



WFP/Glory Ndaka

Key recommendations to support food market systems facing COVID-19

Humanitarian Programs are Market-Aware

It is key to recognize that most actions we do as humanitarians impact markets. In the wake of the COVID-19 crisis, markets are being impacted and in-kind food assistance can have a negative impact on food supply chain market actors' ability to cope and recover. Therefore, it is essential that humanitarian response, using a market's lens, contribute to the Do No Harm principle.

Market-based programming covers all types of engagement with market systems, ranging from actions that deliver immediate relief (such as emergency cash transfers) to those that proactively strengthen and catalyze local market systems or "market hubs".

This document provides guidance to humanitarian and development actors involved in the food supply chain implementing food security and livelihoods interventions through the COVID-response.

Step 1. Analyze the impacts of COVID-19 crisis on critical food market systems

This document focuses on **critical food market systems**; cereals, pulses, fruit and vegetables, meat, milk, fish and related products¹. In addition to analyzing the market based on food consumers, it is valuable to observe **livelihood-food related critical markets** (such as the livestock, agriculture labor or seeds markets).

“Critical markets are the specific market systems that are most urgently relevant to the target population’s needs. Essentially those markets that have or could have a major role in meeting the essential needs of the target population.”

Depending on the size of the country and the organization of markets systems, market analysis could be done at **national, local or provincial/district** level. It could also include the analysis of trans-border market exchanges whenever relevant. It is important to join efforts around market analysis and monitoring among the different stakeholders existing in the area. Regarding **international and national** analysis, there is secondary data available that should be used to inform the type of complementary market analysis needed at country level. Some key resources below:

- WFP, VAM unit: <https://vam.wfp.org/>
- FEWSNET Famine Early Warning System Network : <https://fews.net/>
- FAO: [Food price monitoring and analysis](#)
- REACH Resource Centre: <https://www.reachresourcecentre.info/theme/cash/>
- The pandemic has serious impacts on commodity prices, and humanitarian and development actors should therefore closely monitor prices of critical commodities.

Key points to consider for Market Analysis during COVID-19:

1. Impact on critical food market system/supply chain. For example: what is the supply/demand for a specific food item, volumes traded, prices, changes in stakeholders, changes in logistics, national and international exchanges)
2. Impact and change in market actors and stakeholders (new enterprises, new supply chains -e.g. from global to local-, shift from formal to informal, etc.)
3. Impact on market support services and infrastructure (changes in transportation, manufacturing or other services, etc.)
4. Impact on market environment, (changes in policies, laws and regulations -curfew, limitation of customers in markets, etc.- and security conditions)
5. Understand changes in capacities, constraints and incentives (government support, consistency of new rules human and resource capacity, etc.)
6. Technology analysis (new opportunities/gaps, especially digital economy, that affects the functioning of market systems)

¹ Dependent on the key food items represented in the common food basket composition of the area

7. Analyze the implementation of COVID-19 prevention measures in the market (existence of handwashing facilities, disinfection of surfaces, control of crowds for social distancing measures, food safety prevention measures) and awareness to market actors
8. In case of total movement restrictions where access to traditional markets is not possible, assess whether alternative market systems are emerging (home deliveries, community shopping groups; etc.) and how current market actors are adapting

Key tools for market analysis:

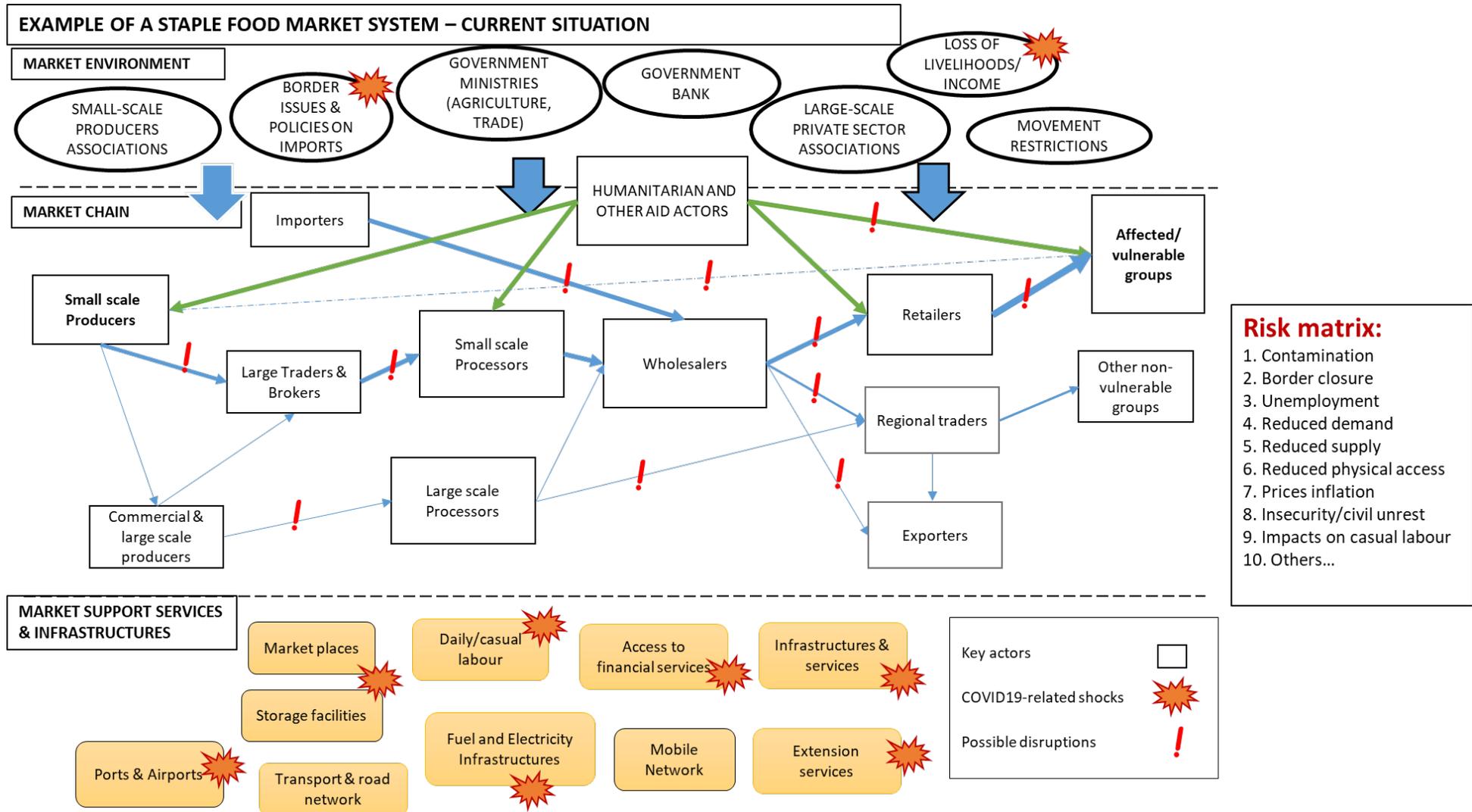
- EMMA toolkit (Emergency Market Mapping and Analysis)
- RAM toolkit (Rapid Assessment for Markets)

Key tools for market monitoring:

- [MARKit toolkit](#) (price monitoring, analysis and response)
- Online training: a 3.5 hour [CaLP online course](#) designed to provide an overview of the theory and steps to train market assessment teams

Step 2. Mapping the impact of Covid-19 on a food market system

This section illustrates the potential disruptions and risks generated by the pandemic that can impact a staple food market system, including its environment, supply-chain actors and supporting services and infrastructure. The market system map recommended by the Emergency Market Mapping and Analysis (EMMA) toolkit represents the connections between the various actors and the flow of a food commodity throughout the supply-chain. Mapping the actors and how their relationships evolve helps identify disruptions created by the pandemic and can inform market support interventions that can improve the functionality of a market system. The map below is a generic one that should be contextualized for specific food commodities (e.g.: rice, sorghum, pulses, wheat, etc.).



Potential risks and disruptions that can affect a food market system:

- Provision of inputs (seeds, tools) and services (FSP, labor, extension): reduced availability and access of items/services, credit availability and access to customers
- Production (farmers, livestock herders, fishermen): reduced demand / price reduction for products, changes in kind of demand and timing, reduced access/increased price to inputs and services, reduced access to manpower
- Aggregation: general restriction for crowded collection centers, restrictions of movement at local level, reduced supply and demand
- Processing (food processing enterprises, restaurants, etc.): temporary closure of activity because of lack/limited access to inputs and reduction of customers
- Logistics (transporters, store-keepers): restriction movements, reduction in customers
- Distribution (vendors, retailers, wholesalers): banning informal movements, informal traders not allowed at roadblocks, closure of informal open markets, reduced customers and demand, stigma
- Financial services: devaluation of currency, lack of credit in the country, increased cost of money and cash flow/liquidity.
- Regulators/government: reduction of taxes payment, decreased capacities in terms of staff/movement, and increased budget deficit/debt
- All actors: risk of being exposed to contagion and disease and to various levels of imposed or voluntary restrictions to control disease spread. All actors are also exposed to loss in livelihoods, to an economic downturn, and a decrease in remittances.

Step 3. Design interventions to support food supply-chains actors to adapt to Covid-19

Here are the key recommendations to design a COVID-19 response through phases of restrictions and preventive measures (imposed or voluntary):

- All interventions should ensure that staff of implementing agencies receive necessary training, **apply COVID-19 prevention procedures** (as per WHO guidance²), and use personal protective equipment (PPE) when required;
- **Humanitarian standards should be applied**, with due adaptation to the COVID-19 context. Inclusion, safe programming, gender, protection, conflict reduction and do no harm must be part of the design;
- Interventions should **consider the interconnectedness** of the various functions and the supply chains, including essential services and input providers. This is essential to avoid bottlenecks that may hinder the supply chain;
- Consider and adapt to **critical actor vulnerabilities**, avoiding an increased concentration of benefits to few actors that may exclude others previously active in the same food supply chain: *e.g. formal versus informal, commercial versus smallholders, residents versus immigrants, men versus women, etc.*;
- Food supply-chains have their own vulnerability to movement restrictions, fear or stigma. Interventions need to consider **different types of supply chains**: long/short, complex/simple, perishable/non-perishable products, formal/informal, labor intensive or not, seasonal/non-seasonal, rural/urban;
- Some **actors may play multiple functions in the same food chain** (vertical integration, e.g.: producing, processing and collection or input provider, credit service and marketing). When designing interventions this needs to be considered to avoid

² <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/technical-guidance>

duplication of support and reduction of efficiency; only the most relevant function should be identified for support;

The below table lists examples of different intervention options per type of actor. The activities described are examples and should be evaluated case by case considering **opportunity** and **risk** of each context; **capacity** and **gaps** will also inform feasibility.

- For **formal food supply chains** applying existing government food hygiene rules may be enough (e.g. HACCP³ manuals); most of them have been reviewed and adapted to the COVID-19 pandemic;
- For **informal food supply chains** there is need to support the application of food hygiene measures to comply with safety standards;
- For **ALL actors** interventions must ensure the provision of general guidelines on personal social distancing, appropriate utilization of PPE and basic hygiene guidelines for COVID-19 in public and workplaces;

Food Supply Chain Actor	Intervention options
Input / Service suppliers for	
Providers of Technical inputs: seeds, tools, veterinary drugs, fishing materials, etc.	Support to mobile and contactless payments; market information system on new demand/needs; e-voucher systems; access to credit, grants and subsidy, pre-financing
Financial services: money transfer, credit, saving	Support for contactless and mobile payments expansion; support microfinance and informal saving and credit groups;
Labor: seasonal, casual, migrant workers	Advocacy for inclusion in programming; safe movement public transport; movement planning; formalization;
Land/pasture/water owners and users (irrigation, livestock water, fishing grounds);	Advocacy, negotiations for regulated access to land, pastures, livestock water, fishing grounds; facilitation for safe movement to farming land;
Technical assistance/information/knowledge sharing	Support capacity for service delivery using ICT (Information and Communication Technology), radio broadcasting (RB); market oriented and food hygiene information;
Market services/information	Increase use of ICT and radio broadcasting
Producers: Farmers, Livestock keepers, Fisherfolk, Food gatherers	
Smallholders family farm selling/exchanging labor provided by family/household members;	Connect to Extension Services and MIS (Market Information Systems) through ICT and RB; Support input access or facilitate access to credit (guarantee

³ Hazard Analysis Critical Control Point

	and receipt system); Promote new market linkages and improve market efficiency;
Small and medium commercial producers hiring labor	Expand reach of Extension System (ICT, RB); Facilitate access to subsidy for critical food supply chains;
Large scale producers	Support mechanism for standard application
Collectors	
Single, independent and organized	Training and materials on distancing, organizing in line with new hygiene standards, use of PPE by all;
Loaders, Packing workers, etc.	Training and materials on distancing, organizing in line with new hygiene standards, use of PPE by all; Formalization;
Brokers / Agents (organizing buyers and sellers)	
Local brokers and agents (rural.)	Promote ICT, collaboration on MIS, mobile-cash;
National and international level agents (import/export)	Involve food Supply Chain agents in market monitoring
Petty Traders and Hawkers (collecting and selling to customers, mostly informal and temporary)	Advocacy to keep petty traders in the food supply chain; Training and materials for preventative measures; ensure safe and alternative spaces/time for their activity; provide grant, microfinance access;
Traders/ Wholesalers (import-export)	Link to producers; advocate for tax relief and subsidy for key food supply chains; transport subsidy; and market monitoring;
Retailers, Shopkeepers	Support for spacing/distancing and PPE materials; promote use of cash and vouchers; access to credit/grants; support to reach specific new demands, e.g.: business adaptation for delivery or mobile payments; support for understanding safety rules and food handling regulations
Market workers (downloaders, sale persons, storekeepers, cleaners, security guards, etc.)	

Training and materials to enable distancing in space and time and use of appropriate PPE; advocacy for formalization;

Transporters

Small informal

Safe access to basic services (hygiene); formalization; involve for transport subsidy to support producers or processors

Big transporters, shipping, train, flights, logistic companies

Facilitate workers/employer dialogue on safety and rules application, gender and protection

Import/export wholesalers (medium large scale)

Facilitate workers/employer dialogue on safety and rules application, gender and protection

Processors (laborers)

Single, small scale, informal

Support for safety rules and food handling regulations, preservation, transport; market linkages; grants

Organized, medium scale big scale, formal sector, export

Enhance market linkages and support to smallholder producers;

Street food sellers/hawkers

Advocacy to keep those actors in the food supply chain; training and materials for preventative measures; ensure safe and alternative spaces/time for their activity; provide grants, microfinance access;

Restaurants owners and workers

Adapt to specific new demands, e.g.: business adaptation for delivery and/or mobile payments; Support for restarting operations e.g.: co-investment in inventory or support for advertising

Regulatory actors

Advocacy for inclusive measures, attention to connectivity of supply chains, gender and protection aspects;

Case Studies on Food Market Responses to Covid-19:

- [City region food systems in Antananarivo, Madagascar: A sustainable approach to respond to COVID-19 outbreak](#)
- [Local food systems and COVID-19: A glimpse on India's responses](#)
- [Mitigating the impacts of COVID-19 on the livestock sector](#)
- [Extension and advisory services: at the frontline of the response to COVID-19 to ensure food security](#)
- [Urban food systems and COVID-19: The role of cities and local governments in responding to the emergency](#)
- [World Bank webpage on Food Security and Covid](#)
- [IPES-FOOD, COVID-19 and the crisis in food systems](#)

For further reading, please refer to the [Literature review](#)

Food Security Cluster COVID-19 webpage

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