



Maintaining Food Security in the COVID-19 Crisis

Middle East Government Intervention Agenda

From Health Crisis to Food Security Crisis

Countries across the globe are shutting down to slow the spread of COVID-19. Supermarket shelves remain stocked for the time being, but a protracted pandemic crisis could quickly put a strain on food supply chains, disturbing the complex ecosystem of farmers, buyers, processing plants, logistics, retailers and consumers. The shipping and logistics industries are already reporting slowdowns due to port closures, which is expected to disrupt supply chains for the coming months.

In the Middle East, the combination of COVID-19 and the current Locust Plague pose a very real threat to the region's ability to secure food in a safe, reliable, and affordable manner.

Unlike the 2008 global financial crisis, the supply of essential commodities is currently functioning well. Still, crops need to be transported, and restricting trade would not be worth the risk to producers or consumers. For high-value commodities that require labour for production, countries must strike a balance between continuing production and protecting workers.

COVID-19 is currently seen as a major health crisis, but its impact on the economy may lead to a food security crisis if proper measures and actions are not taken in time.

Rapid Emergency Food Security Assessment

As a first, immediate step, Governments in the Middle East should conduct a Rapid Emergency Food Security Assessment of the current situation, and to support the mobilisation of resources when and where required. This assessment should determine:

- Whether there is or will be a food security or nutritional problem from which individuals and communities cannot cope or recover unaided;
- The types of intervention and assistance needed, by whom, where, when, and how it should be provided;
- Whether the government and other national organisations and resources are equipped, or if international assistance is required;
- What safety controls and measures are in place, and any required improvements to ensure that food items reach consumers in metropolitan and remote locations free from any contamination.

Emergency Agenda and Action Plan

Based on the outcomes of this assessment, an Emergency Agenda and Immediate Response Action Plan should provide guidelines for immediate, short- and medium-term actions to address the following critical challenges.

1. Ensure Food Supply Chain Safety

Establish measures and procedures for food workers to prevent the spread of COVID-19.

Governments must specify and implement strict safety measures for workers within the Agriculture supply chain system, followed by a monitoring and evaluation mechanism that will enable the monitoring entity to trace each product's origin. This can include disinfection processes in specific points of the chain. For instance, a number of countries have established checkpoints for testing of workers and produce through which all trucks must pass.

Avoid central and wholesale markets.

Minimising contact through e-commerce and promoting sanitary measures are key to combatting the spread of the virus. Market systems development inherently promotes contact between individuals. Such contact does not need to be physical and opportunities must be explored for producers to access inputs with minimal contact with agrodealers, suppliers, and others.

Governments must consider moving completely away from wholesale markets to the more streamlined *Marketing Centre Approach*, which provides better planning and coordination of production systems and value chains, and far superior quality control. This approach also significantly reduces both the number of transactions required in production and marketing of the products, as well as the number of times the product is handled (which is when the risk of contamination is greatest).



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2. Guarantee Food Supply Security and Production Without Disruptions

Assess the current situation for key imported products; conduct a risk analysis and propose immediate measures.

Rumours and announcements of impending lockdowns in many countries have led to “panic buying” of bread and wheat, causing a temporary shortage of supply that has resulted in price spikes and food waste. An effective analysis should identify the existing produce/products, current capacity, and projected needs while taking into consideration key risks such as price fluctuations and consumer behaviour.

Identify substitute products/produce.

When faced with a critical situation where a country is unable to import what it needs, the alternative is to grow produce containing similar nutrients locally (e.g., potatoes can serve as a local nutritional substitute for rice). In this case, significant coordination is required between key government entities and private sector stakeholders. Activities such as crop pattern / planning need to take place at the earliest on a national scale to determine what needs to be grown and where, based on priority and availability of existing natural resources.

Stabilise the agricultural sector through stimulus packages by distributing seeds and fertilisers.

The Ebola outbreak in 2014 disrupted the agricultural market chains in West Africa due to government restrictions and lack of support to the agricultural sector during a time of need, leading to shortages of food and increase in prices. In China, logistics constraints and labor crunches have caused losses of fresh vegetables which could not be harvested or transported to markets, limited access to animal feed and diminished capacity of slaughterhouses.

Governments should focus on increasing the agriculture sector's productivity through stimulus packages that encourage farmers to maintain and expand their business.

At the time of writing, countries have introduced measures specifically designed to support and encourage smallholder farmers. Typically, in such crises, farmers and producers suffer loss of access to markets and struggle with cash-flow.

To mitigate this risk, governments can provide short-term support and an immediate stimulus package that includes cash payments, easy access to short-term credit and safety net programs that can enhance their productivity. Governments can work with the private sector banking system to provide a moratorium on outstanding loan payments, waving fees on farmers' loans and extending payment deadlines. A capital injection in the agricultural sector can help small and medium-sized agribusinesses to continue operations. Improving storage can help reduce post-harvest crop losses along the supply chain. Any constraints to domestic trade, including bureaucratic hurdles, should be removed in order to link smallholder farmers to markets.

Governments should also avoid putting restrictions on farmers' access to markets to buy inputs and sell products, which ensures the supply of fresh produce, avoids food loss, and supports the agricultural sector.

Establish a Food Emergency Assistance Program (FEAP) for special regions.

A food emergency assistance program needs to be established as early as possible to contain the spread of the virus and to protect livelihoods during recovery. Food banks and community-based groups, supported by both government and private organisations, should be mobilised to deliver food as families stay home. The delivery mechanism can be used to provide other in-kind assistance to elderly people or those with chronic illnesses, such as protective kits. In the long term, this program will serve to improve emergency outbreak preparedness across the food supply chains, addressing the indirect toll that poor nutrition takes on health.

3. Safeguard food supply chain sustainability / continuity

Identify and map alternative suppliers, including logistical requirements.

If a main supplier is to be shutdown, alternative sources must be identified, and contingency plans put in place for immediate activation.

Prevent supply chain disruptions and support the distribution system.

Governments should set-up measures to avoid any form of disturbance to the supply chain while maintaining security and food safety. Key actors within the supply and value chain must be permitted to continue working; enabled by the following considerations:

- Bring collection centres closer to smallholder producers to reduce the need for mobility;
- When feasible, warehouse receipt systems should be established for farmers' payments;
- Accelerate the development of e-commerce for smallholders;
- Provide access to finance for smallholder farmers so that they can continue to produce.
- Utilise systems and machinery to minimize human contact.

Wholesale markets and large gatherings are no longer acceptable as they present a high risk of contamination and the spread of COVID-19. The use of technology and machinery have played a vital role in the agricultural value chain (from production to processing and distribution), and e-commerce and advanced machinery have minimised human contact and slowed the spread of COVID-19. Governments need to work towards better utilisation of the existing technology and influence those involved towards its use.

4. Avoid price fluctuations due to shortage of supply

Strengthen market management to avoid illegal fluctuation.

In times of crisis, dealers and traders may seek to take advantage of the public's fear by increasing prices and disturbing the markets' system, causing further panic and worry among the public. This new reality highlights the need for strict monitoring and management of markets.

Develop and implement crowd panic control mechanisms.

It is necessary to think of mechanisms to ensure that panic is not generated in situations of shortage or restrictions and that any crowds can be controlled in case it is necessary to set up rationing mechanisms.

Preventing the Crisis

Palladium has supported Governments in effectively responding to various food crises by structuring global and national food systems that ensure political and financial stability, protect communities from poor health and environmental degradation, and ensure economic vitality. Doing so requires a transparent dialogue with businesses, technical agencies, academia, and civil society to address the emerging risks within the food and agricultural sector and increase its resilience against future crises.

To prevent the current crisis from becoming one of food security, Governments in the Middle East need to take immediate action toward protecting their supply chains and safeguarding their people against the disruptions of a protracted pandemic.



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