

Food Security and COVID-19



A scene from a market in Africa during the COVID-19 pandemic. Photo credit: Kwame Amo/Shutterstock

An increasing number of countries are facing growing levels of acute food insecurity, reversing years of development gains. Even before COVID-19 reduced incomes and disrupted supply chains, chronic and acute hunger were on the rise due to various factors including conflict, socio-economic conditions, natural hazards, climate change and pests. COVID-19 impacts have led to severe and widespread increases in global food insecurity, affecting vulnerable households in almost every country, with impacts expected to continue through 2021 and into 2022. This brief looks at rising food insecurity during the COVID-19 pandemic and World Bank responses to date.

Overview

Global food prices have risen by 38% since January 2020. Maize prices are 80% higher and wheat prices are 28% higher than in January 2020. Surging prices reflect strong demand, along with weather uncertainties, macroeconomic conditions, and COVID-19-related supply disruptions, even though the global production outlook for major grains remains good.

The primary risks to food security are at the country level: Higher retail prices, combined with reduced incomes, mean more and more households are having to cut down on the quantity and quality of their food consumption.

Numerous countries are experiencing high food price inflation at the retail level, reflecting lingering supply disruptions due to COVID-19 social distancing measures, currency devaluations, and other factors. Rising food prices have a greater impact on people in low- and middle-income countries since they spend a larger share of their income on food than people in high-income countries.

Rapid phone surveys done by the World Bank in 48 countries show a significant number of people running out of food or reducing their consumption. Reduced calorie intake and compromised nutrition threaten gains in poverty reduction and health and could have lasting impacts on the cognitive development of young children.

Some food producers also face losses on perishable and nutritious food as consumption patterns shift towards cheaper staples. Though current food insecurity is by and large *not* driven by food shortages, supply disruptions and inflation affecting key agricultural inputs such as fertilizers and seeds, or prolonged labor shortages could diminish next season's crop. If farmers are experiencing acute hunger, they may also prioritize consuming seeds as food today over planting seeds for tomorrow, raising the threat of food shortages later on.

Hunger was already on the rise prior to COVID-19: FAO estimates that the number of undernourished (including those with chronic and acute hunger) increased from 624 million people in 2014 to 688 million in 2019 . The drivers underlying this trend include extreme climate events, conflict, and other shocks to economic opportunities. The locust outbreak is further compounding this crisis across 23 countries and other zoonotic diseases remain a recurrent threat.

COVID-19 is estimated to have dramatically increased the number of people facing acute food insecurity in 2020-2021. As of April 2021, the World Food Programme (WFP) estimates that 296 million people in the 35 countries where it works are without sufficient food—111 million more people than in April 2020. Recently released data on food security conditions from the Famine Early Warning System Network (FEWS NET) provide insight into the unprecedented scale and level of current food security crisis conditions. Estimates for 18 countries indicate that food security crisis conditions are at their highest level since 2010, when extensive drought and famine conditions affected the Horn of Africa.

World Bank support

At the country level, the World Bank Group is working with governments and international partners to closely monitor domestic food and agricultural supply chains, track how the loss of employment and income is impacting people's ability to buy food, and ensure that food systems continue to function despite COVID-19 challenges.

“Responding to the Emerging Food Security Crisis,” a paper released in December 2020, summarizes the Bank's response in the poorest countries: IDA has provided \$5.3 billion in new commitments between April and September 2020 for food security. This has been through a combination of short-term COVID-19 responses and investments to address the longer-term drivers of food insecurity.

We're building on existing projects and deploying short- and long-term financing. Examples:

- In **Afghanistan**, measures to prevent the spread of COVID-19 have disrupted planting, leaving Afghan farmers unable to sow their crops on time, while in urban areas food prices are rising with shortages in the food supply becoming more urgent. A \$100 million grant to fund the Emergency Agriculture and Food Supply Project aims to improve food security by increasing local food production and strengthening critical commercial food supply chains and providing short-term employment in rural areas in the development of productive assets.
- In **Angola**, the World Bank-financed Commercial Agriculture Development Project is helping farmer cooperatives and small- and mid-sized agricultural enterprises expand and improve their operations to meet the needs of local communities during the pandemic.
- In **Bangladesh**, a \$96.2 million Emergency Action Plan, mobilized as part of a Livestock Dairy Development project, provided, among other things, cash transfers to 620,000 small-scale vulnerable dairy and poultry farming households.
- In **Bhutan**, the World Bank has re-aligned its portfolio to support food distribution in the short term and enhance food production in the medium term through inputs supply and irrigation.
- In **Chad**, \$30 million in emergency financing was mobilized to provide food assistance through the free distribution of food kits to 437,000 vulnerable people experiencing severe

food and nutritional insecurity located in both urban and rural areas and provided improved seeds and small agricultural equipment to 25,000 poor and vulnerable smallholder farmers to preserve their productive capacity for the imminent growing season.

- In **Guatemala**, the Responding to COVID-19: Modern and Resilient Agri-food Value Chains project aims to contribute to: (i) improving efficiency of agri-food systems and increasing beneficiary resiliency in select value chains; and (ii) providing an emergency response to the Covid-19 pandemic. Overall, the proposed project will contribute to improving the efficiency of key value chains while investing in on- and off-farm technologies and practices to increase economic and climate resilience.
- In **Haiti**, the Resilient Productive Landscape project is mobilizing emergency funding to benefit 21,500 family farmers to safeguard production for the next two cropping seasons, given that a reduction in remittances (estimated at 35% of GDP, prior to COVID-19) will affect the capacity of farmers to finance production costs. Activities include land preparation, communications for social distancing and sanitation, and a range of mitigation measures against COVID-19 impacts on the agri-food sector.
- In **India**, women's self-help groups, supported under the National Rural Livelihoods Mission co-financed by the World Bank, mobilized to meet shortages in masks and sanitizers, run community kitchens and restore fresh food supplies, provide food and support to vulnerable and high-risk families, provide financial services in rural areas, and disseminate COVID-19 advisories among rural communities. These self-help groups, built over a period of 15 years, tap the skills of about 62 million women across India.
- In **Kenya**, the World Bank is looking at leveraging digital technologies through ongoing partnerships with 15 AgTech startups to transform the delivery of inputs, soil testing, crop insurance, credit, extension advice, and market linkages, to enable farmers to overcome temporary COVID-related constraints and ensure better targeting and more effective service delivery, especially in remote areas in the long run.
- In the **Kyrgyz Republic**, the World Bank supported, GAFSP-funded Agricultural Productivity and Nutrition Improvement Project, which focuses primarily on improving water infrastructure and developing the capacity of water users associations (WUAs), will

begin distributing agricultural inputs such as seeds and fertilizer through 30 project WUAs to address vulnerable populations.

- In **Liberia**, the World Bank is working with the government to ensure food supply chains are sustained. The Bank is responding by fast tracking certain activities and activating a Contingency Emergency Response Component (about \$7.5 million) through the Smallholder Agriculture Transformation and Agribusiness Revitalization Project so the government can meet immediate food needs of vulnerable people, keep domestic supply chains moving, and support smallholder farmers to increase food production.
- In **Pakistan**, a \$200 million Locust Emergency and Food Security project supports emergency actions to control the locust outbreak and prevent further spread across Pakistan and the South Asia region. It aims to protect Pakistan's national food security and ensure sustainability of the agriculture sector.
- In **Rwanda**, the Sustainable Agricultural Intensification and Food Security Project received additional financing to help address the impacts of COVID-19 lockdowns. The Bank's existing Social Protection project was also adjusted to be COVID-19 responsive.
- In **Senegal**, a \$150 million IDA credit will help increase exports of high-value crops such as shelled groundnuts and horticultural products, increase dairy farming productivity, and reduce the mortality rate of small ruminants, mitigating the negative impacts of the pandemic while investing in more productive and resilient practices.
- In **Sierra Leone**, emergency financing under the ongoing Smallholder Commercialization and Agribusiness Development Project will support government COVID-19 response initiatives with inputs, land mechanization services, and extension services to support rice farmers. The World Bank-financed Social Safety Net Project is also scaling up its cash transfer system to provide support to the most vulnerable households.
- In **Tajikistan**, through an existing Targeted Social Assistance system, the Bank finances time-bound cash transfers to food-insecure households with children under the age of 3 to mitigate the effects of increases in food prices and to protect children's nutrition.

Locusts

The World Bank is also working with partners in the United Nations and national governments to deliver immediate and long-term support to respond to a crisis-within-a crisis: the worst locust outbreak in decades. Our support will help hard-hit farmers and rural communities control desert locust swarms, withstand the dual crises of COVID-19 and locusts, and get money into people's pockets and equipment into farmers hands to recover, including through cash transfers, seed and fodder packages, and other social safety nets.

Prevention

We're committed to helping countries prevent the next zoonotic disease from turning into a pandemic and be better prepared when risks materialize.

World Bank experience with the Avian Influenza shows that cross-sectoral, coordinated investments in human, environmental and animal health (the "One Health" approach) are a cost-effective way to manage risks and control diseases at the source. Over 70 percent of emerging infectious diseases (EID) in humans have their source in animals. Transmission of pathogens from animals to humans and EIDs are increasing in a rapidly changing environment, with deforestation, land-use change and rapid population growth amplifying the exposure of humans to diseases carried by animals.

Under the first COVID-19 package of World Bank Group financing, countries are able to invest in longer-term prevention, such as strengthened veterinary services, disease surveillance and food safety. In India, for example, the COVID-19 Emergency Response and Health Systems Preparedness Project will improve disease surveillance systems in humans and animals and health information systems across the country. In China, a new project will improve risk-based surveillance systems for zoonotic and other emerging health threats. It will strengthen the capacity for risk assessment, diagnosis and monitoring of human, animal, and wildlife diseases. It will also improve protocols for information sharing between relevant agencies.