COVID-19: FOOD SECURITY AND LIVELIHOOD IMPACT ASSESSMENT

July 2020

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LIST OF ABBREVIATIONS

BAY	Borno, Adamawa, and Yobe (Nigerian states)
CEPAL	United Nations Economic Commission for Latin America and the Caribbean
COOPI	Cooperazione Internazionale Fondazione
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GDP	Gross Domestic Product
gFSC	global Food Security Cluster
GHRP	Global HumanitarianResponse Plan
IDPs	Internallydisplacedpersons
IGA	Income generation activities
ILO	International Labour Organization
JCC	Ethiopian Job Creation Commission
MEAL	Monitoring, Evaluation, Accountability and Learning
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
UN	United Nations
USDA	United States Department of Agriculture
WFP	World Food Program

1. INTRODUCTION AND OVERALL OBJECTIVE

The economic effect of the pandemic is being - and will be - felt across countries and communities at global level. Containment and social distancing measures adopted to slow the spread of the virus - taken also by governments whose countries didn't necessarily show the highest numbers of COVID-19 cases - caused a production slowdown and a reduction in consumption. The lives and livelihood of millions of people - especially those living in countries experiencing humanitarian crisis - are (and will be) heavily affected.

In this framework, governments and humanitarian actors all agree that over the next 12/18 months the socio-economic response will be one of one critical components of the COVID-19 response. To inform and tailor the actions to recover from the crisis and ensure that no one is left behind in this effort "assessing the impacts of the COVID-19 crisis on societies, economies and vulnerable groups is fundamental"[1].

In line with this approach, COOPI launched a "Food security and livelihood assessment" activity that will be carried out in 9 countries: **Democratic Republic of Congo (RD Congo), Niger, Mali, Nigeria, Ethiopia, Iraq, Bolivia, Ecuador, Guatemala** over a period of 3 months. By doing so, COOPI wants to better understand the implications of the COVID-19 crisis on the food security and livelihood of the communities it is working with, in order to be able to shape up interventions to support those communities to maintain their livelihoods whilst contributing to their recovery and longer-term economic development.

[1] UNDP, "Brief #2: Putting the UN Framework for Socio-Economic Response to COVID-19 into Action: Insights", June 2020.

2. THE ECONOMIC EFFECTS OF COVID-19 CRISIS

2.1 COVID-19 IN THE GLOBAL ECONOMY

As markets are more integrated and interlinked, there are several sources of effects over the economy at global level, touching all countries regardless of the magnitude of COVID-19 incidence, creating dramatic and long lasting effects in particular for those countries that were already vulnerable due to the ongoing crisis. The Food and Agriculture Organization of the United Nations (FAO)[2] listed the most relevant economic negative trends affecting economy at global level due to COVID-19 pandemic:

1. Shocks and crisis affecting strong economies - as the Chinese one which alone contributes 16% to the global domestic product – have immediate great consequences across the world;
2. the supply shock (due to morbidity and mortality), the containment efforts restricting mobility, higher costs of doing business (due to restricted supply chains and a tightening of credit) they all have an impact on the economic growth;
3. higher uncertainty, increased precautionary behaviour, containment efforts, and rising financial costs reducing the ability to spend: they all cause the demand to fall;
4. a significant devaluation of the exchange rate, with respect to the US dollar, affects the import dependent countries.

2.2 MACROECONOMIC AND COUNTRY-LEVEL EFFECTS[3]

The above-mentioned trends reflect on all countries at national level, with a degree of severity which depends on the individual country's capacity to deal with potential impacts of COVID-19. “Prices of commodities whose export is vital for large parts of the developing world, have plunged. Tourism, which contributes significantly to foreign exchange earnings in several vulnerable countries, has come to a complete halt. Remittances flow are expected to decrease by 20% compared to 2019, while in some low-income countries they represent up to 30% of the GDP. The flow of foreign direct investments is expected to shrink by 30/40% in 2020/21”[4].

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[2] FAO Q&A: COVID-19 pandemic.

[3] GHRP-COVid-19, May 2020 update, pp 27-30.

[4] GHRP-COVid-19, May 2020 update, p 27.

Economic analysis suggests that low income and lower-middle-income countries presenting the following characteristics are likely to be among the hardest hit:

1. large dependence on imports of food and other essential needs (both for consumption and for production);
2. large reliance on exports of primary commodities;
3. significant level of public debt and/or low foreign currency reserve;
4. large reliance of the export of labour and on remittances.

2.3 HOW THE MACROECONOMIC EFFECT IMPACT ON PEOPLE AND HOUSEHOLDS[5]

As logical consequence, the lives and livelihood of millions of people are (and will be) affected by:

1. Unemployment and loss of income, especially for workers in the informal sector both in urban and rural areas. Informal workers constitute 60% of the global workforce. They have no or limited access to social protection, nor do they have the economic security to take sick leave, get treated if required, or cope with lockdown;
2. Loss of income due to the decrease of remittance and money transfer flows (caused by restrictions on migration movements and economic crisis affecting the migration destination countries);
3. Increase in services and commodities prices;
4. Disruption in the local, national and global supply chains, and in the agricultural input supply chains with consequences both on food reserves and the agricultural sector (and the population living from this).

[5] GHRP-COVid-19, May 2020 update, pp 27-30; A UN framework for the immediate socio-economic response to COVID-19, April 2020, p 17.

3. FOOD SECURITY AND LIVELIHOOD

Global food markets are not immune to the current economic developments. The complexity of the food supply chains and the importance of trade and transportation, make them extremely vulnerable.[6]

The COVID-19 pandemic is directly affecting food systems by impacting both food supply - as the capacity to produce and distribute food is affected - and demand - due to decreasing consumers' purchasing power. Smallholder farmers producing for export have lost access to global markets. As movement restrictions are imposed: agricultural input - such as seeds, fertilizers and insecticides - supply chains are impacted and access to farmlands limited. All at critical times in the season, reducing production, harvesting capacity, informal labourers' access to wages. On top of that, transport of goods to processing facilities and/or markets is impaired. Livestock supply chains are also exposed to risks: transhumance routes are already affected by movement restrictions and border closings.

Supply chain disruption coupled with loss of income are restricting people's access to sufficient/diverse and nutritious sources of food, especially in countries hit hard by the virus or already affected by high levels of food insecurity.[7]

Even if there's still a lot of work to do to understand the linkages between COVID-19 and the drivers of acute food insecurity, there's anyway general agreement that both the magnitude and the severity of acute food insecurity is likely to rise over the course of this year across the globe.

[6] FAO Q&A: COVID-19 pandemic – impact on food and agriculture.

[7] FAO Q&A: COVID-19 pandemic – impact on food and agriculture.

4.THE ASSESSMENT

COOPI decided **to take action to collect data to analyse the impact on the food security and livelihood on households in the communities where it works**. This activity will support the development of relevant food security and economic recovery actions, in particular cash and market-based programming and agricultural production and value chains interventions. The tool developed to support data collection on the economic impact, has been **inspired by the work developed by the global Food Security Cluster (gFSC)**, which is working to provide partners with data collection tools and methods in the food security and livelihood sector under a COVID-19 operational framework.

5. CHALLENGES

Developing a country-level assessment under the current circumstances can be challenging. The assessment is undertaken **during lockdown with limited or none opportunity to meet key-informants face-to-face**, forcing the organizations to use remote data collection tools as phones, thus drastically reducing the available time to conduct the interviews. It involves data collection and analysis while the **situation is still evolving**, and the impact of the pandemic is multidimensional. It **requires capacity - operational and resources - to immediately engage** in an important data collection exercise in the field. It requires **intense coordination** between the HQ and the country offices.

This assessment activity has been developed to take into account all those challenges and mitigate their effect as much as possible, so as to make its results reliable.

6. TARGET COUNTRIES

The assessment will be carried out in 9 countries: **DRC, Niger, Mali, Nigeria, Ethiopia, Iraq, Bolivia, Ecuador, Guatemala.**

In order to make a strategic choice of the target countries for this assessment, both external and internal criteria were considered. The immediate on-site capacity to engage in such data collection activity has been considered the necessary precondition to participate in the assessment. It has also been considered relevant to have all geographical zones where COOPI currently works (Latin America, West Africa, Central Africa, East Africa and Middle East) represented in the study.

6 of these countries - **DRC, Niger, Mali, Nigeria, Ethiopia, Iraq** - are considered a priority by the Global Humanitarian Response Plan (GHRP) and all of them are considered at very high or high risk according to different analysis:

COUNTRIES	PRIORITY COUNTRIES	RISK INDEXES		
	GHRP priority countries	OCHA's COVID-19 Risk Analysis Index	INFORM COVID-19 Risk Index - high and very high[8]	World Food Program (WFP) analysis of the country-level economic and food security vulnerability[9]
RD Congo	X	X	X	
NIGER	X		X	X
MALI	X		X	
NIGERIA	X		X	X
ETIOPIA	X		X	X
IRAQ	X			X

[8] INFORM COVID risk index, version 0.1.2 17 April 2020, results and analysis.

[9] WFP - Food Security Analysis - May 2020

Concerning Latin America countries - **Bolivia, Ecuador, Guatemala** - even if not appear in the top positions, they nevertheless appear respectively:

1. **Ecuador**: in the **INFORM** "**humanitarian impact" list** (which combines Countries with an existing humanitarian crisis (INFORM Severity Index March 2020) coupled with a COVID-19 risk (INFORM COVID Risk Index).
2. **Bolivia**: in the **INFORM** "**new crisis watch" list** (Countries with no existing humanitarian crisis (INFORM Severity Index March 2020) with high COVID-19 risk (INFORM COVID Risk Index) and crisis risk from all hazards (INFORM Risk Index).
3. **Guatemala**: in the **INFORM** "**humanitarian impact" list** and in **the "capacity checklist"** (Countries with the greatest discrepancy between their all-hazard risk of a humanitarian crisis (INFORM Risk Index) and COVID-19 risk (INFORM COVID Risk Index), where there may be the largest difference in current humanitarian capacity and capacity required to deal with potential health and humanitarian impacts of COVID-19).[10]

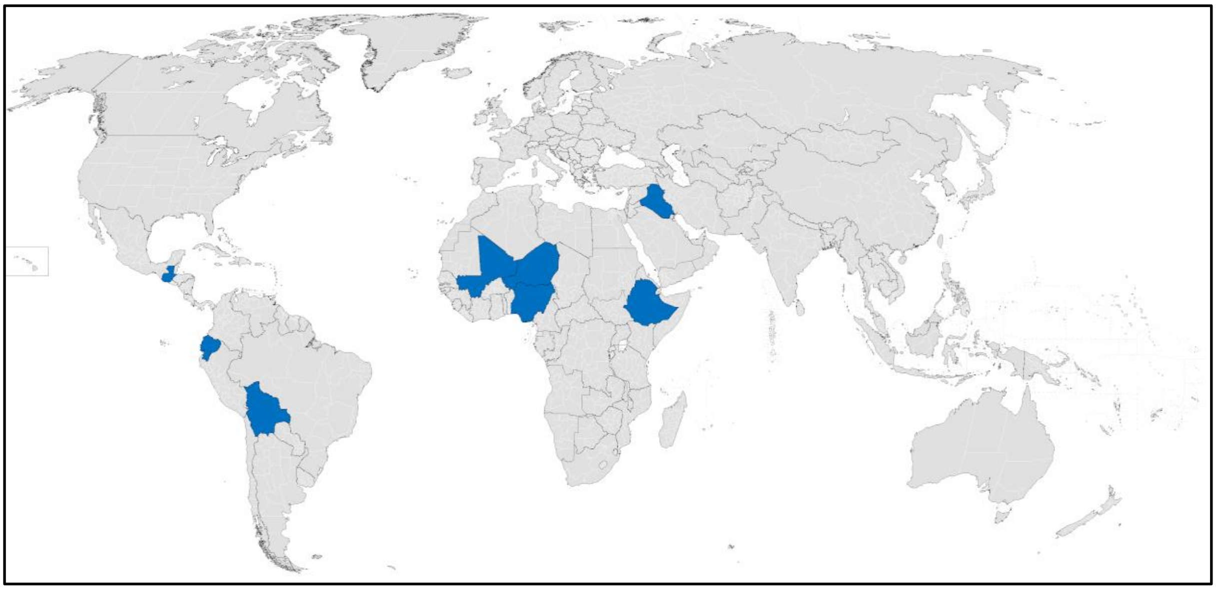

Figure 1: COOPI COVID-19 Impact assessment target countries

[10] INFORM COVID risk index, version 0.1.2 17 April 2020, results and analysis.

COOPI
COOPERAZIONE INTERNAZIONALE

7. METHODOLOGY AND TOOLS

7.1 INTRODUCTION

In line with the indications given by the FAO Emergency Needs Assessment Team to deploy questionnaire addressing households in the framework of the Assessment of COVID-19 impacts on food security, agricultural production and livelihoods:

1. Due to the Covid-19 context, surveys will be mainly **administered by phone.**
2. Respondent's attention is shorter in phone surveys versus face-to-face interviews, therefore the questionnaire is not a standard tool. **Choices concerning questions' number and complexity had to be made to respect this limitation**.
3. **The questionnaire has been tested** by the field staff to ensure that the duration, question formulation and coding are adequate before proceeding with survey implementation.
4. Depending on context, objectives and sample frame availability, the assessment will target the **different population types in each country**.

Using a sound and representative sample frame is necessary to provide a representative picture of the situation. In case the local context limits the choice and other sample frames - that do not provide a statistically representative picture - need to be used (e.g. beneficiary lists), results will be interpreted accordingly.

7.2 ASSESSMENT STRUCTURE

The assessment exercise is divided into 2 parts:

1. **Country context analysis:** using available secondary data and analysis, COOPI will perform a desk research to draw a general picture of the economic situation of each target country, including the trend of selected goods market prices. This part will make reference to existing materials from different sources such as OCHA, WFP, FAO, International Labour Organization (ILO) country reports, global Food Security Cluster COVID-19 working groups and others.
2. **Questionnaire:** the questionnaire will be submitted in the 9 selected countries in order to investigate the target communities situation in terms of food consumption, food access and livelihoods. While the part concerning **food access and food consumption** is the same for all respondents, the questions to investigate the **income** will vary on the basis of the income generating activity (farmer, pastoralist, income generation activities (IGA) other than the primary sector). **Access to any money transfers** - private or public - too will be investigated for all respondents.

7.3 DURATION AND FREQUENCY OF DATA COLLECTION

As there is the necessity of **detecting changes and trends over a certain period of time** in the context of a situation - COVID-19 crisis - which has shown to evolve very rapidly, the questionnaires will be submitted **to the same respondents several times (frequency) within the set time (duration).**

As for the **frequency**, **the enumerators will submit the questionnaires to the respondents every 3 weeks**.

Considering the unpredictability of the situation in regards to the evolution of the COVID-19 crisis, the assessment will initially cover a period of **3 months**, at the end of which it will be possible to withdraw some conclusions and decide how to proceed.

The questionnaire is structured in a way that allows to investigate **both the present situation and the situation before the COVID-19 pandemic** for comparison.

7.4 TARGET AREAS AND SAMPLING

Target areas have been established in coordination with each country team in reference to the local context and specific group of interest.

As time and resources play an important role, purposive (judgement) sampling, having the advantage of being time-and cost-effective to perform, has been elected as a sampling method.

In each country the survey focuses on a homogeneous area in relation to socio-economic characteristics (urban. peri-urban and rural).

An average of around 200-250 interviews will be carried out in each country.

7.5 COLLECTING DATA DURING COVID-19 CRISIS

Data collection activities are inevitably impacted by the restrictive measures imposed to limit the spread of the virus. Depending on the specific situation, it will be necessary to evaluate whether, to submit the questionnaires, it is sufficient to simply adopt corrective measures or adopt remote data collection methodologies. On this topic, COOPI developed a quick guide to support country operations - **COOPI M&E operational tips COVID-19 and MEAL**.

7.6 DATA COLLECTION TOOL

To perform data collection, country teams will use the KoBo Toolbox. Kobo can be used either as a Kobo application for mobile devices as well as the desktop through a browser. The application works offline too, making it the ideal choice when it comes to remote areas with no coverage. Both software and application save the data and transfer them to the database automatically as soon as the device is connected with a network again. Using a software will allow sharing data in real time with the technical team at COOPI headquarters in Milan, which will be in charge of managing, analysing the data and preparing the reports.

8.REGIONAL AND COUNTRY PROFILES: EXISTING ANALYSIS

The following profiles were elaborated from secondary data review obtained from other organizations and government works already published and available for consultations and references.

8.1 MIDDLE EAST

Most of the countries in the Middle East region are expected to contract their economy size significantly in 2020 as the negative spill-over of COVID-19. People engaged in subsistence or informal work cannot endure sustained lockdowns or interruption to their livelihoods. Movement restrictions, lockdowns, trade barriers, among other factors, are impacting commodity price levels and inflation in some areas. Most remarkably the region's heavy dependence on oil and gas exports and on food imports leaves it sensitive to price fluctuations and trade restrictions".[11]

Iraq

Context[12]

Government curfews were instituted across Iraq in mid-March, two weeks after the first case of COVID-19 was detected in Najaf city, south of Baghdad. The global economic slowdown and reduced demand have led to a sharp decline in commodity prices, particularly oil which soar pressure on national finances in Iraq's oil-based economy. Iraqi government procures locally and internationally major staples such as wheat and rice as part of its price support subsidy program for producers, while other food products are imported by local traders in the private sector. Being a net importer of staple food places Iraq in a weak position in respect to its external relations as well as under a situation of restriction of movements, border shut down and deficit financing.

COOPI assessment

The assessment will take place in the Governorate of Salah al-Din in the two districts of Al Shirqat and Beygee. The plan is to survey 250 respondents in total. We are going to use linear systematic sampling knowing the entire population, sample size and interval.

[11] WFP Coronavirus Pandemic - (Covid-19) External Situation Report#10, 03 July 2020.

[12] COOPI - C-19 Socio-Economic impact in Al-Shirqat and Beygee districts in Iraq: Secondary data review.

8.2 EAST AFRICA

In East Africa, the socio-economic impact of the pandemic continues to affect poor vulnerable households. Some 50% of the urban population in the region live in informal urban settlements with the majority relying on informal day-to-day employment. The region is grappling with ‘triple threat’: COVID-19, floods and locust outbreaks. WFP estimates that some 24 million people are food insecure in the region, including 3.3 million refugees and 6.2 million internally displaced persons. The COVID-19 related disruptions of food trade and agricultural production pose serious threats to food security. WFP projects that the number of food insecure people could rise by 17.5 million, reflecting a 73% increase of the estimated food insecure population”.[13]

Ethiopia

Context

Over the last 15 years Ethiopia's economic growth has been one of the fastest in the world which has contributed to a substantial reduction of poverty, especially in urban areas. However, with a nominal per capita income of $985, Ethiopia is still one of the poorest countries in Africa (UN 2020a). According to the assessment carried out by the Ethiopian Job Creation Commission (JCC, 2020), the economic sectors currently and potentially most affected by the COVID-19 pandemic are manufacturing, construction and services in urban areas, followed by the agribusiness sector and tourism. Main causes of the economical disruption are due to the slowdown of the global and local demand, disruption of supply chain due to the imposed social distancing, lack of liquidity and high dependency from international markets. Overall, a total of about 1.4 million wage-employment jobs are at risk[14]. Figures for the informal sector are unknown although women are disproportionately represented and they are expected to be impacted seriously.

COOPI assessment

The assessment will be carried out in Oromia Regional State, Bale, West Arsi and Arsi Zones, Sinana, Adaba, Asella and Sherka Woredas.

[13] WFP Coronavirus Pandemic - (Covid-19) External Situation Report#10, 03 July 2020.

[14] COOPI - Rapid Desk Review of COVID-19 Economic Impact in Ethiopia – 2020.

8.3 WEST AND CENTRAL AFRICA

In West and Central Africa, COVID-19 pandemic threatens to exacerbate the humanitarian situation aggravated by armed conflict, population displacements, expanding desertification and climate change that has already resulted in growing rates of hunger and malnutrition. COVID-19 has emerged at the peak of the lean season when hunger and malnutrition are most severe. Prior to the pandemic, according to WFP 21 million people in the region were estimated to struggle to meet their food needs from June to August. With worsening instability and the effects of the pandemic on food production and trade could push an additional 50 million people into a stressed phase. Many of the newly food insecure people in the region are the urban poor who lost their employment and depend on markets for food, with little ability to save money or store food. Border closures and the suspension of markets across the region have led to reduced regional trade and consequent price increases of staple food and basic goods[15].

DR Congo

Context[16]

DR Congo's economy is highly dependent on the mining sector (which constitutes 30 % of the country's budget revenue) while relying on import of productive inputs and basic necessities such as staple foods. As result of the COVID-119 pandemic, DR Congo economy is expected to experience growth decline[17]: supply chains and markets functioning are being disrupted with a possible reduction in the availability of food and non-food products. An increase in the prices of basic foodstuffs has already been reported on the local market in certain places, to which is added a reduction in the purchasing power of households (linked to the economic slowdown and the decrease in income generated). Restrictions on movement and the economic slowdown are causing loss of income, with major consequences for people on low incomes and engaged in the informal job market. The income of Congolese households could also decrease due to a drop in the volume of remittances from abroad[18]. Rising market prices and declining availability and access to food may contribute to a sharp deterioration in food and nutrition security.

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[15] WFP Coronavirus Pandemic - (Covid-19) External Situation Report#10, 03 July 2020.

[16] Plan de réponse humanitaire révisé république démocratique du Congo - cycle de programmation humanitaire 2020 - publié en juin 2020.

[17] United Nations socio-economic framework report on COVID-19.

[18] Gouvernement de la RD Congo, BAD, Banque Mondiale, BIT, ONU Femmes, PNUD, UNICEF, Etude sur les « Impacts sanitaires et socioéconomiques du Covid-19 en République démocratique du Congo : Analyse prospective et orientations de la riposte multisectorielle », Avril 2020.

COOPI assessment

The assessment will take place in the North Kivu district in Beni territory, in the urban area of Beni.

Mali

Context[19]

The global economic recession is having negative consequences on the Mali economy, leading to a 80% fall in GDP growth (dropping from 5% to 0.9% in 2020)20 causing 800,000 Malians to fall into poverty[21]. The combination of several factors affects the Malian economy: the disruption of trade and supply chains affecting commodities export and import, the reduction in foreign funding flows, the direct health impact of the virus, the disturbances caused by containment and mitigation measures imposed by the government.

The disruption of international trade has a major impact on the Malian economy which relies heavily on exports, representing 23% of the country's GDP mainly based on gold (62%), cotton (11%) and livestock (8%)[22]. Therefore Mali is largely dependent on the fluctuation of their price: globally gold is appreciating, but cotton is in free fall as well as exports volumes of cattle, goats, and poultry, already reported by the Ministry of Livestock in March and April 2020. On the import side, the consequences of COVID-19 for Mali's trading partners will disrupt the availability of inputs of staple food such as grains and productive inputs.

Several risk factors linked to the COVID-19 crisis threaten **food security**: fall in economic activity, job losses, fall in migrant transfer income, rising transaction costs, weak domestic demand, disruption of supplies to local markets with domestic and imported foodstuffs (due to borders closure).

The massive increase in **unemployment** in Europe is likely to particularly affect Malian migrants and cause remittances to fall. Remittances represent 6% of Mali's GDP (2018)[23] and Turri decline will have a major economic impact on the most vulnerable families.

COOPI assessment

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[19] All information about Mali are takenfrom:UNDP - Analyse rapide des impacts socio-économiques du COVID-19 au Mali

[20] IMF (International Monetary Fund), Staff report, May 2020 https://www.imf.org/en/Publications/CR/Issues/2020/05/07/Mali-Requests-for-Disbursement-Under-the-Rapid-Credit-Facility-and-Rephasing-of-Access-Under-49399

[21] Data from the World Bank, Mali country office.

[22] Data from the Malian National Institute of Statistics (Institut National de la Statistique (INSTAT) du Mali).

[23] Data from the Malian National Institute of Statistics (Institut National de la Statistique (INSTAT) du Mali).

The assessment will be carried out in 4 health districts, 2 in Segou region and 2 in Mopti region, targeting a total of 200 households.

Niger

Context[24]

For decades, Niger has faced recurrent and persistent shocks - political, economic, social: a fragile context, marked by the vulnerability of populations and affected by chronic food and nutritional insecurity, exacerbated today by the COVID-19 pandemic.

The COVID crisis is considerably affecting the lives of households, particularly in **urban** and peri-urban contexts, where people are faced with a significant drop in their income, in the ability to access food and with an increased spending on social services. The confinement and the curfew affected the economic activities in sectors such as food, tourism, transport, culture and sport: informal activities - food trade, casual or temporary workers and petty trade - are the hardest hit.

Rural areas (in particular the regions of Tillabéry, Tahoua and Diffa) - where 80% of the population lives - are mainly confronted with the effects of the isolation of the capital city and the market disruption, especially in the food supply chain. Interruptions in transports, quarantine measures, lack of labour force required for production, decrease in availability and increase in price of production inputs due to the border closure: all these factors could have a huge impact on food availability and accessibility.

The main source of income of pastoral and agro-pastoral communities in Niger is **breeding**, especially extensive breeding, for which mobility is a key factor of resilience. As mobility is being heavily impacted by the restrictions put in place to contain the pandemic, this will carry heavy consequences on this sector. In addition, pastoralists face significant livestock losses due to starvation and the sale of animals to meet the needs of the household and their livestock. The market value of animals has lowered. The covid-19 pandemic has also resulted in an almost complete disruption of a major supply chain for livestock feed, blocked due to restrictions in the country and with neighbouring countries. Livestock feed prices are therefore increasing.

The effects of the pandemic have also impacted the **diaspora** in Africa (in Nigeria, Burkina Faso, Côte d'Ivoire, Ghana, Togo) and elsewhere, which provided significant financial support to rural areas during the lean season: due to the impact of the pandemic, resource transfers have declined.

COOPI assessment

[24] All information about Niger are takenfrom: FAO, Niger, Plan de réponse mai-décembre 2020: Atténuer l'impact de la maladie à coronavirus 2019 (covid-19) sur la sécurité alimentaire, Mai 2020.

The assessment will be carried out in the urban area of Tillaberi.

Northeast Nigeria

Context

COVID-19 pandemic caused reduction of global oil demand with a consequent decline in oil prices between the end of 2019 to March 2020. The oil sector in Nigeria contributes 65% and 90% to government and total export revenues, respectively, therefore the country is expected to struggle to keep cash flows. Under a protracted lockdown, Nigeria's dependence on oil export and food import would cause the extinction of food stocks within a short time.

COVID-19 crisis is expected to further worsen the difficult situation in particular for communities residing in northeast Nigeria. Livelihoods have been disrupted by the armed conflict and both production systems and households in the region remain fragile to external shocks. The ongoing crisis there continues to have a profound impact on the population with an estimated 7.1 million people in need of humanitarian assistance in Borno, Adamawa, and Yobe states (BAY).[25][26]

The COVID-19 pandemic has resulted in a slowdown in production and intra- and inter-regional agricultural trade in the North- East, including the movement of key agricultural commodities. The region's food supply chains were affected, with the closure of wet markets and retail stores in densely populated urban areas for significant periods of time during April-May. In addition, the surge in attacks were sustained throughout May, preventing farming households from accessing food and livelihood support in some areas. Due to low productive capacities, the majority continues to depend on humanitarian assistance for survival. Regulations governing the movement of cash and the absence of information and communications technology infrastructure remains a significant challenge to providing targeted local government areas with social protection measures such as cash transfers.[27]

COOPI assessment

The survey will be conducted in accessible communities of Damaturu (Nayi –nawa, Kukareta, Kasaisa and Pompomari communities), Geidam (Balle-Gallaba, Hausari and Ashekiri communities) and Yunusari (Mozogum and Yunusari communities) LGAs of Yobe state, where COOPI is currently implementing WFP and European Union (EU) funded projects supporting about 44,441 beneficiaries of Internally Displaced Persons (IDPs) and

[25] REACH-INITIATIVE – Nigeria – Assessing impacts of COVID-19 IN hard-to-reach areas and monitoring markets in Northeast Nigeria - June 2020.

[26] UNDP - The Impact of the COVID-19 Pandemic in Nigeria: A Socio-Economic Analysis - March 2020.

[27] FAO, Northeastern Nigeria - Adamawa, Borno and Yobe SITUATION REPORT – June 2020.

host communities to improve nutrition, food security and resilience in North-East Nigeria. Yobe State is located in Northeast-Nigeria and agriculture is the major source of livelihood in the target locations.

8.4 LATIN AMERICA AND THE CARIBBEAN REGION

The COVID-19 pandemic has recently spread rapidly in Latin America and the Caribbean and the impact of business closures and mobility restrictions hit the region in a period of economic weakness and macroeconomic vulnerability. “According to the WFP the number of people facing hunger in the region could quadruple to 16 million, representing the highest relative increase in food insecurity in the world, standing at 269% rise[28]. High levels of inequality, rapid urbanization, high dependence on informal workers, governance issues, and an exposed fragile economy continue to contribute to increases in COVID-19 cases. This is compounding people’s vulnerabilities and increasing social unrest and political instability. There is particular concern for Haiti, the Dry Corridor of Central America, and Venezuelan migrants in Colombia, Ecuador and Peru. The situation of workers employed in the informal sector is particularly worrisome, as many are not covered by any social protection programmes. The situation in the region is expected to deteriorate further due to extended droughts, political and economic instability and the looming hurricane.

If low levels of global oil prices persist, oil exporters countries such as Ecuador can have serious negative repercussions for its economy and national budget. Bolivia, which exports natural gas through contracts linked to oil prices is also facing finance problems. On the other hand, low oil prices will benefit oil importers, especially in Central America, compensating, to some extent, for the drop in income from export and remittances.

Bolivia

Context

Over the last decade, Bolivia has experienced substantial economic growth and social development, with a significant reduction in extreme poverty, decrease in inequality and improvements in nutrition outcomes. Despite a sharp decrease in poverty, Bolivia remains amongst the poorest countries in Latin America, with nearly 35% of Bolivians living below the poverty line[29]. The spread of COVID-19 has highlighted the precariousness of the country’s health systems but also the high level of poverty and widespread presence of the informal economy which all make the containment of virus very difficult.

[28]WFP Coronavirus Pandemic - (Covid-19) External Situation Report#10, 03 July 2020.

[29]IOM- Climate Migration and COVID-19 in Bolivia: The nexus and the way forward – 2020.

In addition to its health impacts, COVID-19 is expected to have profound social and economic consequences.

On a macroeconomic level, Bolivia was highly impacted by the drastic drop of the international oil price and the reduction of export of natural gas as well as from the paralysis of the mining sector. Bolivia's economy is particularly vulnerable to external shocks, not only for relying heavily on exports, but because its internal production and consumption are highly dependent on imports of inputs and final consumption goods. Although the Government and the Central Bank of Bolivia have adopted measures to mitigate the effects on family income, employment and businesses, economic challenges are affecting disproportionately the most vulnerable. Particularly populations who live in overcrowded conditions, often internal and international migrants with limited ability to respect social distancing and adopt hygiene practices while experiencing significant barriers to accessing essential health care and social protection services.[30]

COOPI assessment

The area under assessment is the Native Nation of Uru-Chipaya, specifically in the department of Oruro, province of Sabaya and the Chipaya community.

Ecuador

Context

In February 2020, when the first case of COVID-19 was recorded in the country, the Ecuador government launched a nationwide health campaign to keep under control the spread of the virus. Yet according to the Economic Commission for Latin America and Caribe (CEPAL), Ecuador is the second hardest hit economy by COVID-19 in the region after Venezuela. Ecuador's GDP is expected to decrease by 6.5% in 2020, in the context of a global recession due to the COVID-19 crisis which caused steep decrease of the economic activities of the main trading partners and the fall in the price of crude oil from which the country's public finances largely depend.[31] Ecuador’s economy is also hardly hit by a dramatic reduction in production and export of two vital sectors such as flowers and bananas, which have both experienced a net reduction in traded volumes during the month of April[32]. Furthermore, both the interruption of global and internal supply chains, lower demand for services, including tourism, and heavy reduction of remittances from abroad, are having a negative impact on the national economy, including on the liquidity for the most vulnerable households.

[30] CEDLA - La crisis del coronavirus y la amenaza de una nueva gran depresión - Abril 2020.

[31] CEPAL - Measuring the impact of COVID-19 with a view to reactivation - April 2020.

[32] UN - Plan de Respuesta Humanitaria COVID-19 Ecuador - April 2020.

Based on World Bank projections, the unemployment rate is expected to increase dramatically between 2020 and 2022 as a consequence of the economic disruption and the population in extreme poverty will increase as consequence.[33]

Moreover UNHCR highlights the condition of the displaced Venezuelans in the country who were already in precarious conditions before the COVID-19 crisis. Venezuelans refugees are especially affected by restrictive lockdown measures as a result of the health emergency. The vast majority works in the informal sector and lacks a social safety-net. Not being able to go out and make a living, they are unable to cover their basic needs, such as food and basic health supplies. Many are evicted and end up on the street where they are subject to xenophobia, discrimination and other protection risks.[34]

COOPI assessment

The assessment will be deployed in three provinces, namely Pichincha, Manabí and El Oro.

Guatemala

Context

In March 2020, after the first cases of COVID-19 were found, the Government of Guatemala established a “state of calamity” nationwide to contain and mitigate the spread of the virus and avoid a collapse of the precarious health system. However Guatemala was still in Phase 0, during the month of June 2020, as positive cases were still increasing. The extended restrictions of mobility are having a negative impact on economic activities and internal consumption. However, according to the Inter-American Development Bank, Guatemala has a strong macroeconomic framework, which allows the country to take long-term action to offset the negative effects of the COVID-19 pandemic on the economy. Nonetheless the Guatemalan economy is strictly dependent on foreign countries’ demand for agriculture and manufactures goods as well as for supplying productive inputs. Very relevant for the country are remittances from overseas (mainly from the US) which represent the equivalent of 13% of GDP in 2019 and which the Bank of Guatemala reported a 20% contraction during the month of April. [35]

Guatemala exports experienced mixed results: for instead according to the USDA agricultural commodity assessment, from January to May 2020, Guatemala vital exports of bananas and sugar have increased but the also vital commodity of sugar molasses dropped. Exports of other fruits (fresh, dried, or frozen) keep increasing but much under the forecasts while rubber, honey and flowers which are also important economic sectors, were negatively impacted as

[33] World Bank - Global Economic Prospects - Regional Outlook - June 2020.

[34] UNHCR - Ecuador - Livelihoods: Covid-19 Update - June 2020.

[35] CEPAL - Measuring the impact of COVID-19 with a view to reactivation - April 2020.

a result of reduced demands and increased transportation and logistics costs[36]. Furthermore the closure of national borders as well as the interruption of international tourism will have negative consequences in Guatemala as well where the sector represents around 6% of annual GDP, generating thousands of direct and indirect jobs. Guatemala received more than 2 million foreign tourists in 2019[37].

COOPI assessment

The assessment will be focused on the department of Huehuetenango, in the municipalities of Colotenango and San Gaspar Ixchil.

[36] USDA - COVID-19 Impact on Guatemalan Agriculture - June 2020.

[37] Banco Interamericano de Desarrollo - El impacto del COVID-19 en laseconomías de la regiónCentroamérica – 2020.