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# COVID-19 pandemic could last until 2022: Prepare for the Long Haul

No one knows when the COVID-19 pandemic will end, but the general view is that it will not be anytime soon. According to a report prepared by the Centre for Infectious Disease Research and Policy (CIDRAP, April 2020)[1], we need to prepare for a worst-case scenario of at least 18-24 months of significant COVID-19 activity. This means that the pandemic could last well into 2022.

The prospects for such a prolonged period of disruption are even more daunting when considering the devastating impact that the pandemic has already had on agriculture. Further, the impacts will continue to be felt by the sector long after the health pandemic has ended.

What does all of this mean for farmers who are anxiously waiting for their lives to return to normal? Well, the wait will be long and more importantly 'normal' may never return. Simply waiting for the pandemic to go away is not an option. Farmers' organisations (FOs) need to spread the message that **farmers and other agri-value chain actors should prepare for the long haul.** Fore-warned is forearmed.

In the short-term we can expect to continue to experience ongoing shocks and adaptations to how and when value chain actors can procure, produce and sell. To this end, **farmers urgently need to develop strategies to deal with health and safety aspects as frontline actors, as well as with the direct and indirect impacts on farming and agriculture in general.**


The preparation and execution of response plans should involve relevant government authorities and accredited health delivery agencies. These responses will also need to consider the fact that food and agriculture are intertwined with virtually all aspects of social and economic life and is of public interest. Thus, a broader supply chain and public policy approach will be needed.

**Beyond immediate short-term effects, COVID-19 will fundamentally change agri value chains in the long-term.** As farmers and other actors continue to navigate short-term disruptions, the true test will be to adapt to the fundamental shifts in how agricultural value chains operate. It is critical that to prepare for the long-haul and build back agri value chains that are not only resilient to current and future shocks, but well positioned to thrive in a 'new normal'.

*(continues on page 4)*

[1] COVID-19: The CIDRAP Viewpoint April 30th, 2020 Part 1: The Future of the COVID-19 Pandemic: Lessons Learned from Pandemic Influenza Kristine A. Moore, MD, MPH Marc Lipsitch, DPhil John M. Barry, MA Michael T. Osterholm, PhD, MPH

# CEO's Letter

*Ishmael Sunga*

**As the COVID-19 pandemic rages on, the livelihoods of farmers and other economic actors are being ravaged on a scale never seen before. With no immediate end in sight, fear and panic have become entrenched.**

The nature of the pandemic and the crisis it has caused are not well understood, making it very difficult to effectively respond. It is in these times of fear, panic and uncertainty that access to information becomes critical. Among others, it helps in tracking and understanding the unfolding situation, and enhances the survival and long-term resilience of farming and other sectors.

Crises often create extraordinary volumes of information, the reliability of some of which is difficult to determine. The information overload created is time-consuming to process and difficult to discern and make sense of. In such form, information becomes disempowering, particularly to more vulnerable farming communities and other sectors who are most in need of it.

It is against this backdrop, and recognising the impact that COVID-19 will have on fundamentally reshaping future food systems, that we have decided that our newsletter and other information bulletins should share information related to the pandemic. It is more critical than ever before that Farmers Organisations (FOs) and their members are well informed about current and projected trends and support measures, and how to manage them. In addition, they need to keep abreast of emerging opportunities, as well as policy discourses and narratives on post-COVID-19 reconstruction, and seek to actively influence the latter from an informed basis.

This information response to COVID-19 was developed with the direct involvement of the African Union Development Agency (AUDA)/The New Partnership for Africa's Development (NEPAD) (AUDA-NEPAD). Both SACAU and AUDA-NEPAD share the view that the provision of relevant, credible and streamlined information about the pandemic and the accompanying crisis to farmers and other food systems actors, particularly the more vulnerable micro and small actors, is a strategic area of investment. It is also important to keep the general public informed about developments in the agricultural sector regarding the impact of COVID-19. Furthermore, food security and safety remain high on the political agenda and the importance of providing sound information for policy formulation cannot be overemphasised

The COVID-19 specific newsletters will be interspaced with regular information bulletins and news flashes. In this first issue, we focus on the long-term impact of the pandemic on the agri-sector, and how ecosystem actors can re-build within a new world order. We also outline key debates that have been ignited/re-ignited by the pandemic and identify some emerging opportunities for FOs in the sector.

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# Business unusual for Farmers' Organisations

*Figure 1: Farmer Organisations (FOs) need to refine their traditional roles to effectively support members and shape a new paradigm*

**Most industry bodies have been forced to adapt. The Tourism Business Council of South Africa (TBCSA) for example has turned its attention from typical advocacy on behalf of formal members, to supporting freelance traders with applications for short-term financial relief. Similarly, FOs will need to adapt.**

Over time, the form and functions of FOs have evolved, triggered by social, political, and economic factors governing the agri-food sector. While past evolution has been gradual and expected, rapid changes brought about by COVID-19 have caught FOs and other players in the agri-food system unaware and unprepared. South African fruit farmers, for example, were forced to immediately redirect their produce for export via truck away from the port of Cape Town to ports further North due to a positive COVID-19 case[2]. FOs are suddenly called upon to undertake new roles and responsibilities, but without adequate skills, capacity, and operating facilities.

Six months ago, it was unimaginable that FOs would be actively involved in the provision of health and safety related information or supply of personal protective equipment (PPE) to their members. Workplaces and farm equipment now have to be sanitised, and the responsibility has been placed on FOs to provide health and safety information and provide guidance to farmers on how to safely conduct business without risking their health and that of their families, partners and farm workers/employees. Before COVID-19, this was the forte of the health sector while, the FO's mandate was confined to promoting the economic and political interest of farmers. FOs have had to quickly extend their typical advisory role in production, agro processing and marketing to advising farmers on health and safety issues facing farmers and their workplace. This new role also entails building partnerships beyond the 'traditional'. The FAO, for instance, is calling on forest and farmer producer organisations (FFPOs) to establish links with social protection programmes to ensure vulnerable groups, including smaller farmers have access to protection[3]. It is inevitable that FOs will

[2] Cape Wine Port Delays Hit South African Fruit, Wine Exports, 2020, Njini, F, Bloomberg
[33] Forest and Farm Facility: COVID-19, 2020, FAO

liaise with public health officials more often than ever before.

The imposition of social distancing has made travelling, meeting with farmers and discussing practical issues in person a challenge for FOs. Many of their constituents are also not equipped to communicate with them digitally. Thus, while the pandemic had increased the usage of digital applications in the workplace, steps still need to be taken to overcome the challenge of social distance.

For example, the Lesotho National Farmers' Union is slowly shifting away from face-to-face interaction towards digital interactions. Board members are connecting through online platforms, and meetings and deals with stakeholders, public officials and off-takers, are taking place virtually. In China, the Ministry of Agriculture and Rural Affairs (MARA) has developed a big data-enabled response to mitigate the economic impacts of COVID-19 by linking its data platform to the National Cloud Platform for Grass-Root Agricultural Technology Extension (NAECP). This initiative minimizes face-to-face contact between policymakers, extension officers and farmers, while seamlessly providing key information including health advice through the "COVID-19 fighting" module to farmers[4]. This mode of interaction will likely persist post-pandemic as it reduces costs and also increases effectiveness within businesses. FOs therefore have the opportunity to adapt to this shift by developing their ability to manage operations and projects via digital platforms.

This presents an opportunity for FOs to scale and influence policy more effectively through technological platforms.

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**The complex and systemic impact of COVID-19 provides opportunities to reconstruct better agricultural systems.** The importance of a holistic and collaborative approach to rebuilding has been amplified. Farmers and other actors will need to re-think their agricultural business model and adjust their risk management strategies. For example, bio-security will be at the forefront of risk management, flexibility in farm operations will be a necessary survival tool and financial safety will become even more critical. The ability to juggle multiple goals will become essential.

Food systems will need to be viewed and handled in an increasingly systemic manner, from a value chain perspective. There will be a shift in the nature of relationships from handing over goods at nodes in the value chain to systemic thinking where resilience is built not just at an individual operational level, but at the value chain level where significant interdependencies exist.

Despite the global and complex challenges posed by the COVID-19 pandemic, this disruption presents a significant opportunity for the agri-sector. This is indeed **an urgent call for FOs to develop long term strategies that will not only enable farmers to endure the prolonged pandemic, but also to come out of this much stronger and more resilient**.

In the coming issues we shall be exploring what some of the key elements of the strategies/response framework might look like.

[4] Extension and Advisory Services Role in the COVID-19 Crisis, 2020, Davis, K. Feed the Future

# Critical debates ignited

The COVID-19 pandemic has put the food and agricultural sector in the spotlight, raising fundamental policy questions for different value chain actors. While many countries may not have immediate responses to some of the emerging debates, ignoring these and other issues cannot be an option as the global community prepares to move into an unforeseeable future.

**Food Self-Sufficiency vs. Imports**

Unprecedented trade-related bottlenecks have rekindled discussions on whether nations should in the future concentrate on self-sufficiency as opposed to open trade. **The immediate response is to consider more decentralised local production, however the viability of this response as a long-term solution is not guaranteed.** Local production could yield numerous benefits including greater availability, reductions in food waste and fewer greenhouse emissions by shortening supply chains. It would also build greater resilience to exogenous shocks.

Despite these benefits, localisation also presents limitations. A recent study revealed that 80% of the world's population live in countries relying on imported food for adequate access to nutrients[5]. Localisation can also result in loss of production efficiency if production is transferred to areas not suited for it, and systems would be extremely vulnerable to local disruptions including drought and disease. Diet diversity may also be limited and seasonal shifts in diets could be more marked.

In the long term, the optimal solution is likely to lie somewhere between the extremes of local self-sufficiency and open agricultural trade.

**Cash vs. Staple**

The importance of agricultural export markets as sources of income is undeniable. The agricultural sector contributes approximately 10% of South Africa's total export earnings[6]. In Malawi this figure is as high as 80%[7]. Similarly, imports provide cost-competitive sources of numerous agricultural produce to markets that are ill-suited for their production - an important consideration for varied and balanced diets.

**The COVID-19 pandemic has put strain on availability of food and is re-igniting the debate on the appropriate balance between staple crops and high-value cash crops for both domestic and export markets.** The ensuing debate and likely shifts will have a lasting impact on the functioning of value chains, local markets, logistics providers (road, air, rail and water-based freight) and trade. It will be critical to find the right balance, and workable solutions to achieve sufficient, equitable availability of food vis á vis significant economic implications at a farmer and sector level.

**Mechanisation vs. Labour**

**The use of farm mechanisation, which enabled farm owners/managers to engage less labour and facilitate social distancing, proved critical in Southern Africa as lockdown pronouncements coincided with the harvest of summer crops and preparations for winter activities. This raises the question: Are we likely to see more substitution of human labour with mechanisation/technology in the future? What are the likely implications of technological progress in agriculture on employment creation of unskilled labour?**

[5] COVID-19 and self-sufficiency: Is local food production capable of meeting demand?, 2020, Southey, F.
[6] South Africa – Agricultural Sector, 2019, International Trade Administration
[7] Malawi exports by category, 2017, Trading Economics

Furthermore, the importance of mechanisation in improving production efficiency and farm produce quality is well understood and documented[8]. However, the balance between growing mechanisation and the need to create employment for large numbers of un- or semi-skilled workers will be further tested over the coming months and years as governments look increasingly to the sector to create jobs in light of economic losses and job losses in other sectors. One solution is to focus on matching available labour to genuine demand in the sector. In Peru, for example, government worked with a local NGO to redirect the large influx of migrants and migrant workers relocated from India (due to the pandemic) towards new jobs in its growing agriculture and forestry sector. In this way, stakeholders can work to fill labour gaps in the industry where possible, but not sacrifice efficiencies created by mechanisation simply to meet an employment quota.

**Protectionism vs. Free Trade**

The trade and economic impacts of COVID-19 are providing a new voice for food sovereignty. The current economic climate is also creating the need for intervention by governments to support local farmers and agri-businesses through a number of tools including import restrictions, subsidies and other temporary relief. Not only are these measures seen as temporary stop-gaps, but there is a growing chorus of voices arguing for their longer-term implementation to support the growth of local value chains.

The balance between protectionism and the global trade paradigm that has shaped much of economic thinking over the past few decades is not new, however, the debate has been re-invigorated in the present era. While some argue for increased protection, many also argue that the risks posed by additional distortive subsidies, the disposal of subsidised stocks and other measures that distort or disrupt trade are very high. Producers could be put under pressure and global supply chains could be put at risk, increasing the risk of global food insecurity.

As nations and communities start to grapple with 'building back better', they will need to carefully ensure that the response to COVID-19 is proportionate, targeted and balanced between temporary and long-term measures.

The issues presented above represent a subset of key debates that need to be explored and discussed by stakeholders throughout the agri-ecosystem. The COVID-19 pandemic provides a useful platform from which to ignite these pertinent issues. The upcoming newsletters will delve into some of these debates in detail with regard to how they impact different actors, including farmers, farmers' organisations, private sector, and public policy, among others.

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[88] See "A farm level assessment of labour and mechanization in Eastern and Southern Africa", 2019, Baudron, F. et al for example; also (Kienzle et al., 2013) and (Pingali, 2007)

# Emerging opportunities

**COVID-19 has set the stage for all actors in the agri-sector to come together to re-visit standing issues and challenges and re-build better ecosystems. There are opportunities emerging for FOs in this new order, some of which are outlined below.**

**Shaping new Agri-value Chains:** Disruption provides the opportunity to re-design a value chain that works for farmers. Stakeholders are primed for meaningful collaboration, co-creation and co-implementation of new innovations and ideas. Within this context there is opportunity to reconfigure the 'rules of the game' and shape agri-value chains anew.

**Weeding out Institutional Hurdles:** During the pre-COVID-19 era, some bad practices became the norm, including poor production (cited as a key factor limiting emerging farmers' ability to transition from subsistence to commercial farming[9]), high post-harvest losses (Sub-Saharan Africa lost or wasted 545 kilo-calories per capita per day in 2018, 39% of which occurred at production phase[10]) and limited or non-existent marketing strategies. The new era could usher in with it, new and improved practices.

**New Relationships:** An era of change sets the stage for new and stronger relationships to be formed. According to the FAO, FOs are particularly well-positioned to occupy a more prominent role in the co-creation of new structures[11].

**Much-needed Infrastructure:** It is likely that investment will be re-mobilized towards certain parts of the agri-sector post-COVID-19 for numerous reasons. Agri-tech, for example, will be perceived as a high-return investment opportunity. Initiatives like the Microsoft Equity Equivalent Investment Programme (EEIP) in South Africa, and Farmcrowdy, which raised over USD 15 million in agri-enterprise funding in four years, are early examples. FOs have an opportunity to advocate for increased or better-directed spending on rural infrastructure and other growth-enabling assets and to harness this to crowd in private capital.

**Farmers for the future:** Africa's large youth population presents a unique opportunity for agricultural growth. COVID-19 has, in some ways, shocked the sector into moving towards digitization, and the youth are especially well-positioned to take advantage of this business opportunity. A 2015 study conducted in Kenya, for example, demonstrated how ICTs attracted youth into profitable agriculture in the country, which transformed community use and access to ICTs and raised the economic status of the community[12]. The agricultural landscape has never been riper with opportunity for this demographic.

**Bio-fortification:** With the ultimate goal being the attainment of food and nutrition security, can countries rely on bio fortification of grains as a viable means to increase consumers' accessibility to essential nutrients for antiviral immunity? The increased focus on communal health will bring concepts of dietary biodiversity and adequate nutrition to the fore. While bio-fortification alone does not address diet diversity, bio-fortified crops can relatively easily be distributed to enhance nutritional intake. Critical questions still need to be answered including what staples to fortify and what to fortify them with (i.e. Zinc, vitamins etc.)

**Reduced Wastage:** Although we have seen additional food losses due to break downs in the supply chain, post-harvest losses have been ingrained in many Sub-Saharan African food systems. For example, 40 to 50% of fresh fruits and vegetables are lost from harvesting to processing[13]. As attention shifts to post-pandemic recovery, ensuring more food is available at affordable prices will become a priority. The challenge of losses is complex and systematic, but addressing it could yield exponential rewards for food security and prices.

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[99] "Factors limiting and preventing emerging farmers to progress to commercial agricultural farming in the King William's Town area of the Eastern Cape Province, South Africa", 2016, Khapayi, M. & Celliers, P.R.

[10] Post-harvest losses: Global scale, solutions, and relevance to Ghana, 2018, Ridolfi, C. et al

[11] Forest and Farm Facility: COVID-19, 2020, FAO

[12] "Information and Communication Technologies (ICTs) Attract Youth into Profitable Agriculture in Kenya", 2015, Irungu, K.R.G. et al

[13] Global Food Losses and Food Waste: Extent, Causes and Prevention, 2011, Gustavsson, J. et al, FAO