

## NOTES

# Food systems under stress: COVID-19 to add more

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### ***The Pandemic makes harder the existing problems***

The maintenance or even more the enhancement of stuttering networks and supply chains suffering the imperfections of globalisation have been critically stressed by the pandemic. Solutions will require technology, innovation, and political determination, but also the strict application of the principles of sustainability.

Public responses must be adequate to maintain that food systems keep the necessary flow of food. Without food, there is no health, without sustainable food systems the planet suffers: so, food must be healthy, nutritious, available, and sustainable for all. Subsistence farmers, too many still, were looking with good hope to the cereal crops which should be good this year. Even at the country level, the world maize reserves are now double compared to 2008, time of the previous crisis at which I worked managing the EU response with the European Union through the EU FOOD FACILITY.<sup>1</sup>

However, with the danger of restrictions and blockades, wheat prices have increased by 8% and rice prices by 25% compared to March last year. And this is only the beginning. Commodity prices are going down which will depress indispensable foreign earnings for poor economies and will disrupt the supply capacity generating a spike on prices later.

Some positions advocating for closure of trade, ignore how much nations depend on each other for basic inputs, fertilizers, animal feed, personnel, and expertise. But of course supply chains that are too long are not useful to anyone: neither for the costs that rise at the intermediaries, nor to the carbon balance of goods to the final consumer but above all because the prices at the origin of the supply chain are pushed too much on the low side.

The COVID-19 pandemic is a global crisis which is already affecting the food and agriculture sector even in mature economies. Prompt measures are necessary to ensure that

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<sup>1</sup> The EU Food Facility was a big success of EU coherence, rapidity, and clear outputs for a large operation of 1 billion EUR between 2008 and 2010. It concluded: It concludes that “the Commission has been efficient and effective in implementing the Food Facility, the interventions were relevant, and projects had a clearly positive effect on beneficiaries”. See the evaluation results for the European Parliament: <https://europa.eu/capacity4dev/hunger-foodsecurity-nutrition/documents/food-facility-final-evaluation-report-0> and the Staff Working paper of the Commission on this huge success. <https://europa.eu/capacity4dev/hunger-foodsecurity-nutrition/documents/staff-working-document-accompanying-final-report-implementation-eu-food-facility>.

food supply chains are kept alive, domestically, and internationally, to mitigate the risk of large shocks that would have a considerable impact. These measures are vital especially for the most vulnerable economies and communities.

Challenges in the supply chain have been already experienced in terms of logistics. Food needs to move across borders with no restrictions and in compliance with existing food safety standards.

During the time of crisis, the social protection programmes must be boosted up, the food trade and the domestic supply chain gears must be kept moving, and smallholders must be supported to increase food production.

In this pandemic, small and medium producers everywhere in the world must be declared “essential” workers and helped in the protections that the major economic operators already give themselves. This is to protect the health of these people and ensure that they can travel and continue to work. They are the backbone of Agriculture on the planet responsible to create sustainable economy, producing food near the place of consumption, the protection of biodiversity and the landscape and to provide opportunity to migrant workers. Increasing dramatically their access to finance and markets would instantly increase productivity and incomes, leading to a rapid economic revival far beyond mere subsidies. If this were done with sustainability rules, a virtuous recovery into the green deal would also be guaranteed. We will expand on this in our conclusions.

### ***Global report on food crisis (April 2020)<sup>2</sup> and further impacts of COVID-19***

Around the world, people are affected by COVID-19, including in OECD countries and other high-income nations. For them today, it will be more difficult to prioritise the needs of helping populations affected by food crises abroad. However, even as their own domestic needs may be rising because of the pandemic, it is critical that international development assistance ensure continued delivery of humanitarian assistance where food insecurity is already high.

Given the scale of the crisis, the effects could be a general failure to achieve sustainable Development Goal 2 (SDG2) to eradicate hunger and malnutrition. Food insecurity is defined as *lack of safe access to healthy and nutritious food for normal human development and an active and healthy life*. This food must always be available and accessible in sufficient quantity and diversity and families must be able to use (store, cook, prepare and share) the food in a way that has a positive nutritional impact. Acute food insecurity that defines the existence of Phase 3 when the severity of food insecurity is such that at a specific point in time it can threaten life itself, the insecurity is defined acute, and this regardless of the causes, context or duration. Chronic food insecurity is a long-term or persistent inability to meet dietary energy requirements.

Countries with existing humanitarian crises are particularly exposed to the effects of the COVID-19 pandemic. The disease does not recognize borders as the locust disaster in East Africa demonstrates.<sup>3</sup>

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<sup>2</sup> Global report on food crisis: <https://www.wfp.org/publications/2020-global-report-food-crises>. For the definitions of phases see Annex I of the report, table 7 page 216.

<sup>3</sup> <http://www.fao.org/news/story/en/item/1274257/icode/>.

Food crises increase poverty and hunger. The report is the result of an intense global collaboration born in 2016 operating very well-organized Food Security Information Network (FSIN), by the action of the European Commission, when I was the department head in charge of DEVCO (EU), who finances still with USAID and other donors the work of FAO, WFP, UNICEF, research centres, regional organisations etc. in providing a picture essential for planning the use of resources.

At the end of 2019, according to the 2020 report, 135 million people in 55 countries and territories were faced with acute food insecurity (Phase 3 and beyond). A further 183 million people were in stressful food insecurity (Phase 2), at high risk of slipping in the face of further shocks which is particularly worrying considering the anticipated evolution of the COVID-19 pandemic. At the same time, 17 million children in these 55 countries and territories suffer from acute malnutrition, and as many as 75 million have stunted growth due to chronic malnutrition. At home of the closure of schools for COVID-19 in many countries that often provided the only daily meal well balanced in quantity and quality these figures are bound to increase. Reduced income, sometimes zero, in the economies of the informal, the increase in the prices of food products for the critical issues expressed in the chains, insufficient resources to provide humanitarian life-saving on a large scale in the pandemic response by acting at the same time to protect and support the capacity of citizens to maintain their livelihoods, can decrease aid, all of which will have serious effects on food security.

The COVID-19 pandemic risks further escalating these figures, with likely significant rises in humanitarian needs and food insecurity because of the pandemic itself and of some of the containment efforts.<sup>4</sup> Evidence can be derived from the previous food prices crisis in 2007-2008, when the number of undernourished people in the world increased by 14 percent in two years (from 848 million people to 963 million).

Analysing sub-Saharan Africa with projections for 2020 the report predicts a worsening of the situation.

The situation will worsen in Ethiopia with an estimated around 8.5 million (affected by grasshoppers) and remains critical in Sudan and South Sudan for which an emergency (phase 4) is expected.

There will be an increase in the crisis in the Central African Republic and in the Democratic Republic of the Congo both countries will be in emergency like Zambia and Zimbabwe.

As increasing violence and shifting conflicts continue to affect the situation of western Niger, Chad region, Mali, Burkina Faso will worsen. Finally, a record number of 7.1 million people are expected to be at risk in Northern Nigeria.

*To this forecast we can add the impacts of Covid-19 which will occur in various areas:*

**Humanitarian operations:** a major compounding factor will be the increased logistical difficulty to deliver humanitarian assistance. Furthermore, resources may be diverted to support COVID-19 efforts, affecting ODA budgets.

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<sup>4</sup> Anticipating the impacts of COVID-19 in humanitarian and food crisis contexts in FAO policy briefs: <http://www.fao.org/3/ca8464en/CA8464EN.pdf>.

**Access to food:** the potential combined impact of COVID-19 on unemployment, households' purchasing power, food prices, and food availability will reduce access to food in the most vulnerable countries as it was the case in 2014 in West Africa EVD outbreak.

**Migration, displacement, containment:** the agriculture sector plays an important role in influencing sometimes draining positively migratory patterns. Transhumant pastoral populations are likely to be hard hit by border closures, this may lead to tensions and conflicts between resident and pastoralist communities. Eighty percent of the population relies on agriculture for their livelihoods so disruptions to food production and related value chains (e.g. reduced access to inputs, to lands or markets) will damage vulnerable populations.

**Food prices instability and trade barriers:** temporary food shortages, price spikes, and disruption to markets. Price rises will be felt most by vulnerable populations. As for the 2007-2008 food prices crisis, the additional inflationary effect of protectionist policies through import tariffs and export bans could cause a significant increase in the number of people facing severe food insecurity worldwide.

**Social tensions and conflict:** the COVID-19 pandemic could have dramatic effects on social and political stability, creating conditions for unrest.

### ***Conclusions: the recovery while acting on emergencies***

To face the recovery phase and still managing the emergency it is essential to take informed decisions. FAO is producing policy briefs to assist planners and decision makers in following the right approaches.<sup>5</sup>

*Here we list few recommendations that FAO is producing:*

- First and more importantly smallholder farmers must have access to finance, so that they can continue to produce.
- Smallholder farmers must be given support to both enhance their productivity and market the food they produce, using all channels (example e-commerce).
- Collection centres and food banks for agriculture products shall be promoted with enhanced capacity and should move closer to smallholder producers to reduce the need for mobility. Knowledge on the demand and the supply and data handling by collection centres and food banks are crucial to stimulate coordination with farmers' associations engaging more in contract farming arrangements.
- Constrains to domestic trade, including bureaucratic hurdles, should be removed.
- Governments should cover the shortfall for the basic energy and other input needs of smallholder farmers and rural households. During an emergency, governments can purchase agricultural products from smallholder farmers to establish strategic emergency reserves especially for non-perishable commodities to boost food supply. This can also be used to deliver safety net programs and school meals even when schools are closed.

<sup>5</sup> Reference is made to the web page with the policy briefs: [http://www.fao.org/2019-ncov/resources/policy-briefs-test/en/?page=2&ipp=5&no\\_cache=1&tx\\_dynalist\\_pi1\[par\]=YToxOntzOjE6IkwiO3M6MToiMCI7fQ==](http://www.fao.org/2019-ncov/resources/policy-briefs-test/en/?page=2&ipp=5&no_cache=1&tx_dynalist_pi1[par]=YToxOntzOjE6IkwiO3M6MToiMCI7fQ==).

One of them is useful: *COVID-19 and the risk to food supply chains: How to respond?*. <http://www.fao.org/documents/card/en/c/ca8388en>.

- Assure the safety of farm and food chain workers. On-site healthcare professionals can ensure workers are not ill.
  - Avoid labour shortages allowing migrant seasonal workers to travel in health and security by expediting migrant workers' visas.
  - Focus on key logistics bottlenecks of the food value chain for the diverse situations of staple commodities (wheat, maize, corn, soybeans and oil seeds) and the high-value commodities (fruits, vegetables and fishery). For fresh produce they must be able to reach markets avoiding accumulation at farms, resulting in food loss.
- We shall notice that even in the informed language of good practices the sustainability metric and language is not yet pervasive.

***Using the pandemic and recovery actions for pushing the sustainability of Agenda 2030 or how to use SDGs to make the world more prepared to crisis***

What the pandemic has emphasized is that the world needs to use its natural resources more sustainably, to grow nutritious food in a more resilient way. One way to do this is to drastically reduce food losses and waste. The world wastes about 400 billion dollars of food a year, an amount that could feed about 1.26 billion people a year. Food waste involves 1,500 million tons of carbon dioxide emissions. The pandemic is an opportunity to change everything there is to change. This was said by UN Secretary General Gutierrez in celebrating planet Earth Day. The natural sciences and the social ones play an important role in driving the innovation that is already taking hold: drones, and other agricultural technologies to reduce, inter alia, the human contacts have not reached out significantly the African continent, where however mobile phones have been improving access to markets, to prices and weather data, as well as to facilitate transfers of payments.

Several countries are introducing stimulus packages that lack clear incentives for shifting the food systems into sustainability. The best hope is recovering the status quo. Beside the consideration that this may be impossible the position this approach may miss the point that the world was awfully unprepared for the pandemic. Within the food systems we have a large hope to make the difference. Stimulus actions by government are unlikely to run without creating a bigger public deficit and it is impossible from the pure public spending point of view to avoid that.

Therefore, we need a shift in the paradigm taking the recovery as the opportunity.

Food emergencies and crises are perhaps the most obvious mirror of the damage to the planet and human beings brought about by poverty. The 2020 food crisis report released when some OECD countries move from the restriction phase to the gradual re-opening phase does not yet contain any potential effects of the COVID 19 Virus on food systems. These systems are stuttering because of an inherent unsustainability resulting from inaction and the lack of monetary valorisation of human and natural capital. With current economic paradigms, we find it difficult to take the necessary corrective measures at appropriate scales. Hunger, malnutrition, stunting, parts of sustainable objective 2, are the effects of divergences and are also causes of instability in a negative spiral involving many more SDGs negatively.

The debate on the future of the planet in 2015, led us all to believe in a new, harmonious, lasting development paradigm, compatible with the needs of future generations. The pan-

demic by exposing the fragility of economic systems must give us the strength to accelerate the processes of the 2030 agenda. The progressive, total, inexorable insertion of the theories and especially of the practices of sustainability seems to be the main road.

Recovery funds, bonds, national and international financial actions, especially in Europe, can be therefore the model on which to base the acceleration of the transition. United nations agencies such as FAO, the custodians of science, method, and practices that define sustainability (21 indicators are under the responsibility of FAO) can guide the great forces and innovative energies that come from the civil society, the private sector, the world of research, so that innovation and creativity are applied with the principles of sustainability and as we think about the new world and how to achieve it, we shall not forget those who suffer from hunger today.