

Impact of COVID-19 on Food Systems: A Situation Report

EDITION 5 – 04 March 2021

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Abbreviations

FAO	United Nations Food and Agriculture Organization
FSN	Food Security and Nutrition
GAIN	Global Alliance for Improved Nutrition
GAME	Global Alliance for Mass Entrepreneurship
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institute
IPC	Integrated Food Security Phase Classification
KFMW	Keeping Food Markets Working
MSMEs	Micro, Small- and Medium-sized Enterprises
MY	Marketing Year
SKUs	Stock Keeping Units
SMEs	Small- and Medium-sized Enterprises
WHO	World Health Organization

Key Messages

- This Situation Report—the fifth in a series—finds that COVID-19-related control measures continue to have an impact on food systems in 10 countries where GAIN works: Bangladesh, Ethiopia, India, Indonesia, Kenya, Mozambique, Nigeria, Pakistan, Rwanda and Tanzania.
- International wheat prices were stable in December 2020, following an upward revision of the global production forecast and relative stability in global wheat trade.
- In East Africa, prices declined in December across many markets with the onset and progression of the October-to-January harvests. COVID-19 related border control continued to delay cross-border trade.
- Prices across 14 studies food products in all 10 GAIN countries have increased by an average of 8.8% between February 2020 and February 2021. This is below the global average price increase of 10.3%.
- Reduction in income for many households has likely led to a reduction of food intake and especially protein-rich food intake reduced nutritious food, as households cut their food spending.
- Movement restrictions and other control measures are affecting the ability of migrant worker populations to pursue work, depriving their families of income as well as leading to labour shortages in destination areas.
- Food system SMEs continue to be affected by effects of COVID-19, especially, reduced consumer spending, labour shortages and COVID-19 control measures, but the strong disruptions during the first wave have subsided in most countries
- Rwanda, Kenya and Nigeria have received their first deliveries of COVID-19 vaccines from the global COVAX initiative which aims to secure vaccine for low-and middle-income countries.

1 SCOPE AND PURPOSE

The COVID-19 pandemic is a multiplier of vulnerability, compounding threats to food security and nutrition (FSN) while exposing weaknesses in food systems.¹ In response, the Global Alliance for Improved Nutrition (GAIN) developed the Keeping Food Markets Working (KFMW) programme to provide targeted support to help sustain core food systems, workers and markets during the COVID-19 emergency. The programme's objective is to mitigate the risk of collapse of the countries' food systems to sustain the availability and affordability of nutritious food.

This document is a fifth situation report² generated to synthesise insights on the ongoing impacts of COVID-19 on food systems for use by practitioners and policymakers. The analysis focuses on a set of 10 countries where GAIN works (Bangladesh, Ethiopia, India, Indonesia, Kenya, Mozambique, Nigeria, Pakistan, Rwanda and Tanzania). A particular focus is placed on small- and medium-sized enterprises (SMEs) within the food system and how nutritious foods value chains are changing.

¹ <https://docs.wfp.org/api/documents/WFP-0000119380/download/>

² Previous reports undertaken are available here: <https://www.gainhealth.org/resources/reports-and-publications>.

2 SOURCES AND METHODS

The information presented draws on several sources in relation to the impact of COVID-19 on the respective food systems. Largely, it is a synthesis of relevant secondary data, as well as primary research from GAIN and its partners. To substantiate the report, a thorough desk review of available secondary data was conducted, including data of Euromonitor's e-commerce price and stock data (see Annex 2); FEWS NET; the Food and Agriculture Organization (FAO) Big Data tool on food chains under the COVID-19 pandemic; FAO Food Price Monitoring and Analysis; and over a dozen studies by FAO, the International Food Policy Research Institute (IFPRI), the World Bank and others. The information in this report is current as of approximately February 20th, 2021.

3 RESULTS

3.1 Measures Taken to Control the Spread of COVID-19

A year after the World Health Organization's (WHO's) pandemic declaration, the number of reported COVID-19 cases has continued to climb, from about 118,000 confirmed cases on 11th March 2020³ to about 109.2 million on 17th February 2021.⁴ Figure 1 displays the recent trend in new cases per million people in each focus country, though recorded cases are likely an underestimate of the true scale of the outbreak.

After 23rd November 2020, the reporting date of the fourth situation report⁵, the Asian countries of focus (**Pakistan, Indonesia, Bangladesh** and **India**) saw a significant increase in positive cases, reaching their peaks in mid to late January 2021. This has delayed the easing of restrictions in some parts of these countries. For example, as **Indonesia's** COVID-19 caseload approached one million in early January 2021, the government re-introduced public activity restrictions in hotspot regions (Java and Bali) until early February 2021.⁶

Mozambique and **Rwanda** also experienced strong growth in the number of confirmed cases, though Rwanda managed to curb the trend through new movement restrictions in January 2021 by closing borders and restricting internal movement between Kigali and other provinces⁷. It, however, left borders open with one GAIN country (**Tanzania**) and three other neighbouring countries for goods (including agricultural products and animal feed) as well as returning Rwandan citizens, legal residents and refugees. This partial border closure did not seem to negatively affect the price of fresh food products, which decreased by 3.4% in January 2021 compared to December 2020.⁸ **Kenya** experienced more deaths and new infections resulting from the second wave of infections and a strike by Kenyan healthcare workers in December 2020⁹, hence a night-time curfew was extended until March 2021 to curb COVID-19 spread.¹⁰ The government of **Tanzania** has not released any official data on COVID-19 infections and deaths since June 2020¹¹. **While internal movement restrictions vary widely across many GAIN countries, international border controls, such as the Kenyan Ministry of Health requiring a digitally verified negative COVID-19 test to enter or depart the country, remain in place in most geographies and may be limiting migratory labour flows, disrupting seasonal migration patterns.**¹²

Some of the GAIN countries, especially the Asian countries, have commenced vaccination and the number of people vaccinated is steadily increasing. As of March 3, 2021, about 16.3 and 3.1 million people, representing 0.2% and 0.4% of the population of **India** and **Indonesia**, respectively, were fully vaccinated while about 2.9 million people in **Bangladesh** have been administered at least one dose of vaccine.¹³ In mid- February 2021, **Rwanda** announced the commencement of COVID-19 vaccinations for high-risk groups, including frontline workers with

³ <https://www.washingtonpost.com/health/2020/03/11/who-declares-pandemic-coronavirus-disease-covid-19/>

⁴ <https://covid19.who.int/>

⁵ <https://www.gainhealth.org/resources/reports-and-publications/impact-covid-19-food-systems-situation-report-iv>

⁶ <https://betterwork.org/2021/02/09/indonesia-updates/>

⁷ <https://travelbans.org/africa/rwanda/>

⁸ <http://www.statistics.gov.rw/publication/consumer-price-index-cpi-january-2021>

⁹ <https://www.aa.com.tr/en/africa/kenya-records-more-covid-cases-deaths-amid-strike/2080875>

¹⁰ <https://www.timeslive.co.za/news/africa/2021-01-04-kenya-extends-night-curfew-to-march-to-curb-covid-19-spread/>

¹¹ <https://www.bbc.com/news/world-africa-52723594>

¹² <https://fews.net/global/alert/september-2020>

¹³ <https://www.bloomberg.com/graphics/covid-vaccine-tracker-global-distribution/>

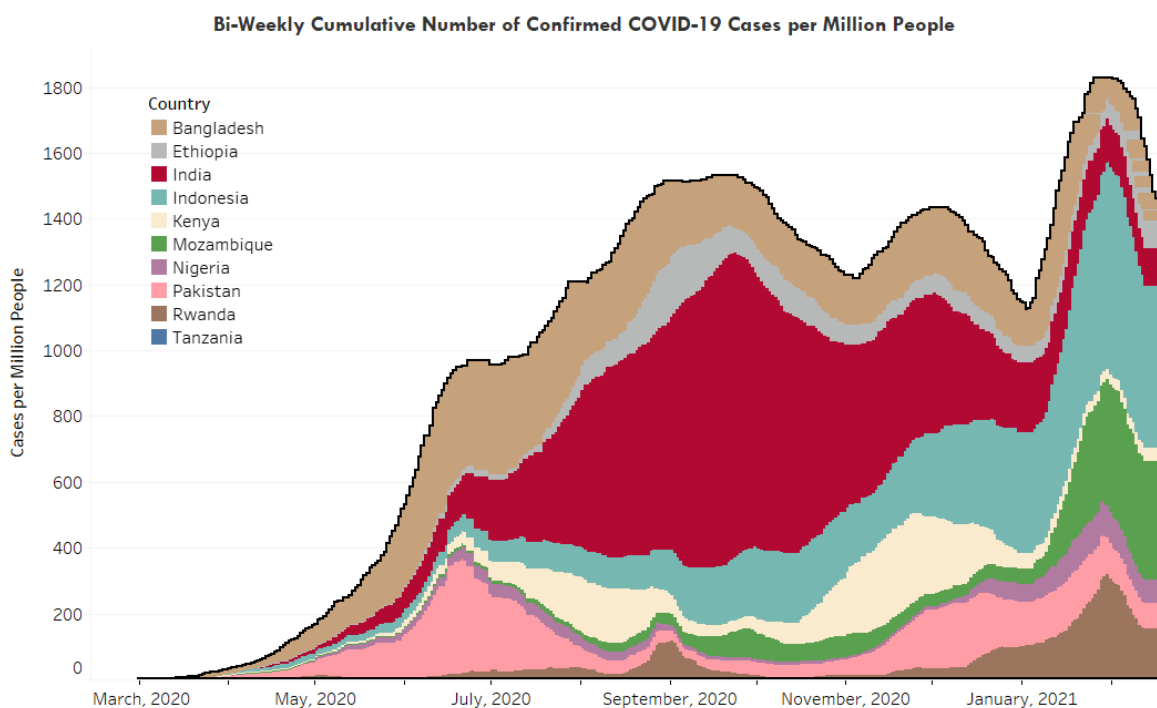


Figure 1: Bi-Weekly Cumulative Confirmed COVID-19 Cases per Million People in GAIN Focus Countries, March 4, 2020 – February 15, 2021.

The number of confirmed cases could be lower than the number of actual; the main reason for that is limited testing.

Source: <https://ourworldindata.org/coronavirus>

limited supplies of the Moderna vaccine.¹⁴ Then, in the first week of March 2021, **Rwanda, Kenya, and Nigeria** received the first deliveries of COVID-19 vaccines from the global COVAX initiative, which aims to secure vaccine for low-and middle-income countries.¹⁵

3.2 Impacts on Local Food Systems and Food Security and Nutrition

The COVID-19 pandemic and its second wave have continued to cause disruptions in trade and affect consumer demand. As reported by Gro Intelligence in January 2021¹⁶, the economic dislocations caused by the pandemic have resulted in currency shocks, which contributed to the trend in local food price inflation. According to a World

Box 1: Summary of Global Food Insecurity Hot Spots

1. **Fragile and conflict-affected states:** where logistics and distribution are difficult even without COVID-19 and associated social distancing requirements.
2. **Crisis-affected countries:** these countries are affected by multiple crises resulting from more frequent extreme weather events (e.g., floods, droughts) and pests, such as the desert locust plague impacting food production in 23 countries.
3. **Low-income and vulnerable populations:** including the estimated 690 million (or 8.9% of the world population) who were already chronically or acutely food insecure before the COVID-19 crisis.
4. **Currency depreciation:** countries with significant currency depreciation (driving up the cost of food imports) and countries seeing other commodity prices collapse (reducing their capacity to import food).

Source: The World Bank. December 14, 2020. <https://www.worldbank.org/en/topic/agriculture/brief/food-security-and-covid-19>

¹⁴ <https://www.theeastafrican.co.ke/tea/news/east-africa/rwanda-covid-19-vaccine-3291542>

¹⁵ <https://www.africanews.com/2021/03/03/covid-19-vaccine-deliveries-to-african-nations-pick-up-speed/>

¹⁶ <https://gro-intelligence.com/insights/articles/agriculture-and-climate-markets-in-2021-and-beyond>

Bank brief (December 2020)¹⁷, global food prices (international prices of a basket of food commodities) increased by about 20% between January 2020 and January 2021 for most commodities. The price of grains increased by an average of 7.1% from December 2020, while dairy and meat rose to a lesser extent: 1.6% and 1% respectively. These price changes were due to a combination of downward revisions in grain supply outlook, rising demand for feed grains from rebounding livestock production in East Asia and a slump in the supply of poultry meat as an avian influenza outbreak coupled with COVID-19 restrictions constrained poultry exports from several European countries. As a result, **many countries are experiencing food price inflation at the retail level**, reflecting supply disruptions due mainly to COVID-19 and currency devaluations. The higher retail prices and consumers' reduced incomes mean that more households are having to cut down on the quantity and quality of their food consumption, especially perishable and nutritious food.

Some of the longer-term impact of COVID-19 on food systems include: loss of livelihoods and disrupted access to food, leading to a potential increase in hunger; threats to food system stability and resilience; shifts in diets to less nutritious foods, with threats to health; ongoing uncertainty constraining long-term investment in the food and agriculture sector; and diminished attention to climate and biodiversity, threatening food system sustainability.¹⁸

COVID-19 and associated movement restrictions have also distorted the existing balance of seasonal migrants' livelihoods in India and the Sahel Region (See Box 3). In **Nigeria**, the land borders, which had been closed to neighbouring countries since August 2019, gradually began reopening in December 2020. However, the cross-border trade flows remained constrained by COVID-19 restrictions on border crossings. According to a study conducted by REACH¹⁹ (January 2021), 96% of seasonal workers (n = 30) originating from the Northwest of Nigeria to the city of Maradi in Niger, reported that COVID-19 had impacted their livelihood sources, particularly agriculture, small business and manual labour). India, which has the largest number of emigrants in the world, had

Box 2: Impact of COVID-19 on Agri-Food Supply Chains

Due to COVID-19 health precautions, many companies stopped operating to prevent the spread of the virus and to abide by social distancing rules. This affected the entire supply chain. A United Nations Conference on Trade and Development report from December 23, 2020, highlighted the impact of COVID-19 on agri-food supply chains in developing countries:

Transport and logistics. Bottlenecks in transport and logistics have disrupted the movement of products along supply chains. Extra checks (e.g., requirements for new and/or additional certificates) at borders translate to delays that are detrimental to perishable goods. Some countries quarantine trucks and/or drivers, thereby reducing ground fleets, leading to increased risk of produce perishing and longer delays in reaching markets.

Delays in the movement of agricultural inputs. The confinement and consequent delays of movement of agricultural inputs are harming low- and middle-income countries. Supply disruptions for inputs, such as seeds and pesticides, are affecting farm production. Smallholder farmers are particularly affected, as closures of village-based agro-dealers added to their inability to access affordable inputs for farm production.

Food waste. High-value commodities, especially perishables such as fresh fruit and vegetables, meat, fish, and milk (and cut flowers in **Kenya**) are likely to be particularly affected, resulting in increased food waste as production surpluses decay.

These results are largely similar to those noted in prior situation reports in this series.

Sources: <https://unctad.org/publications-search?Operator=and&keys=Maximizing+sustainable+agri-food+supply+chain+opportunities+to+redress+COVID-19+in+developing+countries>

¹⁷ <https://www.worldbank.org/en/topic/agriculture/brief/food-security-and-covid-19>

¹⁸ <http://www.fao.org/3/cb1000en/cb1000en.pdf>

¹⁹ https://reliefweb.int/sites/reliefweb.int/files/resources/REACH_SHL_report_pushed-to-the-brink_January-2021-1.pdf

Box 3: Impact of COVID-19 on Livelihoods in Sahel Region

While there are still COVID-19 movement restrictions in the Sahel region (including parts of **Nigeria** as well as Niger, Burkina Faso and others), cross-border migration has not stopped. It has instead become more expensive, with less transport available and a reported rise in the use of irregular routes. Hence, the long-held seasonal migration patterns in the region are limited, putting uncertainty on an important source of supplementary revenue for millions of Sahelians across the region. Two studies, one conducted by REACH, in partnership with the Start Network, to assess seasonal migrants' livelihoods in the short-and mid-term and another by SWAC/OECD Secretariat on FSN in the Sahel published in December 2020 highlighted the following impacts:

Short-term: Impact on livelihoods

1. COVID-19 has had an immediate impact on seasonal migrants' livelihoods in areas of origin and destination:
 - At origin, the impact was felt in terms of a rise in expenditures due to high food prices and higher costs of migration transport for those who decided to migrate; reduced income due to unexpected produce surpluses (in turn because of limited demand from potential clients due to movement restrictions); and lower remittances from household members, leading to less cash for buying food.
 - In destination areas, there was insufficient agricultural labour, as workers were 'trapped' in their origin countries. For example, among Nigerian respondents who migrated cross-border to Maradi, Niger, small jobs and manual labour were the most reported livelihood sources thought to have been impacted, reflecting migrants' primary activity in the destination area.
2. To cope with their reduced income due to disruptions to habitual migration patterns and more limited access to livelihood sources, migrants ate less desired food (which often means less nutritious food), reduced the number of meals per day, borrowed money, spent savings and searched for supplementary work.
3. Seasonal migrants who decided not to migrate due to the restrictions and the capital-intensive nature of migration appeared to be worse impacted than those who still chose to migrate. Their ability to respond to the COVID-19 shock was weakened by the coping strategies employed to deal with the short-term impacts of the virus.

Mid-term: Impact on livelihoods

1. COVID-19 exacerbated the already existing socio-economic, security and health shocks in the Sahel as inflation continues to have a serious impact, especially in **Nigeria**. As of December 2020, some 16.7 million people (concentrated in Northern Nigeria) required immediate food assistance and about 1 million people faced a food emergency. COVID-19 movement restrictions also negatively impacted transhumance movement, pastoral mobility and the functioning of livestock markets in the Sahel.
2. Due to movement restrictions and increasing cost of the return trip, agricultural migrants may consider more longer-term stays, likely in the cities of destination areas, adapting to the off-season change in demand for labour. This could contribute to the already increasing number of urban poor in Sahelian cities and increase pressure on urban services and infrastructure.

Sources: https://reliefweb.int/sites/reliefweb.int/files/resources/REACH_SHL_report_pushed-to-the-brink_January-2021-1.pdf
http://www.food-security.net/wp-content/uploads/2020/12/Regional-snapshot-Dec2020_bilingual.pdf

facilitated the return of more than 4.2 million stranded Indians, including seasonal migrant workers, from around the world as of February 6, 2021.²⁰ For these migrants, this entails loss of a major source of income.

In East Africa, the pandemic came at a time when FSN and food systems were already under strain due to conflict, natural disasters, climate change and the arrival of pests and infectious diseases. According to FEWS NET (January 2021), **Crisis (IPC Phase 3) or worse outcomes are expected through at least May 2021 across many countries in**

²⁰ <https://migrationdataportal.org/themes/migration-data-relevant-covid-19-pandemic>

East Africa. This is attributed to conflict and displacement, long-term macroeconomic challenges, the economic impacts of COVID-19, multiple weather shocks and the ongoing desert locust upsurge in some parts; high inflation rates also have pushed staple food prices above the five-year average in several countries in the region.²¹ In **Ethiopia**, wheat prices were 85% above average in December 2020 while prices of staple foods are expected to increase before the May-to-August 2021 harvest season in **Tanzania**.²² Meanwhile, **the desert locust outbreak is causing damage to crops and rangeland in southern Ethiopia and northern Kenya**. Thus, while COVID-19 remains a driver of food insecurity in the region, it is far from the most dominant one. Of the 10 GAIN focus countries, **Ethiopia** and **Mozambique** are most at risk of food and nutrition insecurity according to the Integrated Food Security Phase Classification (IPC) January-June 2021 outlook (see Table 1). The report shows that about 16% of the 53 million people analysed in Ethiopia faced crisis or emergency (IPC Phase 3 or above) between October and December 2020; it projected that an additional 3.1 million people would fall in this category by June 2021 as a result of COVID-19, conflict and desert locusts.²³ A total of 2.7 million people experienced crisis or emergency (IPC Phase 3 or above) between October and December 2020 in **Mozambique**; in **Kenya**, low-income urban households in Nairobi, Kisumu and Mombasa continue to face *Crisis* (IPC Phase 3), driven by constrained access to labour and incomes from ongoing COVID-19 restrictions (e.g., the night-time curfew, reduced business operating hours and increasing food prices).²⁴ Notwithstanding the downplaying of COVID-19 by government officials in **Tanzania**, a WFP country brief report (January 2021) indicated that the proportions of people facing poor food consumption and those that have adopted various coping mechanisms have dropped slightly with the end of the lean season in the east, north, northern coast, and north west of the country.²⁵

Table 1: Highest Number of Acutely Food-Insecure People in Oct – Dec 2020 and projection for Jan – Jun 2021.

Country	Highest number of acutely food-insecure people from Oct 2020 – Dec 2020		Projected highest number of acutely food-insecure people from Jan 2021 – Jun 2021		Change in numbers of people in IPC Phase 3 or above between the period of Oct 2020 – Dec 2020 and Jan 2021 – Jun 2021
	Population in IPC Phase 2 "Stressed" in million (% of the total population)	Population in IPC Phase 3 or above "Crisis" or "Emergency" in million (% of the total population)	Population in IPC Phase 2 "Stressed" In million (% of total population)	Population in IPC Phase 3 or above "Crisis" or "Emergency" in million (% of total population)	
Ethiopia	15.7 (14%)	7.2 (6%)	17.4 (15%)	10.3 (9%)	The projected estimate shows a 3.1% increase in the population that will experience crisis or emergency situations (IPC Phase 3 or above) in the presence of the currently planned and funded humanitarian response from Jan 2021. Lockdowns and other measures put in place to prevent the spread of COVID-19 had a negative impact on food prices, income and food expenditure, remittances and employment opportunities.
Kenya	6.3 (17%)	1.5 (2%)	--	--	Around 1.9 million people (11% of the population analysed) experienced crisis or emergencies (IPC Phase 3 or above), which includes about 400,000 people classified in Emergency (IPC Phase 4). No projected 2021 estimates were available for Kenya.
Mozambique*	8.8 (28%)	2.4 (8%)	8.4 (27%)	2.6 (8%)	2.7 million people experienced crisis or emergencies (IPC Phase 3 or above) in rural (~1.9 million) and urban (0.8 million) areas across the country between Oct and Dec 2020.

Data outdated or unavailable for Bangladesh, India, Indonesia, Nigeria, Pakistan, Rwanda and Tanzania.

*Projection was made from Jan 2021 to Mar 2021 for Mozambique. Source: Integrated Food Security Phase Classification (IPCC)

<http://www.ipcinfo.org/ipc-country-analysis/>

²¹ <https://fews.net/east-africa/key-message-update/january-2021>

²² https://fews.net/sites/default/files/documents/reports/MONTHLY%20PRICE%20WATCH%20with%20ANNEX_January%202020_FINAL.pdf

²³ http://www.ipcinfo.org/fileadmin/user_upload/ipcinfo/docs/IPC_Ethiopia_Acute_Food_Insecurity_2020Oct2021Sept_Snapshot.pdf

²⁴ <https://fews.net/east-africa/kenya/key-message-update/january-2021>

²⁵ <https://reliefweb.int/sites/reliefweb.int/files/resources/WFP%20Tanzania%20Country%20Brief%20-%20January%202021.pdf>

3.3 Price and Availability Changes

The FAO Food Price Index averaged 107.5 points in December 2020 and was 2.2% higher than in November 2020.²⁶ It rose to an average of 113.3 points in January 2021, another 4.3% higher than in December 2020. This made January 2021 the eighth month of consecutive rise and the highest monthly average since July 2014.²⁷ The latest price change between December 2020 and January 2021 reflected an increase in the price of sugar (8.1%), cereals (7.1%) and vegetable oils (5.8%); dairy and meat prices also increased but to a lesser extent.

Pricing of 14 main food products in GAIN countries

Using data extracted via the FAO Big Data Price Monitor from Numbeo,²⁸ a website used to estimate the cost of living in different countries, we examined average price changes across 14 main food products²⁹ in the 10 GAIN countries from February 14th, 2020 (pre-pandemic) to February 16th, 2021 (see Table 2). **Prices across the 14 food products across GAIN countries have increased an average of 8.8% since before the pandemic; this is below the global average price increase of 10.3%.** Among GAIN countries, the most significant average price hikes since February 2020 were seen in **Rwanda, Nigeria, Mozambique and India**, while **Kenya** and **Ethiopia** have seen a decline in average prices in the same period. As reported by FAO FPMA (February 2021), cereal prices remained below their year-earlier values in **Kenya** due to adequate domestic availabilities and sustained imports from Uganda, while in Ethiopia, prices of wheat and sorghum declined as a result of the increasing supplies from the “Meher” harvest.³⁰ Between January 16 and February 16, 2021 prices decreased an average of 0.6% in GAIN focus countries and 1.4% globally.

Table 2. Average Changes in Food Prices Since the Start of COVID-19

Country	Price changes (%) 14 Feb 2020 to 07 May 2020	Price changes (%) 14 Feb 2020 to 07 Nov 2020	Price changes (%) 14 Feb 2020 to 16 Feb 2021	Price changes (%) in the last 30 days
Bangladesh	1	7.4	7.3	-
Ethiopia	3.4	1.2	-0.2	-4.8
Indonesia	2.5	6.1	5.4	-0.5
India	3.8	8.8	11.1	0.2
Kenya	4.2	0.6	-0.8	0.5
Mozambique	10.5	16.5	13.2	2
Nigeria	3.1	11.3	14.9	1.7
Pakistan	2.6	7.2	9.5	-
Rwanda	19.5	19.4	18.8	-
Tanzania	12.3	9.1	9.1	-1.9
Total GAIN Focus Countries	6.3	8.8	8.8	-0.6
Total Global	-	9	10.3	1.4

Note: Refers to average change in price across 14 main food products: apples, bananas, meat of cattle, meat of chickens, hen eggs in shell, lettuce and chicory (fresh), bread and other bakers' wares, cheese, fresh or processed, processed liquid milk, onions, oranges, potatoes, rice and tomatoes. Data source: Numbeo via FAO Big Data Tool.

²⁶ <http://www.fao.org/news/story/en/item/1366924/icode/>

²⁷ <http://www.fao.org/worldfoodsituation/foodpricesindex/en/>

²⁸ <https://www.numbeo.com/food-prices/>

²⁹ The 14 food products included are: apples, bananas, meat of cattle, meat of chickens, hen eggs in shell, lettuce and chicory (fresh), bread and other bakers' wares, cheese, fresh or processed, processed liquid milk, onions, oranges, potatoes, rice and tomatoes.

³⁰ <http://www.fao.org/giews/food-prices/regional-roundups/detail/en/c/1373992/>

Availability and staple food prices

As reported by GIEWS FPMA Bulletin (February 2021) and FEWS NET Global Price watch (December 2020), international prices of maize surged in January amid shrinking global export supplies and large purchases by China (mainland).³¹ International wheat prices were stable on average in December following an upward revision of the global production forecast and relative stability in global wheat trade. Wheat prices were on average above December 2019 and five-year average levels, while global soybean prices increased further in December on poor South American crop outlook. Soybean prices, too, were above December 2019 and five-year average levels.³²

Euromonitor e-commerce stock data indicate improved availability of food. Data gathered from the GAIN Keeping Food Markets Working/EatSafe project in the survey of Nigerian markets (Gosa & Utako) in November 2020 and Kenyan markets (Marikiti & Madaraka) in December 2020 showed an increase in the availability of food commodities, especially poultry, fresh vegetables, fresh fruits and dairy with the exception of Madaraka market where consumers reported a decrease in the availability of fresh vegetables, fresh fruit and fish.^{33, 34} Food availability and prices are broadly following seasonal trends. However, low-income households' access to food may be more limited in some areas because of reduced income due to the interrelated factors of movement restrictions and reduced economic activity.³⁵

Changes in the prices of animal-source foods and vegetable vary widely across the GAIN countries. Table 3 compares the price changes of eggs and vegetables from May to July 2020, August to October 2020 and November 2020 to January 2021.³⁶ In **Indonesia**, there was a noticeable spike in the price of vegetables in late November 2020 and January 2021 and the price of eggs has been highly volatile since November 2020. In **India**, the price of eggs has been fairly stable since November 2020, with a spike in early November, whereas the price of vegetables has dropped considerably. While the average price of eggs rose in early January 2021 in **South Africa**, it has been unstable since then.

Prices across staple foods in many countries have remained volatile since the COVID-19 crisis began. These unstable prices are due to various factors such as improved market availability of newly harvested crops, the re-introduction and easing of the COVID-19-related restrictive measures in some countries, as well as conflict and macroeconomic issues. Regional pricing trends are summarised below, using monthly insights from the FEWS NET Price Watch (December 2020)³⁷ and the FAO Food Price Monitoring and Analysis Tool (February 2021).³⁸

West Africa

In the Sahel region, prices of domestically produced coarse grains followed mixed trends in January 2021, easing in countries with good supplies from the 2020 harvests and increasing elsewhere. The reintroduction of restrictions on movement since November 2020 in response to the second wave of the COVID-19 pandemic in the subregion has significantly constrained economic activities and worsened the upward pressure on prices. The prices are likely to be further driven upward by the demand from institutional and commercial buyers, who have already started replenishing their depleted stocks resulting from the pandemic.³⁹ Also in the West Africa region, conflict-related market disruptions persisted in the Greater Lake Chad basin, the Liptako-Gourma

Box 4: Price Warnings for GAIN countries Issued by FAO Food Price Monitoring and Analysis and FEWS NET Global Price watch

Nigeria: as reported in January 2021, the prices of coarse grains are exacerbated by persistent conflict in the northeast part of the country, where prices were up to twice as high as a year earlier.

Pakistan: Pakistan became a net wheat importer during Marketing Year 2020/21 due to government efforts to build up strategic reserves as the country's wheat production has lagged behind population growth.

Source: <https://fews.net/global/price-watch/january-2021>
<http://www.fao.org/giews/countrybrief/country.jsp?code=NGA>

³¹ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

³² https://fews.net/sites/default/files/documents/reports/MONTHLY%20PRICE%20WATCH%20with%20ANNEX_January%202020_FINAL.pdf

³³ https://www.agrilinks.org/sites/default/files/media/file/Bi-Weekly%20Bulletin_Issue%233_Nigeria%20Summary.pdf

³⁴ GAIN. Feed the future-bi-weekly bulletin - Issue 8: Dec 20, 2020. [Madaraka & Marikiti Retail Market, Kenya]

³⁵ <https://fews.net/global/alert/august-28-2020>

³⁶ <https://www.euromonitor.com/coronavirus>

³⁷ https://fews.net/sites/default/files/documents/reports/MONTHLY%20PRICE%20WATCH%20with%20ANNEX_January%202020_FINAL.pdf

³⁸ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

³⁹ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

Table 3: Average Changes in Prices of Eggs and Vegetables since May 2020

Commodity	Eggs			Vegetables		
	Average % Variation					
Country	May - July 2020	Aug - Oct 2020	Nov 2020 - Jan 2021	May - July 2020	Aug - Oct 2020	Nov 2020 - Jan 2021
India	-7.07%	5.27%	-9.17%	-1.43%	21.74%	-20.00%
Indonesia	-26.82%	-17.56%	-7.31%	-20.02%	-47.31%	-13.21%
South Africa	2.17%	17.39%	5.56%	0.00%	-3.81%	-7.14%

Note: Prices are normalised with a median price base of the commodity as at January 1, 2020 to account for price differences across countries.
Source: Euromonitor, <https://www.euromonitor.com/coronavirus>

region, the Tibesti region, Northwest and Northcentral Nigeria, and the Northwest and Southwest regions of Cameroon. Staple food prices were stable or decreasing compared to the previous month in most markets but were above average in areas affected by deficits, insecurity, and supply chain and trade disruptions.⁴⁰ In addition, strong demand from institutional and commercial buyers, who started replenishing their depleted stocks, is likely to maintain the upward price pressure.⁴¹

- In **Nigeria**, the prices of coarse grains started their seasonal decline in October 2020 due to the arrival of the year's harvest on the markets. However, prices remained at high levels and were higher than their year-earlier values, mainly because of the impacts of measures to contain the COVID-19 pandemic on the supply chain and the unfavourable macroeconomic conditions, including the high inflation rate and the continued depreciation of the local currency.⁴²

Southern Africa

Prices of the main food staple, maize, continued to increase seasonally at the start of the year 2021. Following production upturns in 2020 that limited the monthly gains, prices came under upward pressure from weaker currencies partly owing to the effects of the COVID-19 pandemic.⁴³ However, markets have been well supplied with maize in most countries of the region during the 2020/21 marketing year. Prices generally increased with the onset of the lean season.⁴⁴

- Prices of maize increased in **Mozambique** at comparatively steeper rates in the last months, partly driven by a weakening currency, which had lost about 20% of its value against the US dollar in the 12 months to January 2021. Also, recent cyclones that struck central areas may have caused temporary price spikes, due to disrupted trade routes that may result in localised supply shortfalls.⁴⁵

East Africa

Prices were stable or declined in December across many markets in East Africa with the onset and progression of October-to-January harvests. The lingering effects of COVID-19-related screenings continued to delay cross-border movements. Regional currencies have depreciated persistently in many countries of the region in recent years, both in terms of the official and parallel exchange rates. These trends put upward pressure on the cost of imported goods and contribute to the overall inflationary context observed in many parts of the region.⁴⁶

- In **Tanzania**, prices of maize followed mixed trends in January 2021 but were below their levels in 2020.⁴⁷ The prices of maize continued increasing seasonally as stocks tightened before the main May-to-August harvests in the southern highlands in the country.⁴⁸

⁴⁰ <https://fews.net/global/price-watch/january-2021>

⁴¹ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

⁴² <http://www.fao.org/giews/countrybrief/country.jsp?code=NGA>

⁴³ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

⁴⁴ <https://fews.net/global/price-watch/january-2021>

⁴⁵ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

⁴⁶ https://fews.net/sites/default/files/documents/reports/MONTHLY%20PRICE%20WATCH%20with%20ANNEX_January%202020_FINAL.pdf

⁴⁷ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

⁴⁸ https://fews.net/sites/default/files/documents/reports/MONTHLY%20PRICE%20WATCH%20with%20ANNEX_January%202020_FINAL.pdf

Box 5: Summary of Nigerian Food Security Outlook, October 2020 to May 2021

Key Insights

- The Boko Haram conflict in the Northeast has increased in recent months, increasing the displaced population, particularly in Borno, Yobe and Adamawa States. High staple food prices and limited access to income are resulting in many households facing *Crisis* (IPC Phase 3) outcomes.
- Households worst-affected by conflict in the Northwest are mainly reliant on own harvest and markets for food.
- Many households are expected to recover during the February to May 2021 period, as households participate in dry season cultivation and begin to consume sufficient self-produced foods.
- The harvest from October 2020 to January 2021 is helping to stabilise prices; however, prices remain significantly above average across the country. Staple food prices are expected to increase in the first half of 2021 as market demand increases and supply declines.

Most Likely Food Security Outcomes

As the COVID-19 related lockdowns are gradually easing in Nigeria, the income-earning opportunities of urban low-income households are increasing. Many households are expected to start replanting to engage in flood recession agriculture, leading to increased access to income; however, due to crop losses to flood and reduced consumer spending, income is expected to remain lower than normal. As the dry season harvest becomes available, household access to own-produced food is expected to improve and *Minimal* (IPC Phase 1)* outcomes are expected to emerge in March/April.

Possible events that might change the Nigerian food security outlook from October 2020 to May 2021:

Events	Impact on food security outcomes
Increase in COVID-19 cases across the country	<ul style="list-style-type: none">• Another round of lockdown across the country, including rural communities, with impacts on livelihoods and food supply chains
Reopened land borders with neighbours	<ul style="list-style-type: none">• Increased trade flow and income levels• Increased staple demand and staple prices.

Sources :

https://reliefweb.int/sites/reliefweb.int/files/resources/NIGERIA_Food_Security_Outlook_Oct%202020%20to%20May%202021_Final%20.pdf

* Minimal (IPC Phase 1): when more than 80% of households in an area experiencing Phase 1 outcomes and acute malnutrition rates are expected to be below 5%

- In **Kenya**, prices of maize remained stable or increased in January despite the imminent start of the secondary “short-rains” harvest, as cereal production is expected at below-average levels due to unfavourable weather conditions. However, prices remained below their year-earlier values due to adequate domestic availabilities and sustained imports from Uganda.⁴⁹
- In **Ethiopia**, prices of wheat and sorghum declined in the capital, Addis Ababa, with the main ‘Meher’ harvest season increasing supplies, while prices of teff remained firm and those of maize increased due to sustained local demand.⁵⁰ Prices declined seasonally across many parts of the country with the progression of the October-to-January harvest. However, prices declined more rapidly than usual in the surplus-producing Amhara region due to disruptions along key marketing corridors with the conflict-affected Tigray region. Some surpluses from Amhara were diverted to neighbouring areas of Sudan.⁵¹
- In **Rwanda**, prices of maize declined in January with the ‘2021A’ season harvest and were lower than 12 months earlier due to adequate availabilities coupled with depressed demand following COVID-19-related restrictions.⁵²

⁴⁹ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

⁵⁰ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

⁵¹ https://fews.net/sites/default/files/documents/reports/MONTHLY%20PRICE%20WATCH%20with%20ANNEX_January%202020_FINAL.pdf

⁵² <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

Asia

Domestic prices of rice were stable or increased in January and were generally well above their year-earlier levels in most countries of the region. The price increases mostly concerned traditional rice exporters.

- In **India**, domestic rice prices were stable, despite the progressive arrival of a record 2020 main crop into the markets, reflecting large government procurement and a good pace of exports. According to official estimates, as of February 4, 2020, some 60 million tonnes of paddy rice had been procured, representing almost 40% of the main rice season production.⁵³
- In **Bangladesh**, prices of rice in the Dhaka market continued their 11-month upward streak and in January 2021 were more than 35% above their year-earlier values and at their highest level since October 2017. The persistent upward trend is attributed to stagnant production, limited imports and an upsurge in domestic demand due to the COVID-19 pandemic.⁵⁴
- In **Pakistan**, prices of wheat flour continued to decrease in most markets from the record levels reached in November 2020, reflecting improved market availabilities from sizeable imports. Favourable prospects for the 2021 “Rabi” crop, for harvest from April onward, also added to the downward pressure on prices.⁵⁵
- In **Indonesia**, the prices of rice changed a little and were only slightly above their year-earlier values.

3.4 Impacts on Food System Small- and Medium-Sized Enterprises

Many SMEs are suffering from decreased financial capacity and lack sufficient capital to weather the shock caused by the COVID-19 crisis and the second wave of the pandemic. These financial constraints put them at risk of needing to either close their business or borrow money with high interest rates. To assess the impacts of the COVID-19 pandemic and associated control measures on businesses and their support needs, GAIN and partners undertook a survey of food system SMEs in 14 countries in October/November 2020. About 98% of the 327 firms surveyed reported they have been impacted by the pandemic and associated control measures. The main impacts cited, in order of frequency of mention, were decreased sales, difficulty accessing inputs, difficulty accessing financing, difficulty paying staff and limited financial reserves.⁵⁶

Impact of COVID-19 on Women-Owned SMEs

Well before the pandemic, women faced financial constraints on growing their businesses, as evidenced by the unmet USD 1.5 trillion demand for credit among formal women-owned MSMEs in low- and middle-income countries pre-COVID-19.⁵⁷ A study of 1,800 women-owned SMEs conducted in India (published November 2020) by Global Alliance for Mass Entrepreneurship and LEAD at Krea University found that 63% of the SMEs did not have cash reserves to manage their expenses during the crisis and 80% did not have the ability to take any enterprise-related loan during the lockdown.⁵⁸ In Kenya, a study conducted by the Kenyan Association of Manufacturers among its members found that women-owned SMEs (80%) reported an average decline of 50% in supply volumes and did not benefit from the government stimulus package due to their informal nature and how the packages were targeted at employees instead of business owners.⁵⁹ Hence, to survive, they reduced expenses or quantity and choice of food and other essential items.

3.5 Consumer Behaviour

As countries adapted to the ‘new normal’ and economies slowly began to recover by resuming economic activities, the food security situation in FEWS NET-monitored countries reflect improvements relative to mid-2020. However, millions of poor households are expected to continue facing difficulty in meeting their basic food

⁵³ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

⁵⁴ <http://www.fao.org/giews/food-prices/regional-roundups/detail/en/c/1373996/>

⁵⁵ <http://www.fao.org/3/cb3318en/CB3318EN.pdf>

⁵⁶ <https://www.gainhealth.org/sites/default/files/publications/documents/impacts-of-covid-19-on-small-and-medium-sized-enterprises-in-the-food-system-results-of-an-online-survey.pdf>

⁵⁷ <https://blogs.worldbank.org/psd/initiatives-can-help-counter-coronavirus-impact-women-owned-businesses>

⁵⁸ <https://economictimes.indiatimes.com/small-biz/entrepreneurship/covid-19-impact-on-women-led-micro-biz-widens-socio-economic-gap-survey/articleshow/79473035.cms?from=mdr>

⁵⁹ <https://ideas.repec.org/a/rfa/journal/v9y2021i1p7-21.html>

and non-food needs because of income losses during lockdowns and continued COVID-19 risk-avoidance behaviour.⁶⁰ The reduction in income for many households has had the compounding effect of reduced nutritious food intake, especially for those populations that were already vulnerable.⁶¹ Lower-income consumers, who spend more than half of their income on food, have been affected in their ability to afford protein-rich foods, thus compromising the quality of their diets.^{62,63} Overlapping and reinforcing dynamics have emerged that are affecting FSN thus far, including disruptions to food supply chains; loss of income and livelihoods; widening inequality; disruptions to social protection programs; altered food environments; and uneven food prices in localised contexts.

As identified in a survey conducted in November 2020 with 75,000 consumers across 12 markets in six separate waves, the four key consumer trends affecting purchasing patterns and consumption are erosion of trust, digitalization, economic impact and work from home. These themes highlight the uncertainty consumers are experiencing, their feelings towards brands and their changing behaviours in the 'new normal'.⁶⁴ Below are some country-specific insights gathered on consumer preference trends since the start of COVID-19 in terms of food purchasing behaviour. There is limited information for Mozambique and Pakistan.

Bangladesh

- **Unequal distribution of food in Dhaka and local markets due to COVID-19:** According to a country-wide survey (n = 205) of consumer perceptions of the food market, food is not equally available in the capital city, Dhaka and other local markets. This was due to the supply chain disruptions induced by COVID-19 related restrictions, which affected everyone from farmers to consumers. The study also found that almost every consumer expects new agriculture and food-related initiatives from the government.⁶⁵
- **As high-quality protein and micronutrient-rich foods become more expensive, a malnutrition crisis might be looming.** According to the Nutrition International Bangladesh Country Director, this lack of access to proper nutrition could have long-term health impacts, including weaker immune system, lowered resilience to disease and increased stunting and wasting.⁶⁶

Ethiopia

- **A shortage of transport vehicles and labour led to hikes in the cost of transport and logistics, which were reflected in retail prices.** The closure of businesses, particularly in the service sector, deprived many daily wage workers of their livelihoods and hence access to food. Businesses in the flower and poultry industries were forced to dump their produce and furlough their workers because of a lack of demand.⁶⁷
- **As inflation erodes income, consumer spending remains weak and most spending will be on essential items.** A 2020 report by Standard Bank Africa notes that while there are overall positive trends after COVID-19 impacts abate in Ethiopia, the overall profile of the Ethiopian consumer remains weak, with low GDP per capita and high inflation.

India

- Consumers have resumed economic activities, albeit with caution, as purchasing lower quality or cheaper alternatives to commonly bought items is still evident. Though most Indians are still waiting for indicators beyond the lifting of restrictions to return to normal out-of-home activities, more are engaging in them.⁶⁸

Kenya

- **Urban poor households in Kenya are currently engaging in crisis-coping strategies to reduce the impact of COVID-19,** such as reducing non-food expenses like healthcare and selling productive assets such as sewing machines, wheelbarrows and bicycles to meet their minimum food needs. The worst-affected

⁶⁰ <https://fews.net/global/alert/september-2020>

⁶¹ <http://www.fao.org/3/cb1000en/cb1000en.pdf>

⁶² <https://unsdg.un.org/sites/default/files/2020-06/SG-Policy-Brief-on-COVID-Impact-on-Food-Security.pdf>

⁶³ <https://www.thejakartapost.com/news/2020/10/15/smeru-wfp-study-urges-wider-food-social-policies-to-tackle-tbm-amid-coronavirus.html>

⁶⁴ <https://assets.kpmg/content/dam/kpmg/xx/pdf/2020/11/consumers-new-reality.pdf>

⁶⁵ <http://www.sciencepublishinggroup.com/journal/paperinfo?journalid=232&doi=10.11648/j.ijae.20200506.13>

⁶⁶ <https://www.thedailystar.net/health/news/combating-the-coming-malnutrition-crisis-1960153>

⁶⁷ <https://agra.org/ethiopia-food-security-outlook-and-effects-of-covid-19-on-farmers/>

⁶⁸ <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/survey-indian-consumer-sentiment-during-the-coronavirus-crisis>

households in the Mukuru and Dandora informal settlements of Nairobi were reported to have continued to engage in coping strategies indicative of Emergency (IPC Phase 4).⁶⁹

- **The COVID-19 crisis has caused a structural shift of demand toward digital commerce in Kenya.** Online sales are no longer an option, but a necessity for modern day businesses. For example, agricultural value-chain platform Twiga Foods partnered with Jumia Kenya, an e-commerce platform, to sell baskets of assorted fruits and vegetables directly to consumers in Kenya.⁷⁰

Nigeria

- COVID-19 shaped the main trends in 2020, particularly smaller packaging for consumer goods and **increased spending on food and essential goods due to dwindling disposable income and people spending more time at home.** These trends are expected to continue to influence behaviour across the market in Nigeria.⁷¹
- **Consumer buying patterns shifted slightly towards more food items, with growth in purchase of food and essentials as opposed to other categories.** TradeDepot data revealed a 10% increase in the overall contribution of food items to the distribution volumes in 2020, compared with 2019.⁷²

Rwanda

- **The purchasing power of the urban poor and rural populations is decreasing continuously.** Notwithstanding the relaxation of COVID-19 restrictions in the country, income-earning opportunities and economic activities such as local and cross-border trading and casual labour remain below average compared to the pre-COVID-19 period. These have negatively affected the purchasing power of urban poor and rural populations, including those who moved back to their rural homes from urban areas at the beginning of the lockdown.⁷³

Moving forward

Africa, compared to Asia, Europe and the US, has largely escaped the devastating death toll of COVID-19, accounting for a fraction of the world's 63 million cases.⁷⁴ However, the continent has been strongly affected by the pandemic's impact on food supply chains, revealing underlying vulnerabilities and compounding known ones (e.g., locust swarms, conflict) that threaten to bring a more severe food security crisis.⁷⁵ In tackling the secondary impacts of the pandemic, Africa can build greater resilience to global shocks, leapfrogging other regions by reconfiguring a food system that the continent and the world has long since outgrown. This could provide a blueprint for other regions and help the rest of the world to leverage food and agriculture for better health, climate action and opportunities for equality. Such a roadmap should start by recognising that the diet, nutrition, and health of a population underpin all other indicators of progress and prosperity.⁷⁶

3.6 Government and Policy Responses

A few GAIN countries have put new social protection programs in place since November 2020. The KPMG Global Mobility COVID-19 Tracker⁷⁷ which was last updated February 14, 2021, notes that new social protection measures are in effect in four of the ten GAIN countries; this is summarised in Table 4 together with World Bank-collated data on social protection measures since May 2020.⁷⁸ These include health insurance coverage for COVID-19 treatment and tax deferrals. In **India**, for example, on 30 December 2020, the Indian Ministry of Finance further extended the

⁶⁹ <https://fews.net/east-africa/kenya/key-message-update/january-2021>

⁷⁰ <https://blogs.worldbank.org/psd/how-pandemic-induced-boom-e-commerce-can-reshape-financial-services>

⁷¹ <https://brandspurng.com/2021/01/12/tradedepot-highlights-smaller-packs-and-increased-food-spending-as-top-trends-that-will-shape-nigerias-retail-sector-in-2021/>

⁷² <https://brandspurng.com/2021/01/12/tradedepot-highlights-smaller-packs-and-increased-food-spending-as-top-trends-that-will-shape-nigerias-retail-sector-in-2021/>

⁷³ <https://fews.net/east-africa/rwanda/remote-monitoring-report/february-2021-0>

⁷⁴ <https://covid19.who.int/>

⁷⁵ <https://news.un.org/en/story/2020/11/1077872>

⁷⁶ <http://www.ipsnews.net/2020/12/africa-can-lead-world-covid-19-recovery/>

⁷⁷ <https://assets.kpmg/content/dam/kpmg/xx/pdf/2020/05/Interactive-GMS-Covid-Tracker.pdf>

⁷⁸ Gentili, U; Almenfi, MBA; Dale, P; Demarco, GC; Santos, IV. 2020. Social Protection and Jobs Responses to COVID-19: A Real -Time Review of Country Measures (May 1, 2020) (English). COVID-19 Living Paper. Washington, D.C.: World Bank Group.

due dates for filing income tax returns and tax audit reports for the payment of tax liabilities not exceeding INR 100,000 (USD 1,373) and other filings and extended tax filing dates for the 2019-20 assessment year.

Rwanda, in response to the spike in COVID-19 caseloads in January 2021, expanded health insurance coverage to include coronavirus-related treatment in a bid to reduce mortality.⁷⁹ Social protection programs that affect agri-SMEs have also changed in some GAIN countries. For example, according to the **Rwandan** Ministry of Finance, an initial RWF 100 billion (USD 100.8 million) economic recovery fund is available to local businesses, including agro-processing SMEs, to revive business activities, safeguard employment in the wake of COVID-19 and boost domestic production.⁸⁰ For the Rwandan government to make adequate provision for the most vulnerable groups in the country, households have been re-classified into five categories (A-E) under the Ubudehe Programme, a social protection programme led by the government. The poorest households (Category E) are receiving full state social protection, including fortified blended foods, among other social benefits⁸¹.

Indonesia integrated COVID-19 prevention into workplace health and safety programs, encouraged remote work and established regulations to guarantee full pay to workers affected by COVID-19.⁸² The government of **Mozambique's** response prioritised the upcoming 2020/21 cropping season by financing hubs of agro-dealers⁸³ and partnered with the International Fund for Agricultural Development in December 2020 with total funding of USD 72.5 million to launch the Inclusive Agri-Food Value Chain Development Programme. The 10-year programme aims to build the resilience of 900,000+ horticultural, meat and legume producing small-scale farmers by linking them to input suppliers, markets and climate-smart technologies in 75 districts across 10 out of 11 provinces of the country, as well as capacity building on value addition in view of COVID-19 and climate change impacts.⁸⁴

In **India**, where 43% of the estimated 75 million MSMEs were expected to shut down if lockdowns continued⁸⁵, the government admitted that there were no data on the number of MSMEs that have faced closure during the lockdown period because the latest data available on MSMEs is based on the Economic Census of 2013.⁸⁶ In November 2020, the central government announced the second iteration of the emergency credit-linked guarantee scheme to support 26 stressed sectors affected by COVID-19⁸⁷ with 12 measures. The scheme is such that banks will be able to provide collateral-free, fully guaranteed loans to borrowers at capped interest rates. Although according to the appointed expert committee, the agricultural sector was not as affected as the trade, roads, textiles and engineering sector⁸⁸, one of the measures taken in the agriculture sector is the provision of higher fertiliser subsidies.⁸⁹

The World Bank, in partnership with other development partners, is supporting the governments of some GAIN countries in various capacities, including providing education and skills training to poor children and youth in **Bangladesh**⁹⁰, improving social safety nets to reduce urban poverty in **Ethiopia**⁹¹, signing a USD 400 million project to protect **India's** poor and vulnerable from the impact of COVID-19⁹² and approving a USD 1.5 billion package to help **Nigeria** build a resilient recovery post-COVID-19 under a five-year Country Partnership Framework (CPF) from 2021.⁹³

Regarding monetary and financial policies, in mid-February 2021, **Pakistani** authorities carefully recalibrated the macroeconomic policy mix under the IMF Extended Fund Facility by reaching agreement on a package of measures, such as COVID-19 related spending, strengthening regulatory agencies' legal frameworks and reforms to corporate

⁷⁹ <https://www.aa.com.tr/en/health/rwanda-health-insurance-to-cover-covid-19-costs/2112638>

⁸⁰ <https://www.newtimes.co.rw/news/rwanda-rolls-out-rwf100-billion-covid-19-recovery-fund>

⁸¹ <https://fews.net/east-africa/rwanda/remote-monitoring-report/december-2020>

⁸² https://www.ilo.org/wcmsp5/groups/public/---dgreports/---inst/documents/publication/wcms_767389.pdf

⁸³ https://agra.org/wp-content/uploads/2020/06/Mozambique-COVID-19-Policy-Response-Package_June-2020-3.pdf

⁸⁴ <https://www.ifad.org/en/web/latest/news-detail/asset/42196660>

⁸⁵ https://www.researchgate.net/publication/343682950_MSMEs_in_COVID-19_Crisis_and_India%27s_Economic_Relief_Package_A_Critical_Review

⁸⁶ <https://www.newindianexpress.com/business/2020/sep/20/no-record-of-the-number-of-msmes-that-shut-down-during-the-lockdown-centre-2199234.html>

⁸⁷ <https://www.bloomberquint.com/business/eclgs-20-india-announces-a-new-emergency-credit-guarantee-scheme-for-stressed-sectors>

⁸⁸ https://www.business-standard.com/article/economy-policy/kamath-panel-identifies-26-stressed-sectors-outlines-rules-for-recast-120090701469_1.html

⁸⁹ <https://www.bloomberquint.com/economy-finance/nirmala-sitharaman-press-conference-live-updates-finance-minister-on-covid-impact-on-economy-stimulus-measures-and-more>

⁹⁰ <https://www.worldbank.org/en/news/press-release/2021/01/18/world-bank-helps-bangladesh-provide-education-and-skills-training-to-poor-children-and-youths>

⁹¹ <https://www.worldbank.org/en/results/2021/01/14/towards-an-inclusive-and-empowered-ethiopia-improving-social-safety-nets-to-reduce-urban-poverty>

⁹² <https://www.worldbank.org/en/news/press-release/2020/12/16/world-bank-signs-usd400-million-project-to-protect-india-s-poor-and-vulnerable-from-the-impact-of-covid-19>

⁹³ <https://www.worldbank.org/en/news/press-release/2020/12/15/world-bank-group-to-boost-nigerias-efforts-to-reduce-poverty>

taxation to make it fairer and more transparent. In **Bangladesh**, an agriculture subsidy programme will be in place till mid-2021. The Bank of **Indonesia** took measures to encourage financing of businesses by extending monetary stimulus through Quantitative Easing, which as of December 23, 2020, was the largest among emerging market economies.⁹⁴ The government has also allocated 86.3% of the 2021 state budget for strategic policies to accelerate economic recovery and economic transformation but worried about the risk of capital reversal if COVID-19 cases continue to rise and the country is forced to implement further restrictions. The National Bank of **Rwanda's** monetary policy committee cut its policy rate by 50 basis points to 4.5% at its April 2020 meeting but has since left it unchanged. It is still unclear if and how the government of Tanzania is supporting food SMEs with policies. A 2020 survey conducted by the UN Capital Development Fund found that, of the 58 SMEs surveyed in **Tanzania**, 80% did not receive government support to mitigate the impact of COVID-19 while only 6% received tax cuts or payment deferrals.

Table 4. Summary of Social Protection Programmes put in Place (Red Cells) to Respond to the COVID-19 Pandemic⁹⁵

	Social Assistance				Social Insurance			Labour Markets		
	Cash-based transfers	Public works	In-kind	Utility & financial support	Paid leave/Unemployment	Health insurance support	Social security waivers or subsidies	Wage subsidy	Training	Labour regulation
Bangladesh										
Ethiopia										
India										
Indonesia										
Kenya										
Mozambique										
Nigeria										
Pakistan										
Rwanda										
Tanzania										

Note: No GAIN countries were noted as offering pensions or disability benefits, or subsidies for reduced work time.

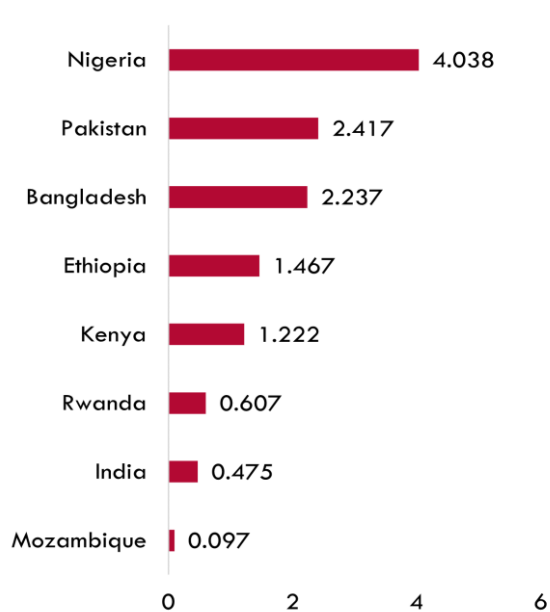
Source: World Bank. December 11, 2020. KPMG Global Mobility COVID-19 Tracker. February 14, 2021

To support government and policy responses, the global donor community has provided billions of US dollars to countries in pandemic-related aid. As of February 12, 2021, **Nigeria** had received the most, followed by **Pakistan** and **Bangladesh**.⁹⁶ Amounts received by each GAIN country are listed in Figure 2. Most of the support has been economic, with a smaller percentage going towards health and social protection.

⁹⁴ However, some researchers believe that Indonesia's central bank may have been too successful, as it is overtly funding the national deficit, which could blur its institutional independence.

⁹⁵ Gentilini, Ugo; Almenfi, Mohamed; Orton, Ian; Dale, Pamela. 2020. Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures. World Bank, Washington, DC. © World Bank. <https://openknowledge.worldbank.org/handle/10986/33635> License: CC BY 3.0 IGO.

⁹⁶ <https://public.tableau.com/profile/iffpri.td7290#!/vizhome/CPRPORTAL/Overview?publish=yes>



In conclusion, this study finds growing adaptation and resilience of many of the countries where GAIN works, particularly when it comes to responding to and managing the negative effects of COVID-19 on nutritious food consumption, especially proteins and fresh produce. At the same time, countries have a long way to recovery: many continue to cope with the second wave, and it is expected that the pace of COVID-19 vaccination will be slow across many low- and middle-income countries.

Figure 2: Aid Received in Billions USD as of Feb 12th, 2021
 Note: Data for Indonesia and Tanzania are unavailable.

ANNEX 1.

Selected Media on COVID-19 Impact on Food Systems in GAIN Countries⁹⁷

Bangladesh

- Climate-Smart Agriculture Could Offset COVID-19's Impact on Bangladeshi Farmers ([Link](#))
- Food System Fact Sheet: Bangladesh ([Link](#))
- Shrimp Farming and Research in Bangladesh Adapts to COVID-19 Pandemic ([Link](#))
- Critical reflections on COVID-19 ([Link](#))
- COVID-19: Economic and Food Security Implications (4th Edition) ([Link](#))

Ethiopia

- COVID-19 and Food Security in Ethiopia: Do Social Protection Programs Protect? ([Link](#))
- Ethiopia: IPC Acute Food Insecurity Analysis October 2020 – September 2021, Issued December 2020 ([Link](#))
- Food security Crisis across much of eastern Ethiopia drives significantly above-normal needs for 2021 ([Link](#))
- Ethiopia's social safety net effective in limiting COVID-19 impacts on rural food insecurity ([Link](#))
- Ethiopia: Overview of Funding towards the Humanitarian Response plan, As of 19 January 2021 ([Link](#))
- Food System Fact Sheet: Ethiopia ([Link](#))

India

- AP: Govt launches 9260 mobile dispensing units for delivery of rice to PDS beneficiaries at their doorstep ([Link](#))
- Opinion: 4 low-cost innovations increasing women farmers' resilience ([Link](#))
- Doubling of farm income unrealistic: How agriculture fared in Covid-19 era ([Link](#))
- India's December wholesale inflation slows to 1.22% as food prices ease ([Link](#))
- New farm laws to herald new era in Indian agriculture ([Link](#))

Indonesia

- Indonesia: COVID-19: Economic and Food Security Implications (4th Edition) ([Link](#))
- Impact of COVID-19 on the food and beverage sector in Indonesia ([Link](#))
- WFP reaffirms support for Indonesia's food security in new strategic plan ([Link](#))
- Consumer Price Index (CPI) of Indonesia; Lowest Calendar-Year Inflation in Two Decades ([Link](#))
- Beyond food security: Indonesia urged to increase food diversity and fortification to prevent nutritional crisis ([Link](#))

Kenya

- Mixed short rains likely to negatively impact crop production and range resources regeneration ([Link](#))
- COVID-19 restrictions and forecast below-average Oct-Dec rains to heighten acute food insecurity ([Link](#))
- Solar savings are helping Kenyan farmers invest in 'newfound gold mines' ([Link](#))
- East Africa's locust "air force" could be grounded, as another wave of the scourge takes flight ([Link](#))
- Swarms continue to invade Kenya ([Link](#))
- KENYA Price Bulletin December 2020 ([Link](#))
- Seasonality of malnutrition: Community knowledge on patterns and causes of undernutrition in children and women in Laisamis, Marsabit County, Kenya ([Link](#))
- Rural food security deteriorates as livestock productivity and household food stocks decline ([Link](#))

Mozambique

- Poorly distributed rainfall through December limits planting in southern Mozambique ([Link](#))
- Mozambique Price Bulletin December 2020 ([Link](#))
- Salvation army undertakes emergency food distributions as Cyclone Eloise hits Mozambique ([Link](#))

⁹⁷ Inclusion of a news article here does not indicate endorsement of the source or its veracity; they are included to highlight indicative ways in which food systems issues are being represented in local and regional media.

- GIEWS Country Brief Mozambique ([Link](#))
- Planning for the Unexpected: Mozambique's First Weather-based Insurance Policy and Seed Bundle ([Link](#))

Nigeria

- Food System Fact Sheet: Nigeria ([Link](#))
- Persistent high levels of conflict drive high assistance needs during the post-harvest period ([Link](#))
- NIGERIA Price Bulletin December 2020 ([Link](#))
- Food Security Sector Dashboard - November 2020 ([Link](#)) Food Security Sector Partner Presence Maps - November 2020 ([Link](#))
- Opinion: Beyond COVID-19 — addressing food insecurity in Nigeria ([Link](#))
- The effects of COVID-19 policies on livelihoods and food security of smallholder farm households in Nigeria: Descriptive results from a phone survey ([Link](#))
- Borno and Yobe November Market Monitoring Report by VAM, WFP ([Link](#))
- How Nigeria's maize production has grown since 1960 ([Link](#))
- Maize farmers to receive N2 billion farm inputs for dry season farming ([Link](#))
- FG issues drought alert in 6 states ([Link](#))

Pakistan

- WFP Pakistan Country Brief December 2020 ([Link](#))
- Pakistan Market Monitor Report - January 2021 ([Link](#))
- GIEWS Country Brief: Pakistan 09-December-2020 ([Link](#))
- Protecting agricultural workers through remote COVID-19 awareness campaigns in Pakistan ([Link](#))
- Action Against Hunger Is Helping Women in Pakistan Grow Saline Tolerant Crops ([Link](#))
- Low earnings and agricultural neglect push Pakistan into food insecurity ([Link](#))

Rwanda

- Rwandan agricultural scientists undertake research to grow crops among rocks ([Link](#))
- Farmers adopt horticulture farming technologies to improve livelihoods ([Link](#))
- Season A harvest increases food and income access for rural households ([Link](#))
- European Union gives €1 million to support the Agriculture pillar of the National Economic Recovery Plan for COVID-19 in Rwanda ([Link](#))

Tanzania

- WFP Tanzania Country Brief December 2020 ([Link](#))
- TANZANIA Price Bulletin December 2020 ([Link](#))
- Major Inputs Stimulus to Boost Small Scale Farmers ([Link](#))
- Fast-tracked adoption of second-generation resistant maize varieties key to managing maize lethal necrosis in Africa ([Link](#))

ANNEX 2.

Euromonitor Price and Availability Data⁹⁸

1. Price Index

For all graphs of the Euromonitor price index, the data span from March 2020 to January 2021. **India is shown in orange, Indonesia in blue and South Africa in purple.** Of note, these price indexes can be influenced as much or more by changes in the stock keeping units (SKUs)** composing the sample (due to stock-outs) as by actual price changes; SKU changes can entail changes in product size and/or quality.

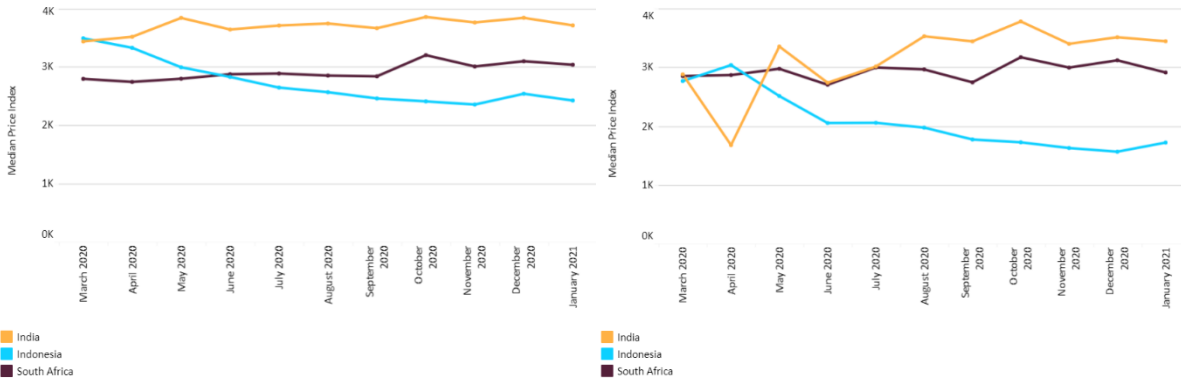


Fig. A1—Price Index for eggs (left) and poultry (right)

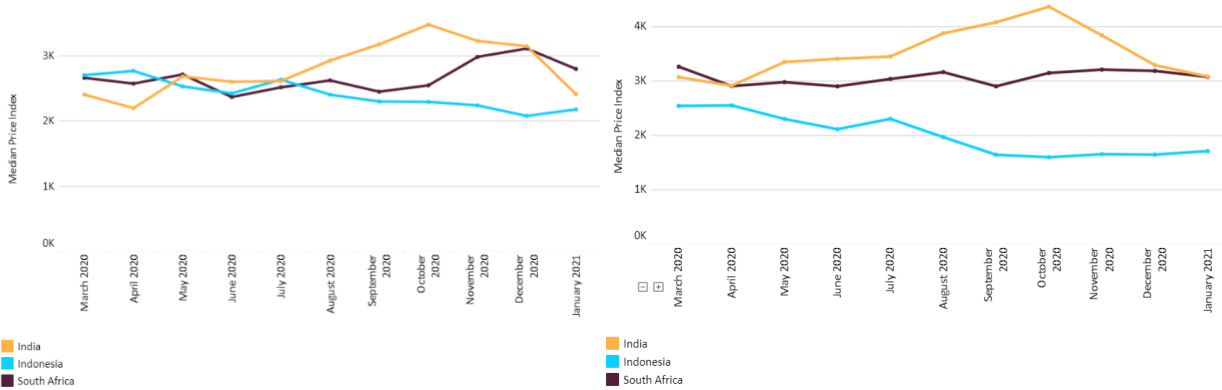


Fig. A2—Price index for starchy roots (left) and fresh vegetables (right)

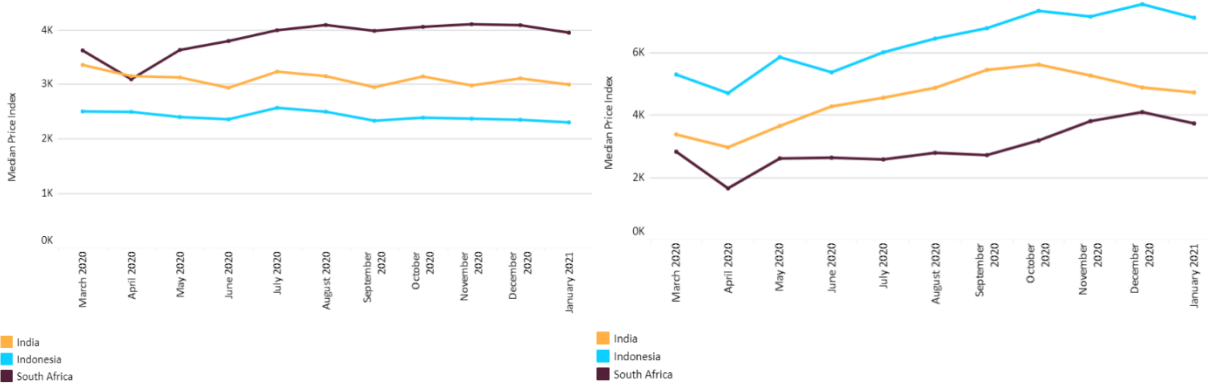


Fig. A3—Price Index for dried pasta (left) and noodles (right)

⁹⁸ Source: Euromonitor Coronavirus Price and Availability Tracker, <https://www.euromonitor.com/coronavirus>

** Stock keeping unit (SKU) is a unique identifier for an item sold by a retailer and it allows retailers to track their stock, some of the attributes of SKU include manufacturer, description, material, size, color, packaging, and warranty terms.

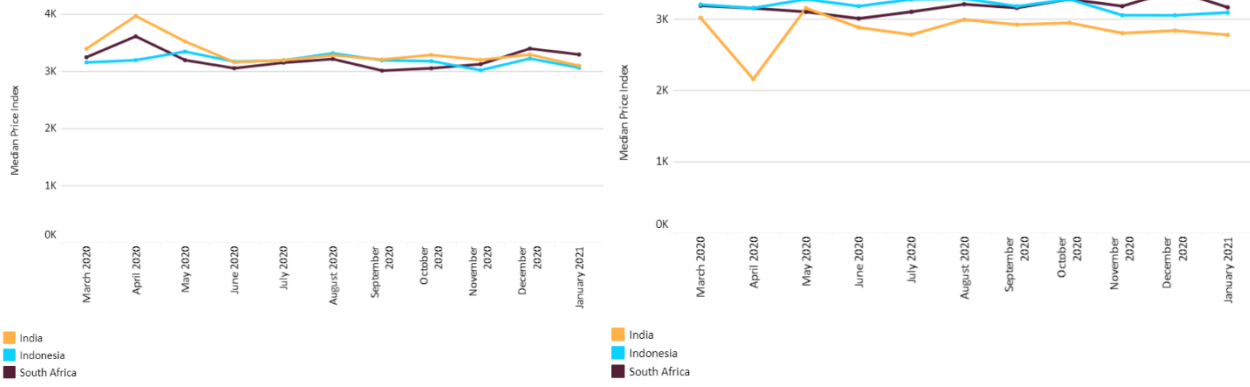
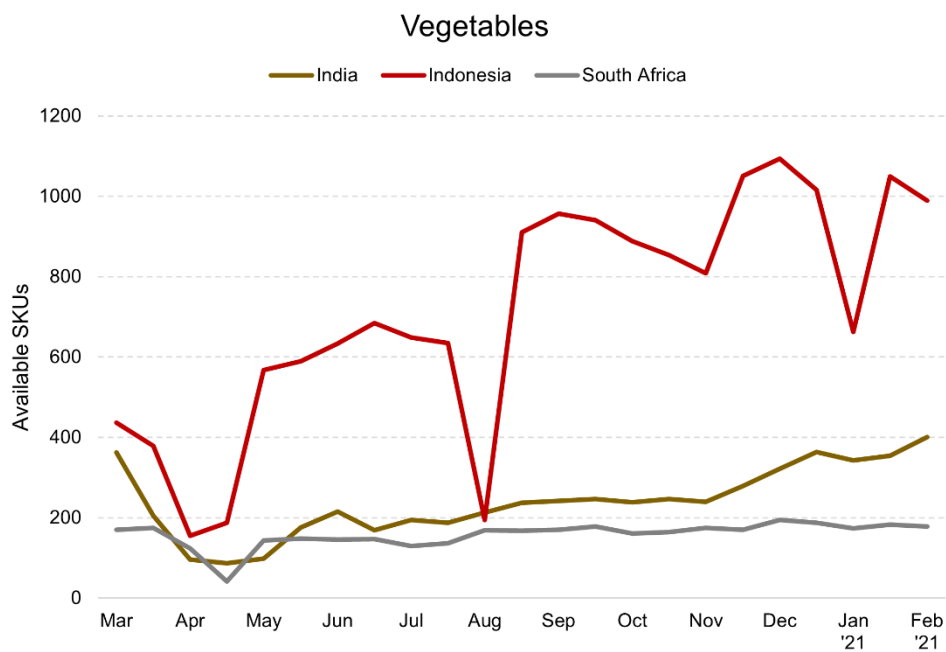
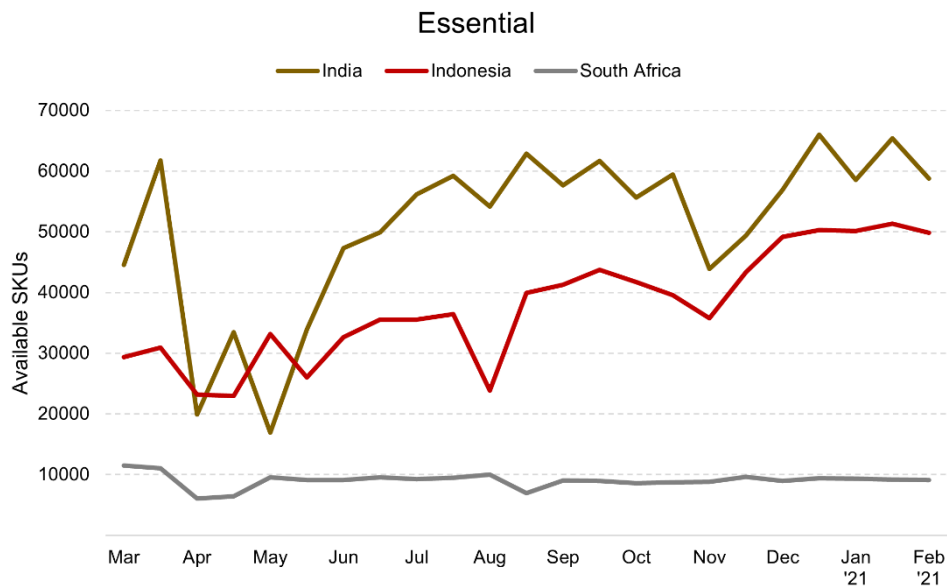


Fig. A4—Price Index for rice (left) and shelf-stable fruit and vegetables (right)

2. Availability Data

The graphs below show a bi-weekly average of the number of SKUs available in the following categories: essentials⁹⁹, vegetables, eggs, shelf-stable fruits and vegetables, rice dried pasta, noodles and starchy roots. Data span from the first week of March 2020 to mid-February 2021.



⁹⁹ Essentials as defined by Euromonitor are a basket of product categories from across Fast Moving Consumer Goods (FMCG) industries that have been determined to be essential necessities based on their econometrically estimated income elasticity of demand and qualitative input from Euromonitor International's research teams.

