

COVID-19 in the context of multiple challenges to food security in Kenya

Virtual Guest Lecture, for the Certificate Course on
COVID-19 and the Economics of World Food and Agriculture
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COVID-19 and the Economics of World Food and Agriculture

Module 1: Introduction and Big Picture

COVID-19 and the Economics of World Food and Agriculture

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Module 4: COVID-19 in Fruit and Vegetable Value Chains

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Module 5: Contrasts in Managing Vulnerability

COVID-19 and the Economics of World Food and Agriculture

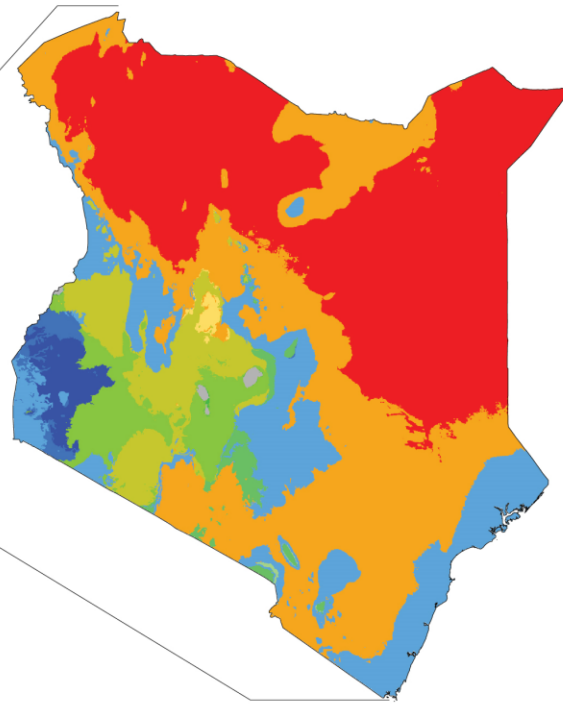
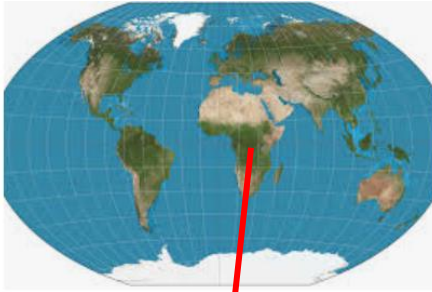
Module 6: The Critical Role of Coordinated Policy Action



Overview

- 1. Before Covid-19**
- 2. Who is most vulnerable?**
- 3. What are the biggest threats**
- 4. How are individuals, communities and governments responding?**
- 5. What are the policy imperatives?**

Kenya in Africa Context



- Tropical, rainforest (Af)
- Tropical, monsoon (Am)
- Tropical, savannah (Aw)
- Arid, desert, hot (BWh)
- Arid, steppe, hot (BSh)
- Arid, steppe, cold (BSk)
- Temperate, dry summer, hot summer (Csa)
- Temperate, dry summer, warm summer (Csb)
- Temperate, dry summer, cold summer (Csc)
- Temperate, dry winter, hot summer (Cwa)
- Temperate, dry winter, warm summer (Cwb)
- Temperate, no dry season, warm summer (Cfb)
- Temperate, no dry season, cold summer (Cfc)
- Polar, tundra (ET)

Source: Beck et al.: Present and future Köppen-Geiger climate classification maps at 1-km resolution, Scientific Data 5:180214, doi:10.1038/sdata.2018.214 (2018)

Challenges *Before* Covid-19



>70%

of Africans
depend on
informal jobs



Agriculture still
accounts for over
60% of jobs



25% of GDP



Yields still less
than

2t/ha



Africa accounts
for **2%**

of global agric.
value chains



**422
Million**

Africans below
global poverty
line <\$1.9/day



Undernourished

**240
Million**

in 2015

(31% according to FAO)

Who is most vulnerable?

- **Rural poor - land and labor scarce households**
- **Urban poor - day laborers, artisanal jobs**
- **Most people fall in the above categories**

Containing Covid-19 Containment Measures

- **Ban on public gatherings**
- **Main city is under 7pm - 5am curfew**
- **All hotels and restaurants are closed**
- **Markets closed**
- **Severely reduced activity for many businesses**
- **Ban on non-essential movt out of capital city and 3 other cities**

The Triple Whammy

Locust invasion

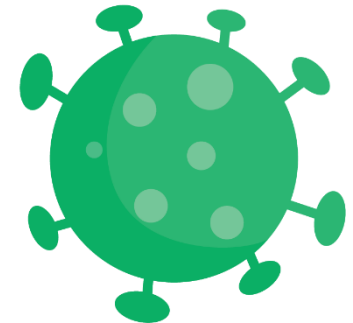


Floods

Lake Victoria has risen by 13 meters (a 56-year high), 72,000 people by latest count are displaced



Covid-19 and its effects



Immediate Effects



Only **7%**
had received
any social
safety net
payment



87%
Increased
household
expenditures



68%
had skipped a
meal or eaten
less



77%
reported
increased food
prices



Women affected
more:

67%

than men



51%
reporting complete or
partial loss of income
or employment

Immediate Effects



World Bank estimates economy to slow by **1.5%** this year



92%

of low income Nairobi residents suffered reduced incomes



Among those with some income,

96%

are earning less than prior to Cov-19



2/3

have had to cut back food expenditure

Rural markets are severely curtained

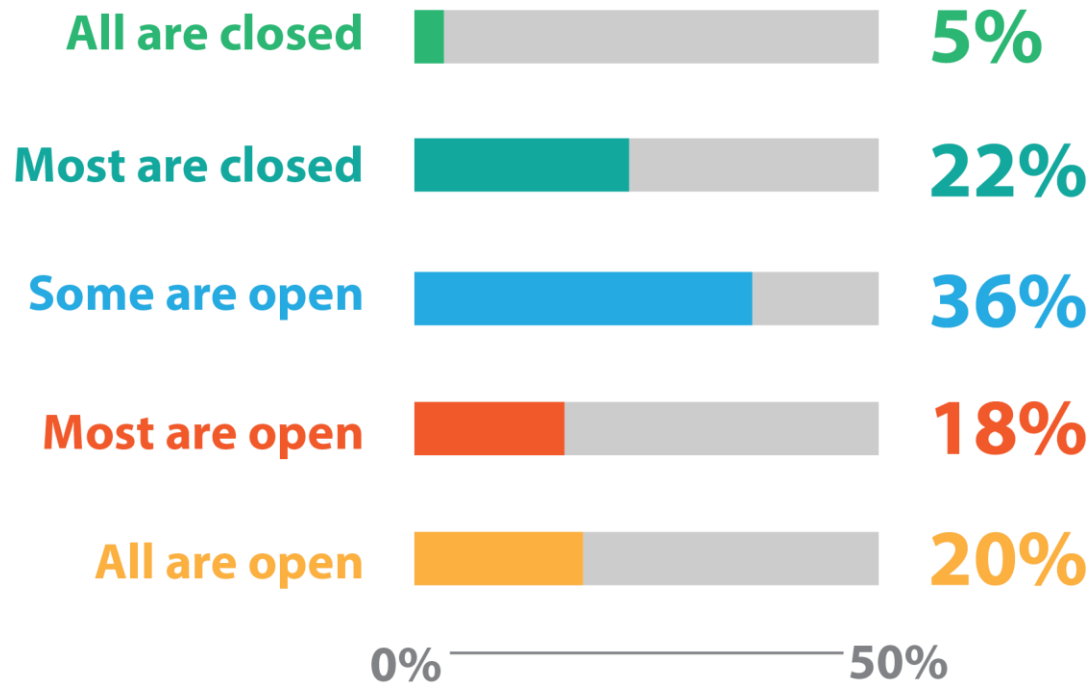


Some vegetable items now cost

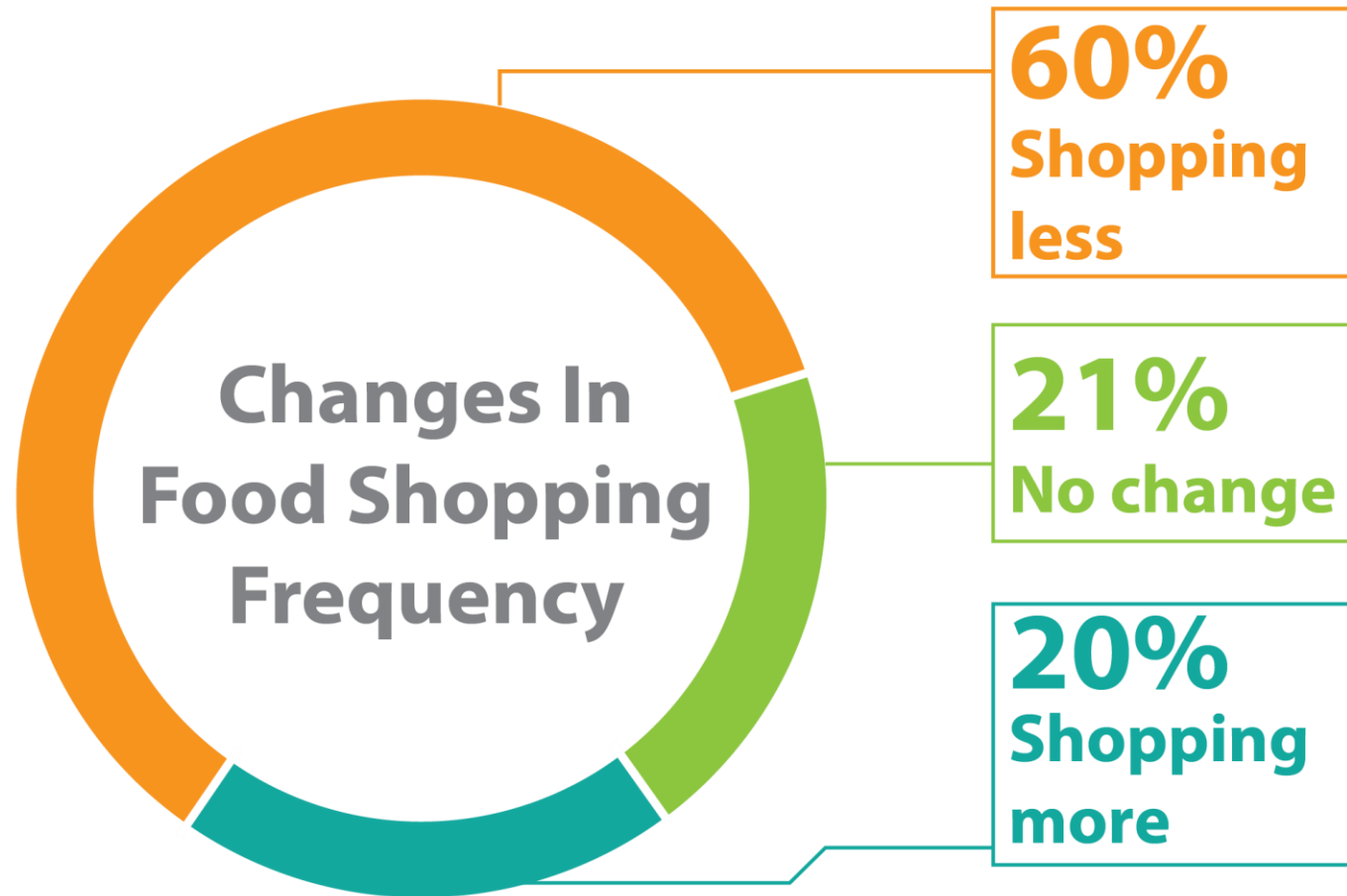
50% more

due to nighttime curfews

SHIFT IN MARKET OPERABILITY



Source: Geopoll (<https://bit.ly/2LEcmfB>)



Source: Geopoll (<https://bit.ly/2LEcmfB>)

Other issues

(Report by Kenya National Bureau of Statistics Released on May 19th)

- **17%** households reported having at least one member with a pre-existing medical condition
- **49.9%** reported they had been asked to stay away or found themselves locked out by their employers
- **30.5%** households were unable to pay rent on the date agreed with their landlords,
 - **21.5 %** who usually pay on time were unable to honor their rent obligations in April.

“With the closure of national economies (to varying degrees) and the associated loss of jobs, the social distancing, lock-downs and border closures, designed to flatten the COVID-19 disease curve are likely to kill more than corona virus in Africa.”

African Development Bank -
<https://bit.ly/3g0FVpn>

Emergency and Community Responses



Community groups are helping (but reach is limited)

- In a low income neighborhood in Nairobi, '*Donate a meal; Touch a life campaign*'
- *Each needy household received: a food pack worth \$10 (4kg of maize flour, 2 kg of wheat flour, 2 kg rice, 1 kg of beans and sugar, 1 litre of cooking oil, a bar of soap and face masks)*
- *Outreach is limited (150 families).*



The government has announced plans to disburse \$80 million to the most vulnerable households in major urban areas of the country

- *Targeting is a question*



By some estimates, current govt emergency assistance efforts are **reaching less than 10% of potential** beneficiaries.

Fiscal and Monetary Responses



Pay cut (20-30%) from senior government officials (80% for the President and Deputy)



Reduction in VAT



Income tax reduced from 30 to 25%



Moratorium on credit blacklisting



Tax-free bracket raised to \$240/month (from 102/month)



Banks have offered 90-day reprieve and renegotiation of loans

Building for Post Covid-19 World

Short term Policy imperatives

[COPING]



Find resources to **expand Social Safety nets**



Implement physical distancing in markets



Decentralized markets: *smaller locations widely distributed*



Other measures more market days



Use public health science to guide the new normal

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Medium Term Policy imperatives

[RECOVERY]



**Data systems
for safety nets
for effective action**



**Invest in the
Recovery**
support the private sector

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Long term 1:

[BUILDING RESILIENCE]




Investing in climate smart and agroecologically sensitive production systems



Declaring war on costs of food production and distribution

- modern production technologies
- modern post-harvest technologies
- remove inefficiencies in food distribution
- raise real farm incomes, reduce cost of food to encourage savings



Implementing bold modernization programs of agricultural value chains

- without displacing micro, small and medium enterprises
- open and fair trade
- redundancies in supply chains
- Why is modernization important?

Note: share of income spent on food in Kenya:
45%

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Long term 2:

[BUILDING RESILIENCE]



**Strong and diverse
safety net programs**



**Investments in
Human Capital
(Health, Education)**



**Shared Economic Growth
(Financial Inclusion, Savings)**



**Resilience of the health, social, political and economic [market] systems is an end in itself
*[in its own right]***

Thank you!

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