep food supply systems functioning and as indispensable measure to address food and nutrition security for a majority of the population in all countries;
- Recognize food supply activities as essential services and take systematic measures to ensure unhindered movement of food within and across national boundaries;
- Promote scaling up and nutrition-testing of social protection and urgently support measures to increase countries' fiscal space;
- Strengthen, through direct support (including supported delivered by electronic means) to national authorities to map national food supply systems, and identify and address impediments, vulnerabilities and risks;
- Strengthen national capacities for food security monitoring and analysis;
- Repurpose existing or mobilize new investment to address key food supply bottlenecks at production, collection, storage, processing, marketing and distribution phases;
- Promote intra- and inter-regional trade to reduce risks, incentivize investment and build food market resilience;
- Provide direct food assistance and safety nets to save lives.

[3] The following document describes the structural vulnerabilities as a result of COVID-19: http://www.fao.org/documents/card/en/c/ca8430en

Annex I

IPC Acute Food Insecurity Reference Table

Phase name and description	Phase 1 None/Minimal	Phase 2 Stressed	Phase 3 Crisis	Phase 4 Emergency	Phase 5 Catastrophe/ Famine
	Households are able to meet essential food and non-food needs without engaging in atypical and unsustainable strategies to access food and income.	Households have minimally adequate food consumption but are unable to afford some essential non-food expenditures without engaging in stress-coping strategies.	Households either: • Have food consumption gaps that are reflected by high or above-usual acute malnutrition; or • Are marginally able to meet minimum food needs but only by depleting essential livelihood assets or through crisis-coping strategies.	Households either: • Have large food consumption gaps which are reflected in very high acute malnutrition and excess mortality; or • Are able to mitigate large food consumption gaps but only by employing emergency livelihood strategies and asset liquidation.	Households have an extreme lack of food and/or other basic needs even after full employment of coping strategies. Starvation, death, destitution and extremely critical acute malnutrition levels are evident. (For Famine Classification, area needs to have extreme critical levels of acute malnutrition and mortality.)
Priority response objectives	Action required to build resilience and for disaster risk reduction	Action required for disaster risk reduction and to protect livelihoods	**Urgent action required to:** → Protect livelihoods and reduce food consumption gaps	Save lives and livelihoods	Revert/prevent widespread death and total collapse of livelihoods

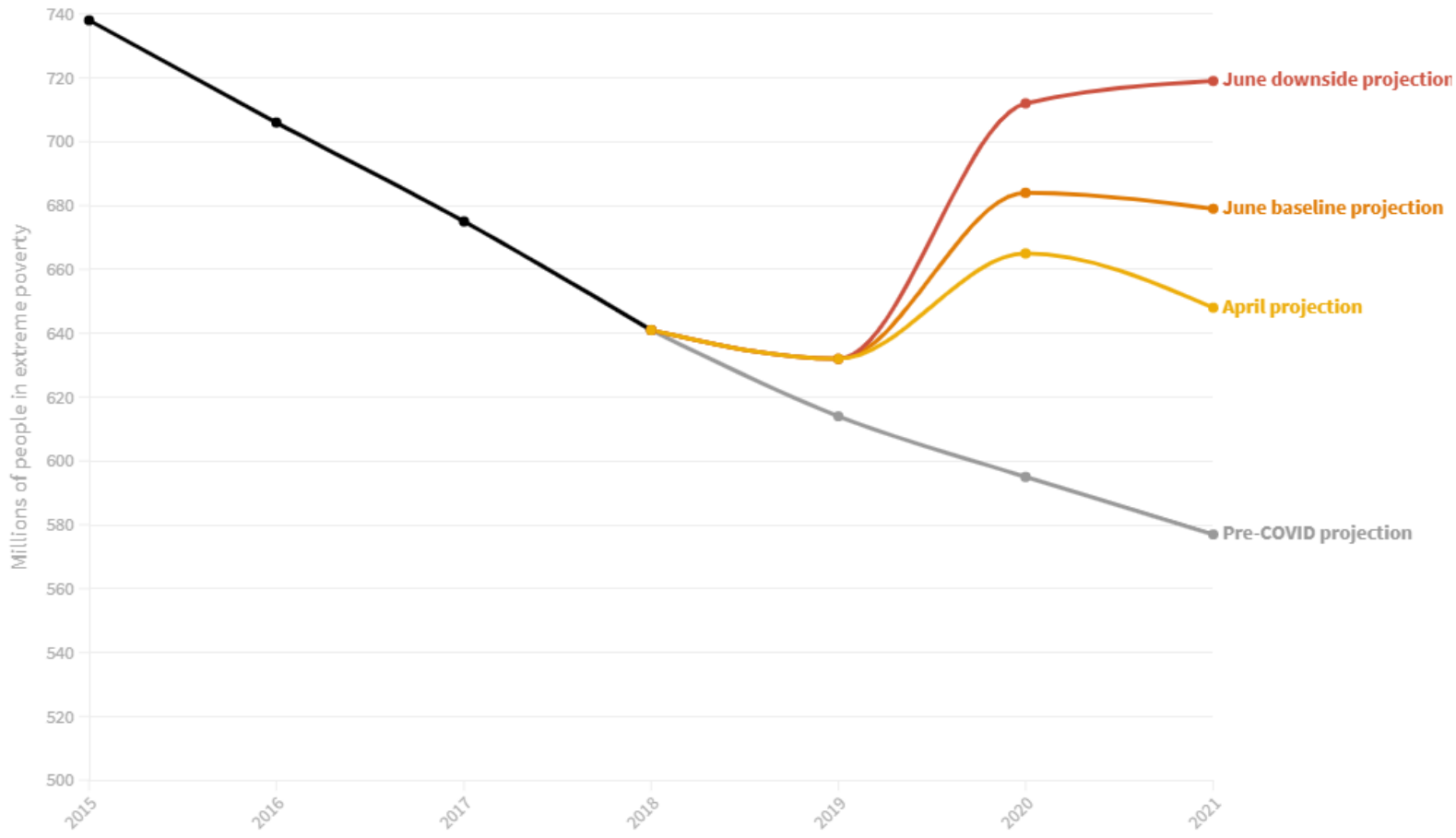
Annex II

IPC Reference Table for Classification of Severity Levels of Chronic Food Insecurity (POU and FIES)

	Level 1 No/Minimal Chronic Food Insecurity	Level 2 Mild Chronic Food Insecurity	Level 3 Moderate Chronic Food Insecurity	Level 4 Severe Chronic Food Insecurity
Chronic food insecurity level name and description	In a common year, households are continuously able to access and consume a diet of acceptable quantity and quality for an active and healthy life. household livelihoods are sustainable and resilient to shocks. households are not likely to have stunted children.	In a common year, households are able to access a diet of adequate quantity but do not always consume a diet of adequate quality. household livelihoods are borderline sustainable, although resilience to shocks is limited. households are not likely to have stunted children.	In a common year, households have ongoing mild deficits in food quantity and/or seasonal food quantity deficits for 2 to 4 months of the year, and consistently do not consume a diet of adequate quality. household livelihoods are marginally sustainable, and their resilience to shocks is very limited. households are likely to have moderately stunted children.	In a common year, households have seasonal deficits in quantity of food for more than 4 months of the year and consistently do not consume a diet of adequate quality. household livelihoods are very marginal and are not resilient. households are likely to have severely stunted children.
Key Implications for response planning[1]	Monitor the food security situation, invest in disaster risk reduction, and reinforce livelihoods as needed.	Monitor the food security situation, invest in disaster risk reduction, and protect and strengthen livelihoods as needed. Address underlying factors to increase the quality of food consumption.	**Urgent Action Required to:** → Address underlying factors to increase the quality and quantity of food consumption and decrease chronic malnutrition. Consider safety net programmes as needed.	Implement safety net programmes to improve the quality and quantity of food consumption. Implement complementary programmes to address underlying factors to substantially decrease food insecurity and chronic malnutrition..

Annex III

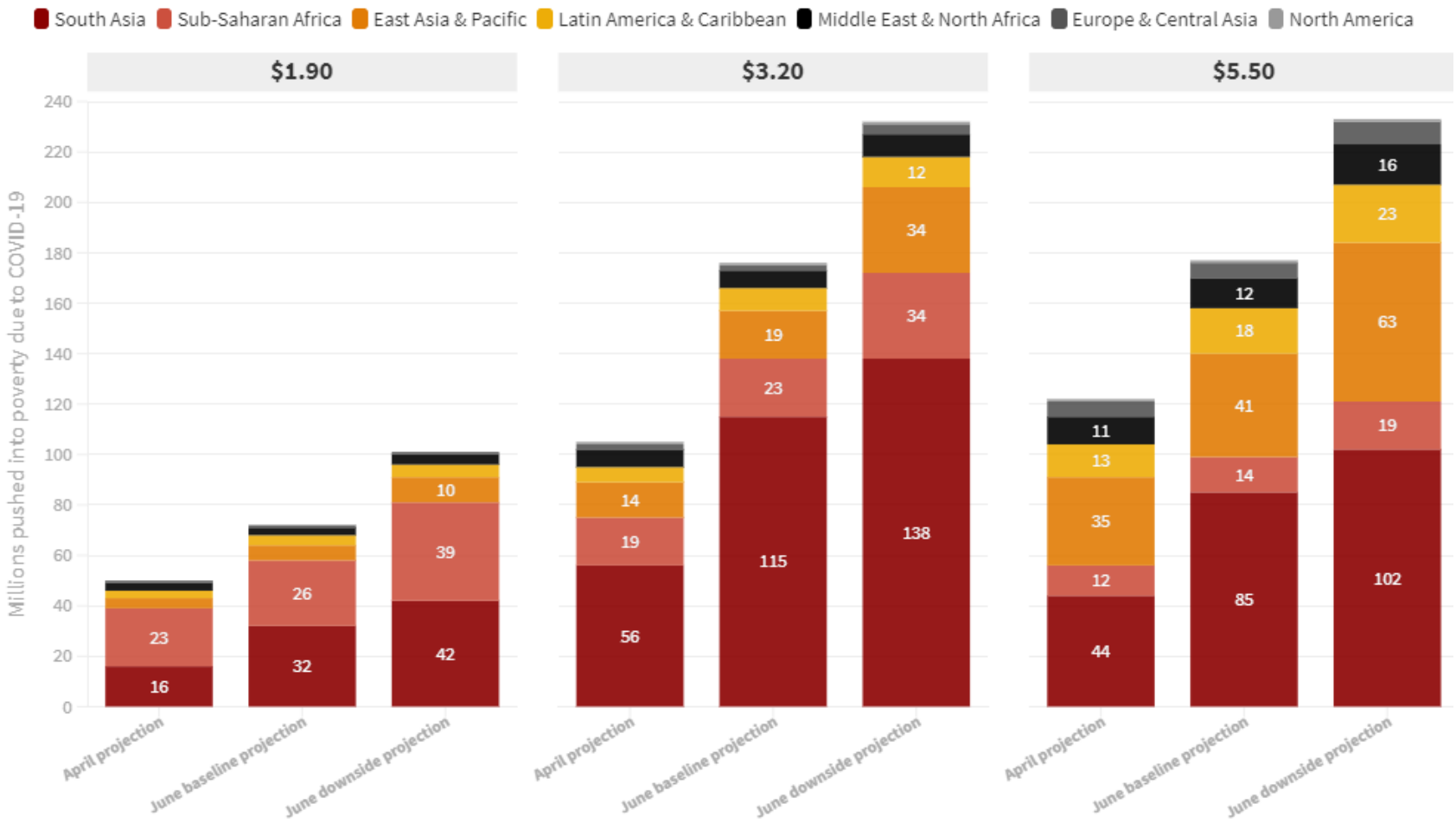
The Impacts of CVID-19 on Global Extreme Poverty



Source: Lakner et al (2020), PovcalNet, Global Economic Prospects, • Extreme poverty is measured as the number of people living on less than $1.90 per day.

Annex IV

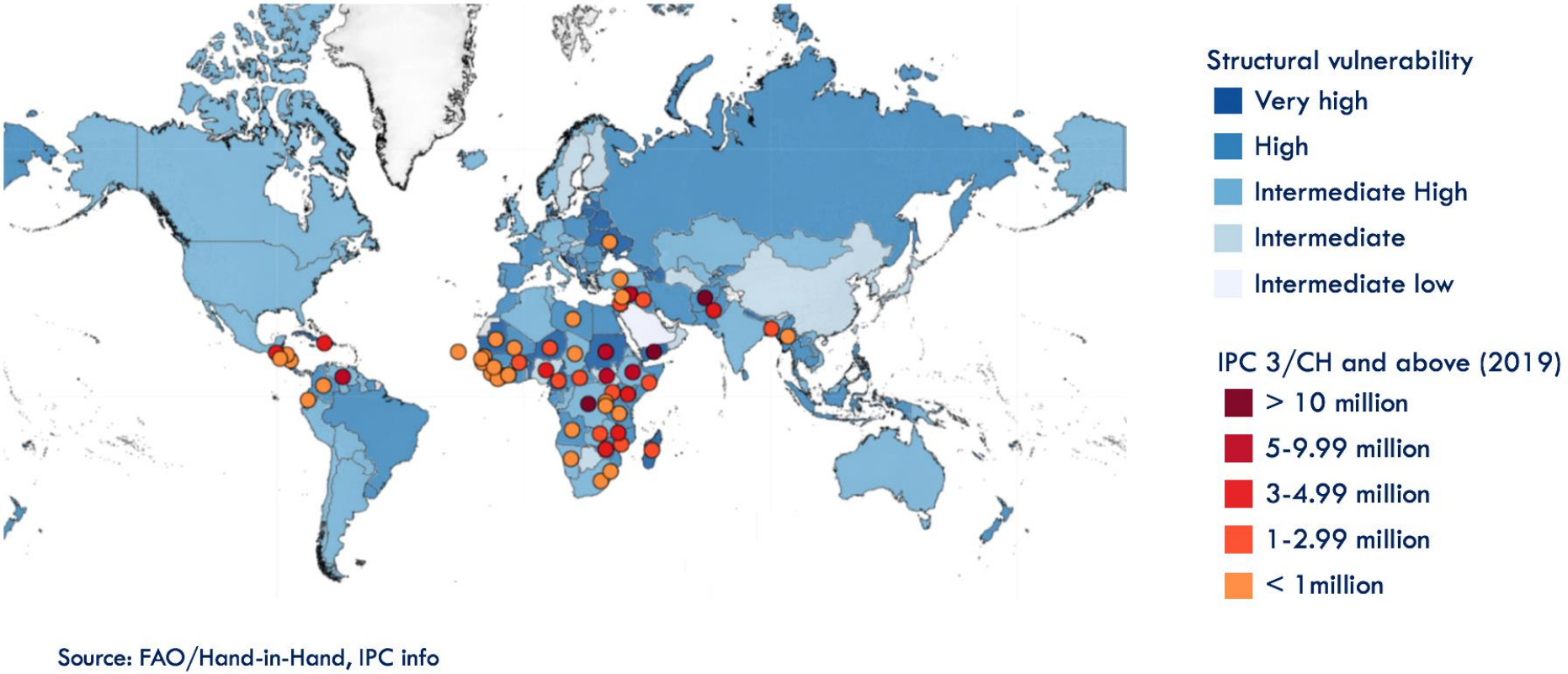
The Regional Distribution of the COVID-19 Induced Poor



Source: Lakner et al. (2020), PovcalNet, Global Economic Prospects

Annex V

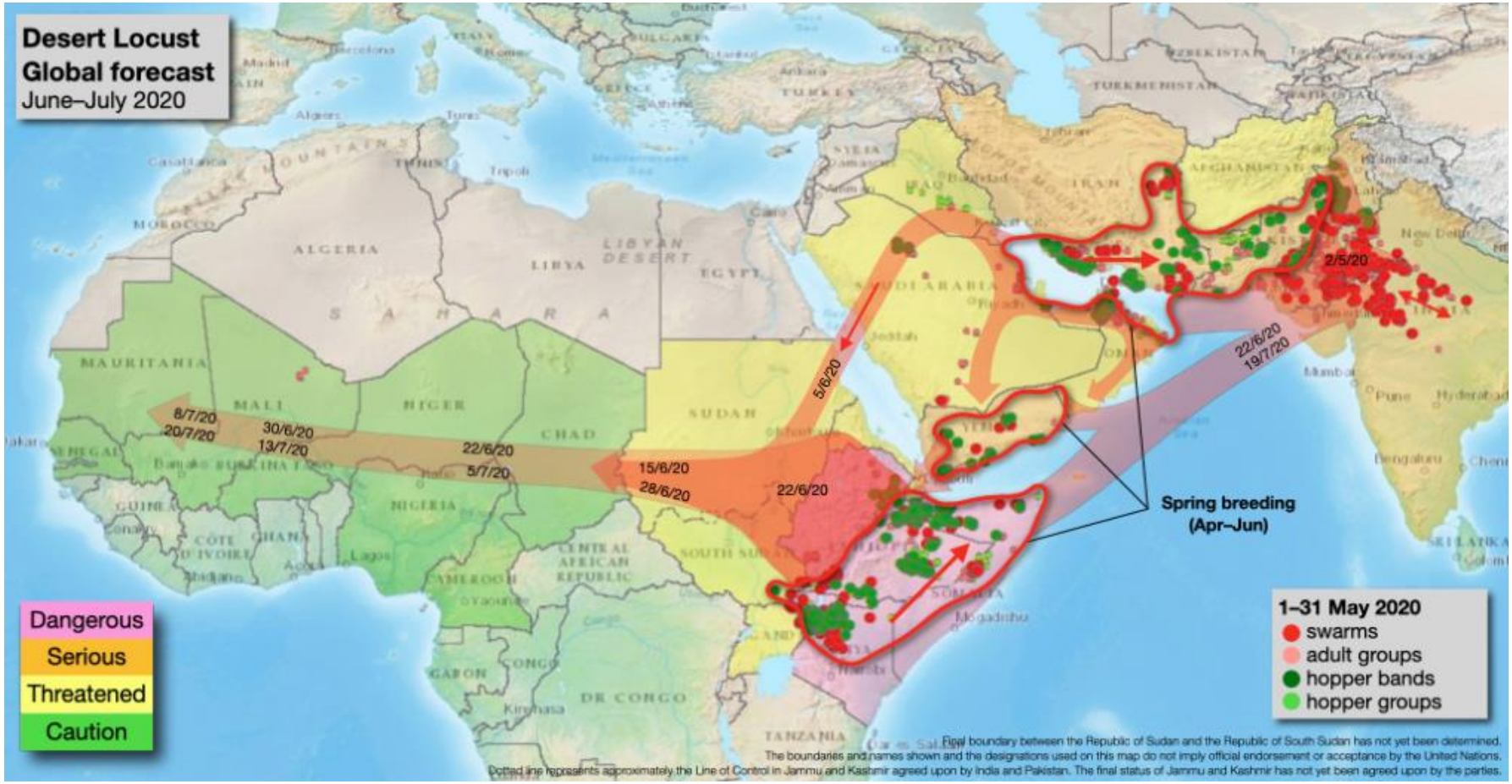
Structural Vulnerability and Known Food Insecurity Hotspots



Source: FAO/Hand-in-Hand, IPC info

Annex VI

Desert Locust Global Forecast June – July 2020

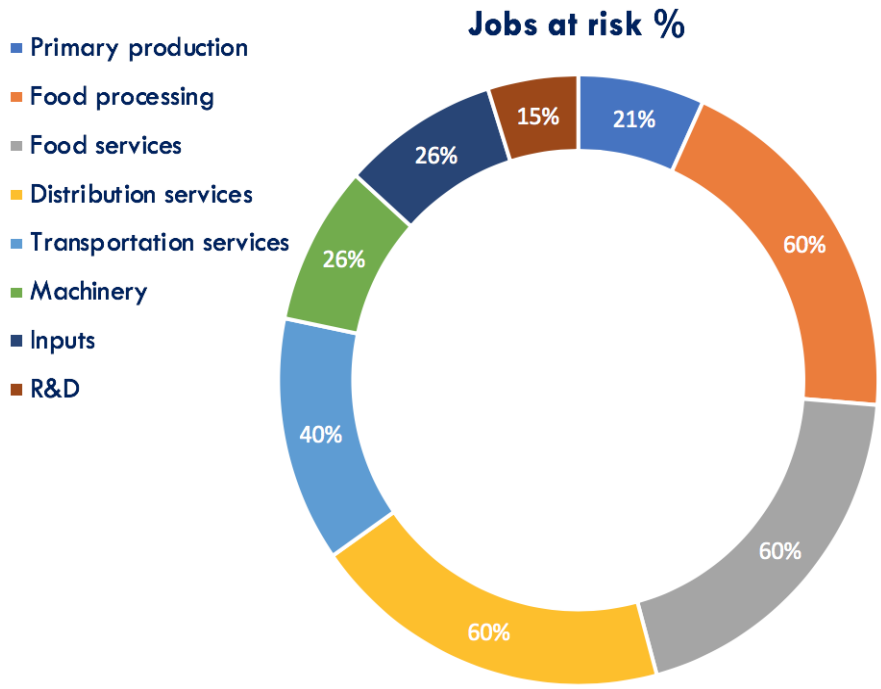


Source: Keith Cressman, 2020.

Annex VII

Food Systems Jobs at Risk due to COVID-19

	Food systems	
	Jobs	Livelihoods
Primary production	716.77	2,023.80
Food processing	200.73	484.54
Food services	168.97	339.44
Distribution services	96.34	241.48
Transportation services	41.61	101.05
Machinery	6.51	13.18
Inputs	4.89	11.06
R&D	0.13	0.29
Total	**1,280.93**	**3,214.84**



*Source: FAO/IFPRI unpublished estimates, based on ILO 2020 – ILO extrapolation scenario. Not annualized. Jobs represent formal employment; livelihoods cover a broad array of self-employed, informal, migrant and seasonal labor.