

Assessing the Impact of COVID-19 on Food and Nutrition Security and Adequacy of Responses in Kenya



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Introduction

Several challenges have threatened food and nutrition security in Kenya. Food production is affected by changing rainfall patterns, the invasion of quelea birds, pest and diseases, among others. Kenya is among six East African countries worst affected by desert locust. At the same time, Kenya is currently dealing with a new threat of floods that has already claimed the lives of 194 people, displaced 100,000, strained critical infrastructure, caused massive environmental degradation and destroyed crops and livestock. The heavy rain is expected to continue in already hard-hit areas. Economic shock resulting from COVID-19 has further exacerbated the magnitude and severity of food insecurity and undernutrition. The target to achieve 100% food and nutrition security by 2022 under the Big Four Agenda is seriously challenged.

As COVID-19 cases reported in Kenya continue to increase, the Government has introduced measures to restrict movements, which have led to closure of markets and businesses, disruptions of supply chains as well as shortages of inputs and labour. This policy brief assesses the impact of COVID-19 on availability, access and affordability of nutritious and safe food, and reviews mitigation measures.^{1 2}

Food availability

In the immediate short term, food supplies are less likely to be significantly affected as a direct result of the pandemic. Despite panic purchases in some cases and checkpoints mounted to stop the spread of the virus, supermarkets and food stores do not seem to have run out of stock. However, the situation is not the same for all types of consumer. The restrictions of many informal markets in the urban and peri-urban areas has disrupted food supply systems, especially for poorer families. The impact may

not be felt by the middle- and higher-income families who rely on supermarkets and grocery shops that have remained open.

The Ministry of Agriculture, Livestock, Fisheries and Cooperatives (MoALF&C) has listed foodstuff and farm inputs as essential goods to facilitate transport through checkpoints. Disruptions in the supply chain have reduced though small traders and farmers face grater challenges. One important positive development in the wake the COVID-19 pandemic is increased use of ICT in marketing. For instance, farmers and dealers are selling their produce (e.g. fresh produce) directly to consumers using social media platforms. Customers place orders on social media and farmers deliver often using motorcycle taxis for home delivery. The lockdown has increased demand for online delivery, creating more business for online companies such as Jumia. Twiga, a company that is linking farmers and vendors to fair and trusted urban markets, is partnering with Jumia to deliver fresh and processed foods to homes of consumers.

Food availability can have some challenges in the medium term (three to six months) as imports are delayed or curtailed. Food-importing countries are threatened by the impact of lockdowns and trade barriers for grains, pulses and oilseeds in the international markets. All major ports across the world have adopted restrictive measures for vessels arriving from other countries.³ Governments have introduced health-checks and protocols for drivers and crew of cross-border trucks ferrying goods as well as for movement of people across borders in the region.

¹ The views expressed in this information product are those of the authors and do in no way reflect the views or opinions of the Food and Agriculture Organization of the United Nations (FAO).

² The Policy Brief is extracted from: Mulat Demeke, Josphat Kariuki and Mercy Wanjiru. 2020. Food and Nutrition Security in Kenya amidst Covid-19 Virus Crises: Assessing Impact and Adequacy of Resources.

³ <https://www.nepia.com/industry-news/coronavirus-outbreak-impact-on-shipping/>

Food access

Declining incomes and increasing prices, along with restricted access to markets and limited access to social protection, are among the major factors constraining access to food in countries such as Kenya. The restrictions introduced to stop the spread of the coronavirus and the economic depression that accompanied them have badly affected the informal sector, which accounts for 83.7 percent of the total employment. The informal sector employs nearly 15 million Kenyans, compared to the 2.9 million who work in the formal sector. Informal sector employees often survive on a daily income and they are the ones most affected as people stay at home, open markets are disrupted and tourism industry is shutdown. Women who account for majority of the informal employees are particularly hit hard. Women, often-single parents, are usually trapped in the most vulnerable jobs, such as cleaning and street selling.

Formal sector employees are also affected as thousands of workers have been laid off or sent home on unpaid leave as businesses strive to stay afloat. The pandemic has dealt a heavy blow to Kenya's flower sector and fresh produce export. A recent enterprise survey that covered 127 businesses drawn from 17 sectors of the Kenyan economy by KEPSA showed that 34% of respondents reported laying off more than 50 people with the Agriculture sector being the most affected.

It is difficult to monitor food prices in Kenya as markets have become more fragmented and volatile, and one can only talk of very general trends. In the case of key staple commodities, prices were high before the pandemic as cost of food increased 11.85 percent in March of 2020 over the same month in the previous year.⁴ However, prices have not shown significant increases due to COVID-19. Demand seems to

have declined due to loss or decline of household income, exerting less pressure on the already constrained supply. The restrictions that included stay at home have also reduced demand for canteen foods around offices and workplaces. Closure of schools has ended school meals, which used to provide considerable market opportunity for local food producers and traders. Food demand is negatively impacted by the closure or restriction of bars, clubs, restaurants and eateries.⁵

Nutrition and food safety

COVID-19 has put a spotlight on the important role of nutrition in building the immune system against viruses, including this one. This is important because Kenya's undernourishment rate is high: it increased from 28.2% in 2004–2006 to 29.4% in the total population in 2016–2018. The prevalence of anaemia was estimated at 27.2% in 2016, compared to 27.5% in 2012. At the same time, obesity among adult population (18 years and older) is increasing rapidly, from 4.8% in 2012 to 6.0% in 2016.⁶

With coronavirus restrictions, it is becoming hard for urban poor to ensure three meals a day, let alone diversified diet. Poor households who depend on daily income and spend up to 75% of their income on staple food alone are struggling to get nutritious foods. Slum residents are among the worst affected group as they have the worst health and nutritional status of any group in Kenya.

The problems of malnourishment, anaemia and other nutrition deficiency are likely to worsen during the pandemic period. The recent launching of a national kitchen garden campaign, targeting a million household gardens in rural and urban areas, by MoALF&C is a commendable initiative.

⁴ <https://tradingeconomics.com/kenya/food-inflation>

⁵ <https://www.pd.co.ke/lifestyle/nowhere-to-eat-as-city-restaurants-close-shop-30989/>

⁶ <http://www.fao.org/3/ca5162en/ca5162en.pdf>

Responses to ensure food and nutrition security

The Government of Kenya has released Kshs 10 Billion (USD 100M) through the Ministry of Labour and Social Protection for the regular cash transfer (elderly and the disabled) and the newly introduced ‘Inua Jamii’ programme targeted to poor households who either lost their jobs or incomes due to COVID-19 crises.⁷ At the same time, a COVID-19 Emergency Response Fund (US\$82 million) has been set up to support vulnerable communities with their immediate needs including food. Budget re-allocation of KES40b has increased the Emergency Fund.

To further cushion Kenyans, all employees earning a gross salary of Kshs 24,000 and below will be exempted from taxation indefinitely. Kenyans who are on a higher salary scale will pay a lower income tax of 25% down from 30%. Fiscal measures aimed at increasing disposable income and reducing prices of goods and services also include VAT reduction (from 16 to 14%), turn-over tax (3 to 1%), reduction of mobile money charges. The Central Bank of Kenya has lowered the Central Bank Rate to 7.25% and the Cash Reserve Ratio to 4.25% to maintain price stability and encourage banks to continue lending.⁸

At the Sectoral level, MoALF&C has constituted a COVID-19 Food Security War Room that will address all emerging issues related to food and nutrition security. County governments have announced measures geared towards protecting local residents from economic impact of COVID-19.

Conclusions and recommendations

Since the first case of the virus was reported in Kenya in mid-March, prices of key staples have stayed largely stable. Disruptions in the food

supply chain and weaker demands, together with various government measures, have prevented major spikes in the markets. However, the food situation remains a concern as millions are affected through job losses, slowdown or closure of businesses and limited access to cash transfer programmes. Extreme poverty and hunger are likely to undermine the effort to contain the spread of the virus. More importantly, coronavirus-induced livelihood crisis can trigger widespread crime and riots unless actions are taken urgently.

The sheer number of people requiring assistance is obvious and the amount of resources so far mobilized is way too little to meet demand. The shortfall is even more evident when one considers the fact that humanity will have to live with the threat of coronavirus “for the foreseeable future” and adapt accordingly.⁹ Government budget is constrained by national debt and budget deficit but more needs to be done, including budget re-alignments, to free resources for the crisis. More donations have to be mobilized from the business community, humanitarian organizations, well-paid public and private sector employees and donors.

Mobilizing significant amount of resources would allow national and county governments as well as humanitarian organizations to focus on the following priority activities:

- i. Identify and provide adequate support to people who lost their jobs or businesses and those whose income fell below poverty levels using both social protection and development approach:
 - Ensure the financial support is adequate to meet nutritional requirements and basic needs of the family with a focus on children and mothers.

⁷ <https://www.nation.co.ke/news/State-to-send-money-to-poor-families-directly/1056-5526472-ek7p6az/index.html>

⁸ <https://www.the-star.co.ke/business/kenya/2020-04-02-moodys-says-kenyas-covid-19-monetary-policies-to-ease-pressure-on-economy/>

⁹ <https://www.theguardian.com/world/2020/apr/18/dont-bet-on-vaccine-to-protect-us-from-covid-19-says-world-health-expert>

- Assist people to resume working in informal and small business sector by adopting safe business practices.
- ii. Monitor markets on a regular basis and support safe and strategic marketing practices:
- Intensify monitoring of food availability and prices in major regional/ county markets on a regular basis for early detection of problems in the value chain and timely response.
 - Finalize and release the protocols and guidelines to facilitate operations within the food supply chain
 - Develop guidelines to support and promote online marketing that strengthens healthy food production and consumption.
- iii. Support farmers, including those engaged in urban farming, to become resilient and expand production:
- Monitor inputs (feed, vet drugs, labour) availability and prices in major regional/ country markets on a regular basis for early detection and action.
 - Facilitate supply of inputs, credit, advisory services to farmers and supporting transportation, distribution and marketing of food supplies to avert food crises.
 - Intensify financial support to farmers (small & commercial) affected by COVID-19, desert locust, flood and other disasters to become resilient and resume production – rescue plan.
 - Promote adoption of urban farming especially among the youths and women
 - Promote online marketing of agricultural products and inputs.
- iv. Develop and implement a plan to rescue and revitalize formal and informal

businesses. Kenya may need to learn from the experience of other countries:

- Ghana Coronavirus Alleviation Programme allocates substantial public money for households and businesses, soft loan programme to lend to Ghana's informal sector, and loan facility to support industry in the works.
- Many countries have introduced major emergency economic stimulus packages to prevent COVID-19 from destroying their economies. The package comprises significant sum of public money and combines monetary and fiscal measures, prioritising cash injection into the economy, rescuing vulnerable businesses, and providing support to the unemployed.
- In a typical Keynesian style economics, increased government expenditure (often financed through new borrowing) is combined with lower taxes to stimulate demand and pull the economy out of the crisis or prevent plunging into recession. The amount of public expenditure comprising the stimulus package varies from country to country: \$55bn or 11% of the country's GDP in Singapore; \$13.7bn, just under 1% of the country's GDP in South Korea; \$29bn or about 5% of GDP in Brazil; \$22bn or 1% of GDP in India; €750bn or 5% of GDP in Germany; \$2-trillion or 11% of GDP in the US.¹⁰

¹⁰ <http://www.wits.ac.za/news/latest-news/opinion/2020/2020-04/there-is-a-dire-need-to-boost-sas-stimulus-package.html>