

How FEWS NET Incorporates the Impacts of COVID-19 into its Analysis of Acute Food Insecurity

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Frequently Asked Questions

HOW DOES FEWS NET CONDUCT ITS ACUTE FOOD INSECURITY EARLY WARNING ANALYSIS?

FEWS NET's global early warning of acute food insecurity begins with the household, the basic community unit at which resources are managed. The household impact of various shocks and on households' food and cash income is a central question within FEWS NET's analytical framework, which is designed to temporally and spatially monitor multiple shocks and their varied impacts across countries of concern. By adding up the cumulative impacts on households at different levels of wealth across multiple national landscapes, FEWS NET's Early Warning Team provides an evidence-based, consolidated statement on global food needs.

HOW IS FEWS NET INTEGRATING THE IMPACTS OF COVID-19 INTO ITS ANALYSIS OF CURRENT AND PROJECTED ACUTE FOOD INSECURITY?

The combined effects of COVID-19 related shocks vary by country, by livelihood zone, and by wealth group, depending on the severity and geographic scope of related containment measures, along with the specific effects of these measures on local livelihood and market systems. While COVID-19 will affect households with infected members directly, increasing the care burden on members who are not sick, reducing the labor pool available to work outside the home, and potentially increasing the portion of the household budget devoted to health care, the economic impacts of the disease will extend well beyond virus-affected households. COVID-19 related containment measures range from basic hygiene recommendations to lockdowns designed to limit the concentration and movement of populations. Movement restrictions and their knock-on effects can undermine households' access to food by limiting the amount of food they can produce or collect (i.e. crops, milk/meat, fish, and wild foods); reducing the amount of cash they can generate (from both on-farm and off-own-farm sources); and changing the available supplies and prices of commodities they need to buy, including staple foods, productive inputs, and other essential items. In addition, remittances from relatives abroad, and gifts of food and cash from better off households – critical sources of cash for many households – are likely to diminish. Reduced international field presence due to COVID-19 related containment measures may disrupt the delivery of humanitarian assistance and government safety net distributions, undermining another critical resource for households facing acute food insecurity prior to, or as a result of, the pandemic. These links between COVID-19 related containment measures and related components of household food and cash income are illustrated in the graphic on the next page.

HOW ARE MACRO-LEVEL SHOCKS LINKED TO RURAL HOUSEHOLD IMPACTS?

COVID-19 is a shock unlike any seen in the last century. The global economy has already contracted, and growth and trade are projected to continue to decline over the coming months. Macro-level shocks will filter down into household-level impacts in numerous ways. For example, the decline in global prices for commodities like oil, metals, minerals, and some cash crops will result in declining revenues at the national level. Affected by both price and demand effects, household-level reductions in earnings associated with sales of local cash crops and other commodities are the ultimate consequence. Another anticipated impact is a reduction in government foreign exchange reserves, which is likely to lead to depreciation of local currencies, especially those that are not tied to hard currencies. This will increase the cost of essential food and non-food imports in the medium term, resulting in higher prices in local markets, directly affecting poorer households in both urban and rural areas who depend on the market to buy a large portion of their food.





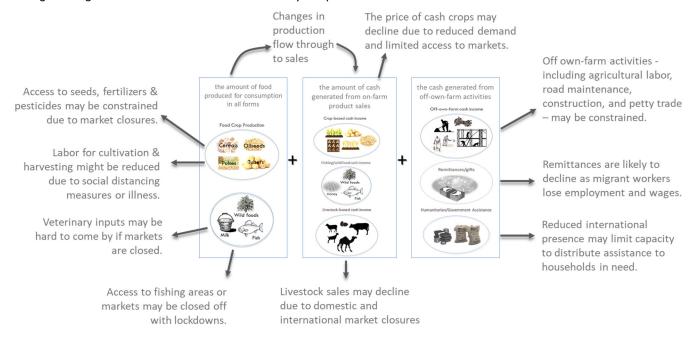


Figure 1. Potential linkages among COVID-19 containment measures and key components of households' food and cash income

HOW DOES SEASONALITY VARY THE IMPACTS?

Seasonality will also play a vital role: the timing of containment measures will create seasonally specific effects on food and cash income. In Southern Africa, for example, the COVID-19 containment measures implemented in March occurred as people were getting ready to harvest crops, whereas in West Africa, these same measures occurred at the start of the lean season, as people were getting ready to plant. In areas where planting is occurring, restrictions on mobility may have first-order effects on local agricultural labor associated with land preparation and planting, with second-order effects on subsequent harvests. The effects of restrictions would be even greater on income associated with migration to large commercial farms in neighboring provinces or countries. In West Africa, where many poorer households depend on annual migratory labor to urban areas (*exode*) in order to generate needed cash to purchase staple foods, the limits placed on access to these labor opportunities are likely to have a direct (and negative) impact on the household food balance. If movement restrictions are in place at the time of harvest, petty trading linked to transporting harvests from local fields to regional towns, and onward to terminal urban markets, may be undermined.

HOW ARE URBAN-RURAL LINKAGES TAKEN INTO ACCOUNT?

While many of the acute impacts of COVID-19 related containment efforts will be felt most immediately in urban areas, the food security impacts of urban actions have effects in areas well beyond the city center. Urban and rural areas are highly inter-connected in most parts of the developing world, with urban consumption fueling the demand for rural goods and labor, and with individuals from many rural households either temporarily or permanently residing in urban areas and sending back money to rural homesteads. As casual labor opportunities in urban areas contract, urban demand for rural services and goods may decline, with knock-on effects that reverberate throughout the country. In addition, any reverse migration towards rural areas will increase consumption requirements for rural households at just the time when their income levels are decreasing, placing increased strain on (limited) rural resources.