

POLICY BRIEF

LFSP POLICY BRIEF NO.5 | JUNE 2021

KEY POINTS

- COVID-19 disrupted food markets in a number of ways including supply of produce to the main markets and movement challenges by both farmers and traders.
- The main procurement challenges where directly linked to insufficient transport when available, inadequate market space and some misunderstandings with authorities when moving products during the lockdown
- Long term investments such as post-harvest handling for perishable foods, food processing, and cold chain are essential in reducing food losses that were associated with the disruptions in supply during the lockdown.
- Credit lines for food traders to recover from losses by having access to capital and emergency cash transfers to help ease the hit on profits and incomes are avenues to sustain livelihoods of food traders.
- Decentralization of agricultural markets in urban areas will also help to decongest the main agricultural markets thereby help to reduce the spread of COVID-19. Regular disinfection of all agricultural markets is also key in this regard and to maintain good hygiene and required health standards.



Impact of COVID-19 on Agricultural Food Systems in Zimbabwe – Food Procurement and Sales

1. Introduction

The coronavirus disease of 2019 (COVID-19) pandemic has changed the world economic and health systems in unprecedented ways since it was first detected in November, 2019. Agricultural food systems have not been spared from the negative impacts, and this has been more so for those in developing countries that have shocks and stressors that have resulted in structural inefficiencies existing before the pandemic hit. These faults were exposed in many systems that include health and the economy, both of which have an impact on food access and security.

Evidence from the region shows that the known effective measures used to curb the spread of the pandemic that include lockdown measures, movement restrictions and social distancing requirements have also led to disruptions in the food supply chain (Béné, 2020). This has mainly been through restricted movement of casual workers in the sector limiting their income opportunities, changes in number and demand from consumers, reduction in disposable income due to economic shocks from the pandemic, and closure of food production and trading facilities (Aday, 2020). Another aspect of the effect of the pandemic on food availability and access has become more of an economic rather than agricultural issue (Erokhin and Ghao, 2020). This is because similar to many other countries in the region, Zimbabwe gets some of its food provisioning and inputs from other countries, therefore border closures and trade restrictions due to the pandemic have reduced access to particular kinds of food, agricultural inputs and services for local trade and consumption (Morton, 2020).

The scale and nature of the impact of the pandemic on the agricultural food system in Zimbabwe is still unfolding. Even with some evidence on some of these impacts, there still remains scant information on the impact on local food trade and how that node of the value chain has been coping with the pandemic. This work aims to contribute to this data gap and craft some recommendations on how to better support the agricultural food system.

The report is organized as follows: Section 1 provides a general introduction, Section 2 explains the methodology of the study, and this is followed by a presentation of results in Section 3. Section 4 briefly discusses the results of the study and Section 6 concludes the study by highlighting a few stand-out results.

2. Data and Methods

This study collected both qualitative and quantitative data. The quantitative data was collected through a survey questionnaire using Kobo collect with food traders from the following agricultural markets: Chipadze agricultural market in Bindura; Vhengere agricultural market in Makoni; Sakubva agricultural market in Mutare; Mbizo agricultural market in Kwekwe; and Mbare-Musika, Hatcliffe and Machipisi-Lusaka agricultural markets in Harare. These areas were selected as they had the largest agricultural markets in the LFSP districts and notes were also taken by the data collectors and quality control monitoring team during the course of the interviews with the food traders capturing market or commodity specific issues that were raised.

The survey was conducted between the period 21st to 28th April 2021, and a total of 481 physical interviews were held with food traders in the largest agricultural markets in Zimbabwe using KoboCollect. Only traders primarily selling food products were interviewed in this survey. The data were analyzed using descriptive statistics in Stata.

3. Results and Discussion

This section summarizes the demographic characteristics of the survey respondents. It also discusses the findings of the study in terms of the perceived impacts of COVID-19 measures during the lockdown on food procurement, sales, profits, food consumption, and the proposed government responses to alleviate these impacts.

Socio-economic characteristics

i. Geographic distribution

The food traders for the study were drawn from four provinces in Zimbabwe, namely Harare, Manicaland, Mashonaland Central and Midlands. The respondents were drawn from Harare and three LFSP districts from these selected provinces, namely Bindura, Kwekwe, Makoni and Mutare. The highest number of respondents (160) came from Harare, in which two enumerators were deployed and interviews were conducted in three agricultural markets. The geographic distribution is summarised in Table 1.

Table 1: Geographic distribution of respondents

Province	District	Agricultural Markets	Number of respondents
Harare	Harare	Hatcliffe	43
		Mbare	80
		Machipisi- Lusaka	37
Manicaland	Mutare	Sakubva	81
	Makoni	Vhengere	80

Mashonaland Central	Bindura	Chipadze	80
Midlands	Kwekwe	Mbizo	80

ii. Sex

The sex of the survey respondents is summarised in Figure 1. Female traders made up 63 percent of the respondents and male traders made up 37 percent of the respondents.

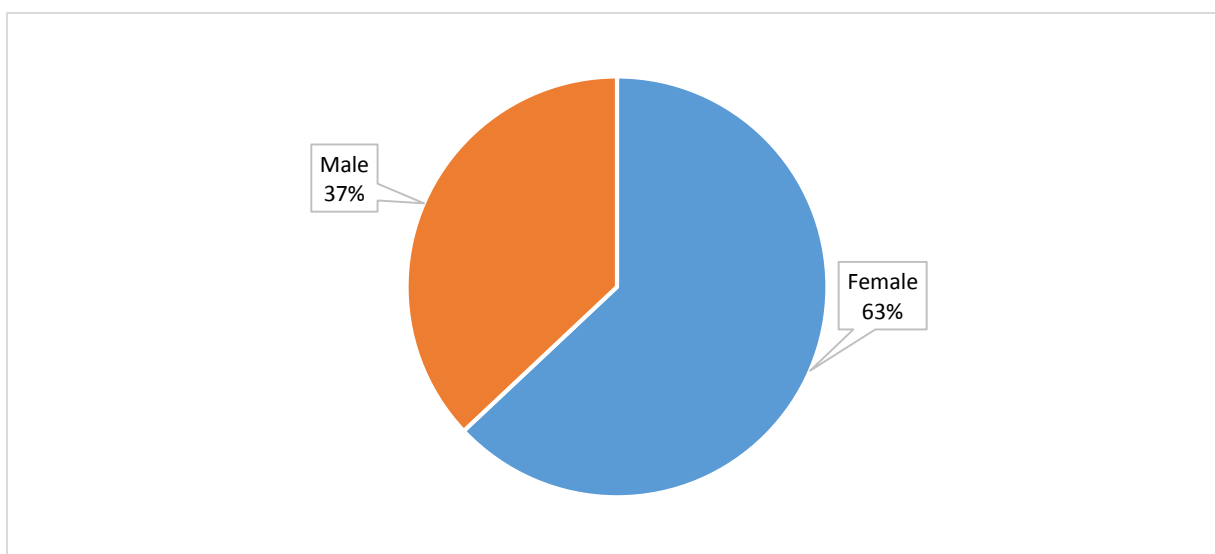


Figure 1: Sex of respondents

iii. Age distribution

The mean age of the respondents was between 40 and 44 years (20.6 percent). Less than five percent of the respondents were below the age of 30 and above the age of 64 years. The mean ages are summarised in Figure 2.

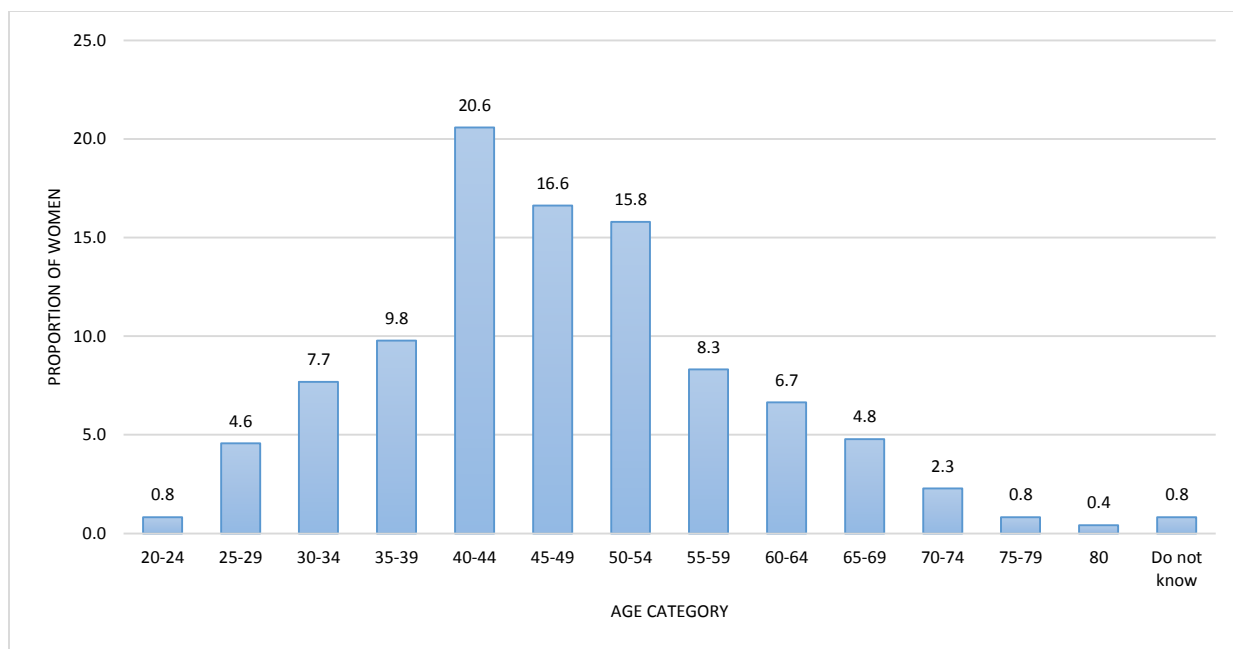


Figure 2: Age category of respondents

iv. Education levels

The majority of the respondents attained secondary level education (74 percent) followed by primary education (19.5 percent (Figure 3).

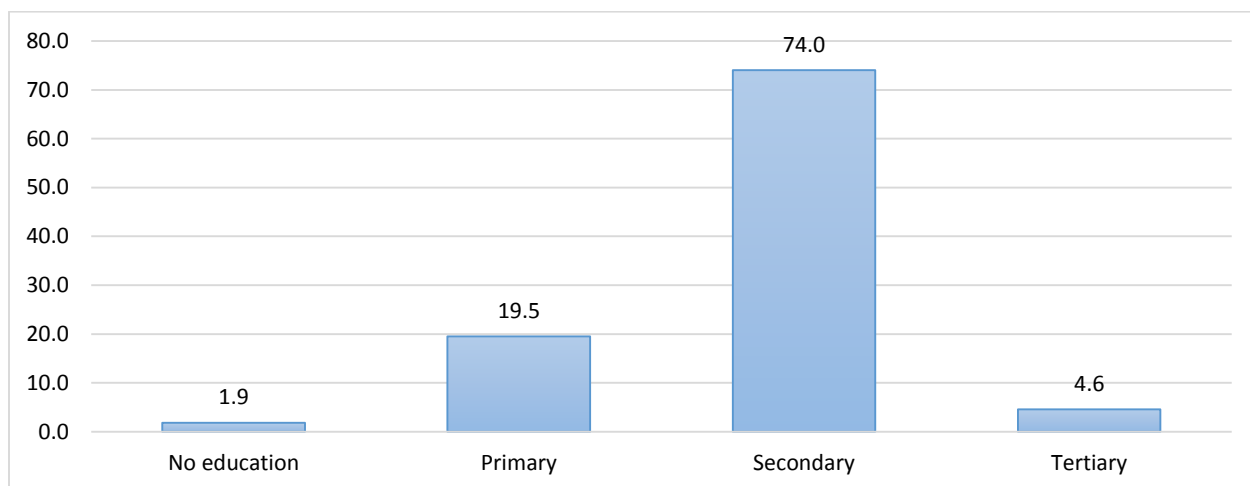


Figure 3: Level of education

v. Food products

The majority of the respondents sold horticultural products (59.4 percent). This was followed by Legumes, pulses or oilseeds (17 percent) and Grains (12.6 percent). These results are summarised in Figure 4.

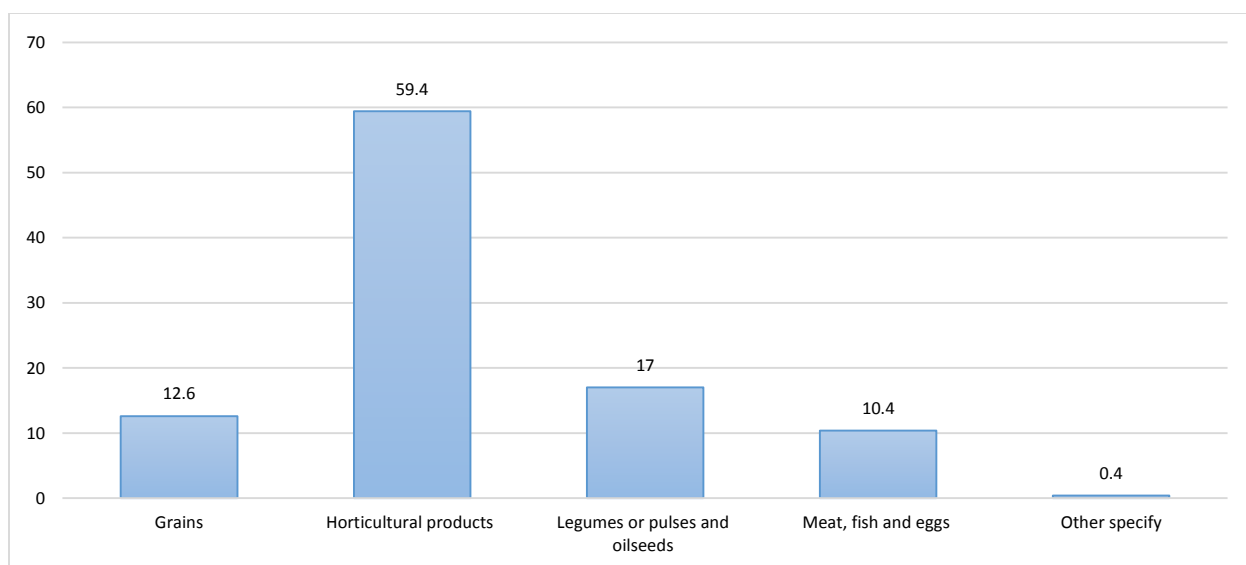


Figure 4: Food items traded

vi. Food commodity procurement

It has been shown that the impact of the pandemic on both formal and informal traders has been temporary job losses due to closures of designated markets, violence against those who operate during times of lockdowns and fewer customers because of their reduced purchasing power ultimately leading to reduced business profitability Béné (2020).

The results from the survey highlight the main impacts that have been experienced by the traders in terms of food procurement.

vii. Impact on procurement

When asked about the impact that the pandemic had on the procurement of food products for sale, the majority of the food product traders (97.1 percent) reported that they were negatively impacted by the pandemic. Of those who reported negative impact, most gauged the impact as "high" (88.9 percent) (Figure 5). When disaggregated by sex, both male (84.5 percent) and female (91.5 percent) traders reported high impact.

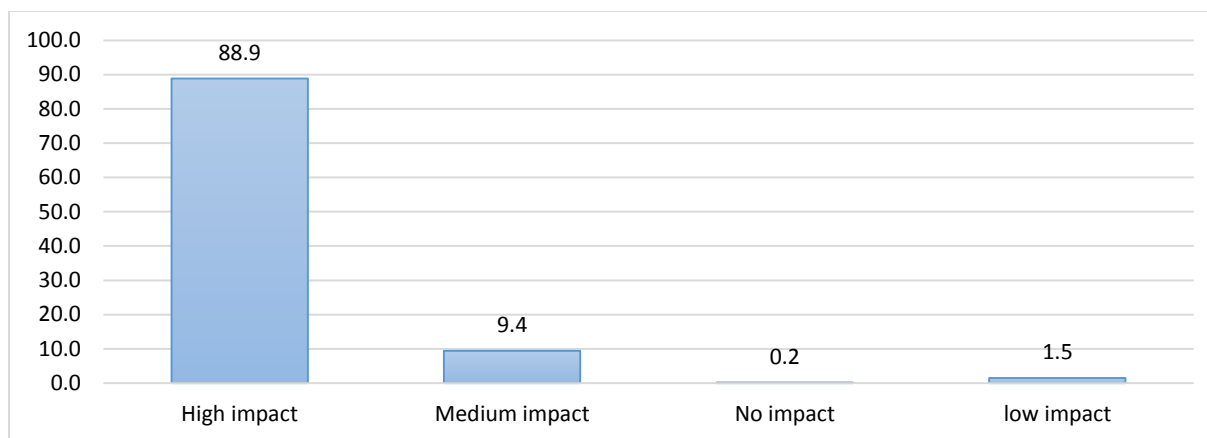


Figure 5: Impact on procurement

When asked about what major issues caused the disruption in procurement during the lockdown, the most common reason cited was delays in deliveries due to transportation challenges along commodity routes (36.2 percent), decline of supply from farmers (34.9 percent) and high price of produce charged by the farmers (28.1 percent). These results are summarised in Figure 6.

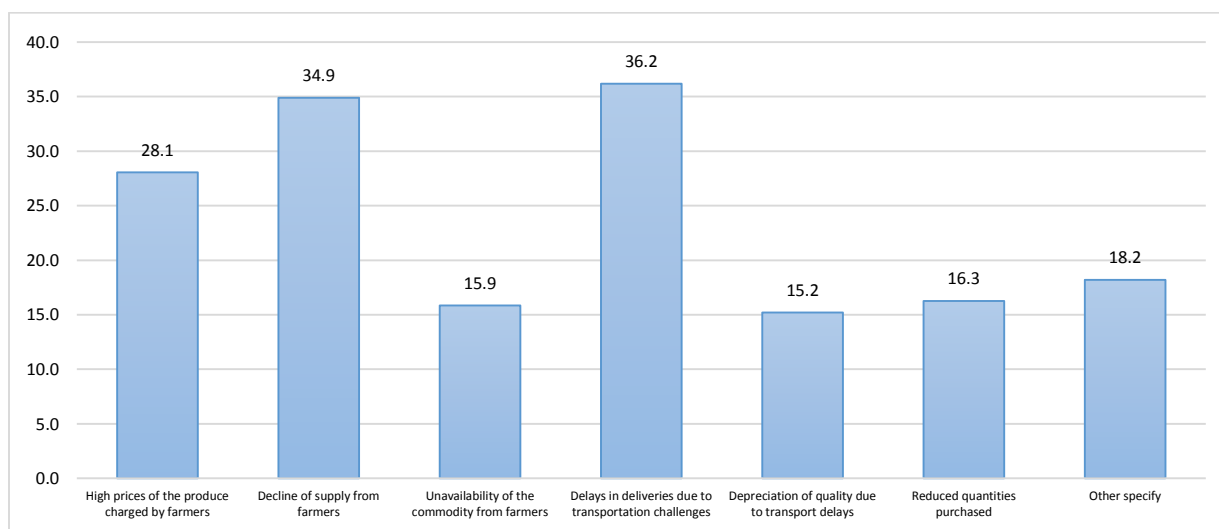


Figure 6: Causes of disruption in procurement

The other reasons that were cited by the traders were that because of the movement restrictions, it was impossible to leave their homes, get to the markets, or have access to any products. During the course of the interviews, some of the traders stated the following:

“We were affected due to the restriction of movements and we were not able to buy food produce from suppliers to be able to resell and gain some income” – trader in Vhengere market

“We get our produce all over Zimbabwe, so the movement restrictions made it difficult to make get produce from other parts of the country” – Vhengere market“

The market was closed from March 2020 to March 2021, and the farmers who were bringing their produce to us here are now supplying the residential areas directly. The market is now empty as consumers are going to the residential areas to buy directly from the farmers. We have had to diversify our sources now by producing our own crops and then coming to sell. We are also selling second hand clothes and moving away from selling fresh produce to dry produce.” – Sakubva market

“Our designated area was closed down so we had nowhere to sell our produce” – Vhengere market

“There were very little profits and we were living hand to mouth” - Mbizo market

The traders were then asked if the disruptions in procurement that they experienced during the lockdown were still persisting, and the majority (61 percent) stated that they are no longer experiencing the same challenges. However, a total of 39 percent of the traders stated that the procurement problems they experienced during lockdown were still persisting. Some of the traders did state that they had not fully recovered from the impact of the lockdown on their businesses.

“Restocking has been difficult and some other traders have had to close permanently. For those of us who were able to restock, we have not been able to get back to the many lines of produce that we had. Things are a bit better because of the relaxed restrictions even though things are not to the level that we would like” – Vhengere market

When asked how they were coping with the disruptions in the procurement of food commodities, the main coping strategies were negotiating trading terms with farmers (45.1 percent) and engaging in group procurement (27.5 percent) as shown in Figure 7.

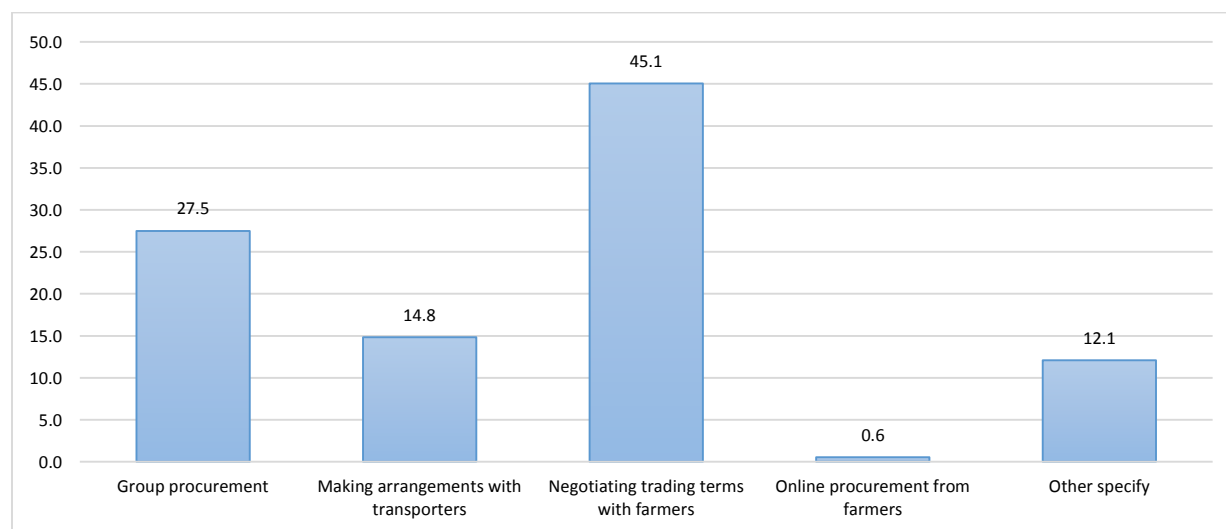


Figure 7: Procurement coping strategies

A total of 77 percent of the traders who specified other reasons when asked how they were coping stated that they did nothing to cope with the challenges they were still experiencing.

viii. Food sales

Regional evidence shows that food sales are reducing during the pandemic primarily due to reduced purchasing power among consumers who are facing income loss, among other factors.

The traders were asked if they had experienced reduced sales due to the pandemic. The majority of the traders indicated that their sales had reduced (96.9 percent). The impact of the losses due to reduced sales were gauged as high (83.3 percent). The main impact identified by the traders that they could attribute to the reduced sales in comparison to pre-COVID times were there being less customers because of movement restrictions (61.8 percent), their usual places of business such as designated markets being closed (35 percent) and having to throw away/ dump their perishable products because there were no buyers available (22.3 percent). These responses are summarised in Figure 8.

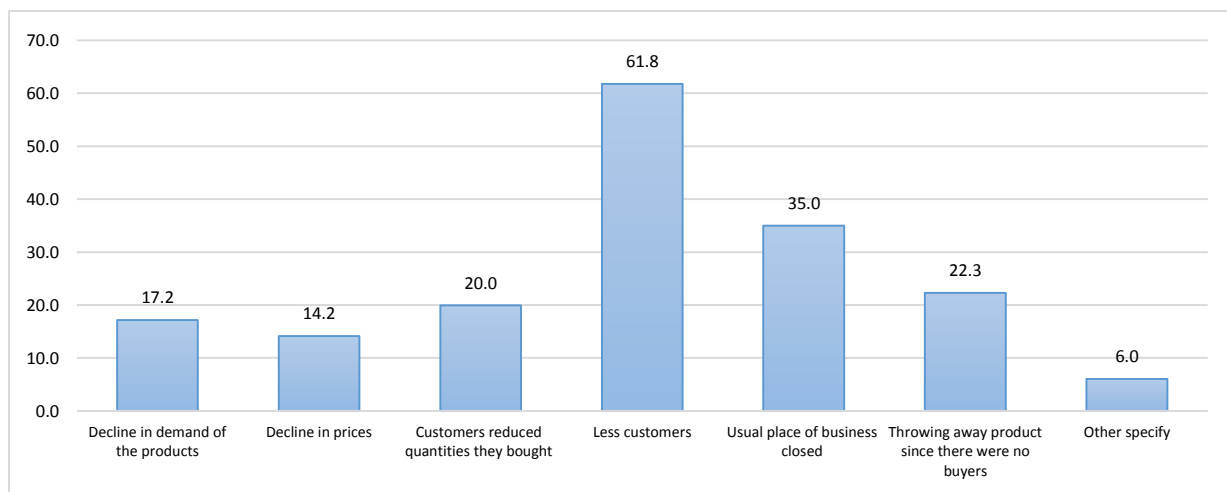


Figure 8: Main reasons for reduced sales

During the interviews, some of the respondents stated that:

"The lockdown affected the perishable products that we had and we ended up dumping some of the produce because there were no buyers because of the movement restrictions and closure of the designated areas" – Mbizo market

"The designated areas in Mbizo were closed down during the lockdown, we had nowhere to sell our produce and it went to waste" – Mbizo market

The traders were then asked if the impact on sales due to the pandemic in comparison to pre-COVID times is still persisting. A total of 44.4 percent of the traders said this was still an issue. When asked how they were coping with the reduced sales, 44.4 percent of the traders said they had no strategy in place to cope with this change. About 27.9 percent said there were now participating in organised food fairs or food markets outside of their usual selling places. Other coping strategies that the traders were using included selling their produce from their homesteads due to selling time restrictions, venturing into new businesses and focusing on selling dry foods and other non-food commodities to avoid loss of perishable products due to decreased demand. The coping strategies are summarised in Figure 9 below.

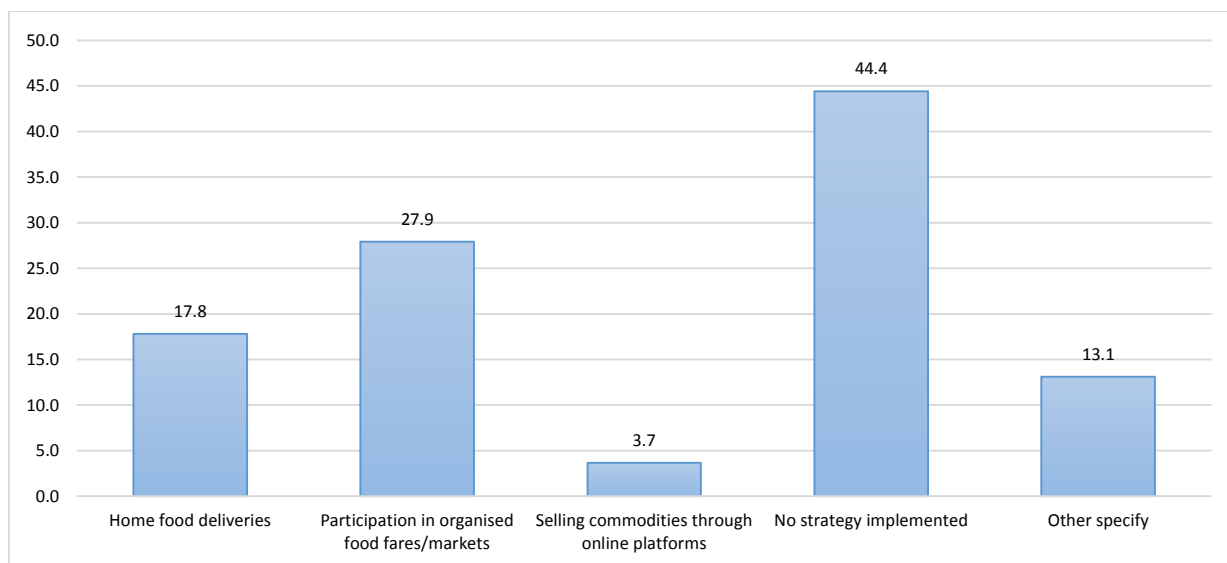


Figure 9: Coping strategies for reduced sales

Some of the traders stated that:

“Online marketing helped us to sell our produce when the designated areas were shut down. We were able to sell our produce using WhatsApp” – Mbizo market

“We were selling our products at night so that we are not caught because of the closures of the designated areas, it helped us sell some of our produce” – Mbizo market

The traders were then asked if they had experienced a drop in profits in 2020 from their trading business compared to pre-COVID times in 2019. The majority of respondents (96.1 percent) reported that they had experienced a significant drop. Over three quarters (79.9 percent) of the respondents evaluated that the level of negative impact on their profits in 2020 was high.

ix. Food consumption

Changes in food consumption patterns due to the pandemic has been largely identified as stemming from reduced access to food due to movement restrictions, reduced variety of foods available, and reduced quantities consumed due to inadequate finances to buy food supplies that may be subject to price gauging by some suppliers. Work by others such as Mouloudi (2020) also note that for poor countries, loss of fresh produce due to food system disruptions may cause food shortages due to the underdeveloped storage chain, ultimately negatively impacting food availability.

The respondents were asked if they had experienced any changes in food consumption and dietary diversity due to the pandemic. The majority of the respondents indicated that they had experienced changes (94 percent). The two most reported changes were eating less food quantities and meals (65.5 percent) and skipping meals (40.5 percent). These changes are summarised in Figure 10.

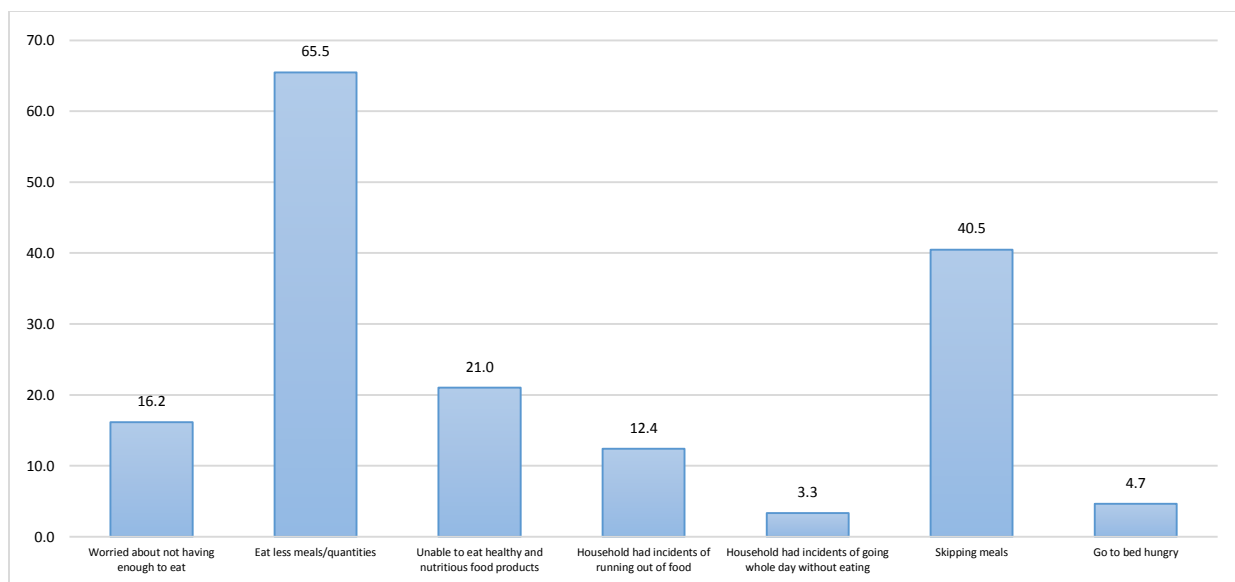


Figure 10: Changes in food consumption

Some of the respondents noted that:

"During the lockdown, we faced challenges of only having one meal a day instead of three, but now it has changed and we are able to have two meals a day."- Vhengere market

"The choice of food in the market reduced, so we ate what was available on the market during lockdown" – Mbizo and Vhengere markets

The respondents were then asked how they were coping with these changes in food consumption and dietary diversity. The three most prevalent coping strategies were using up savings (29.3 percent) and trading in non-food products (11.2 percent). A total of 15 percent of the respondents stated that they were not doing anything to cope with the situation. During the interviews, some of the traders stated that they did not have the financial means to do anything and as such, were not implementing any strategies to cope with the changes in their food consumption. The results are summarised in Figure 11.

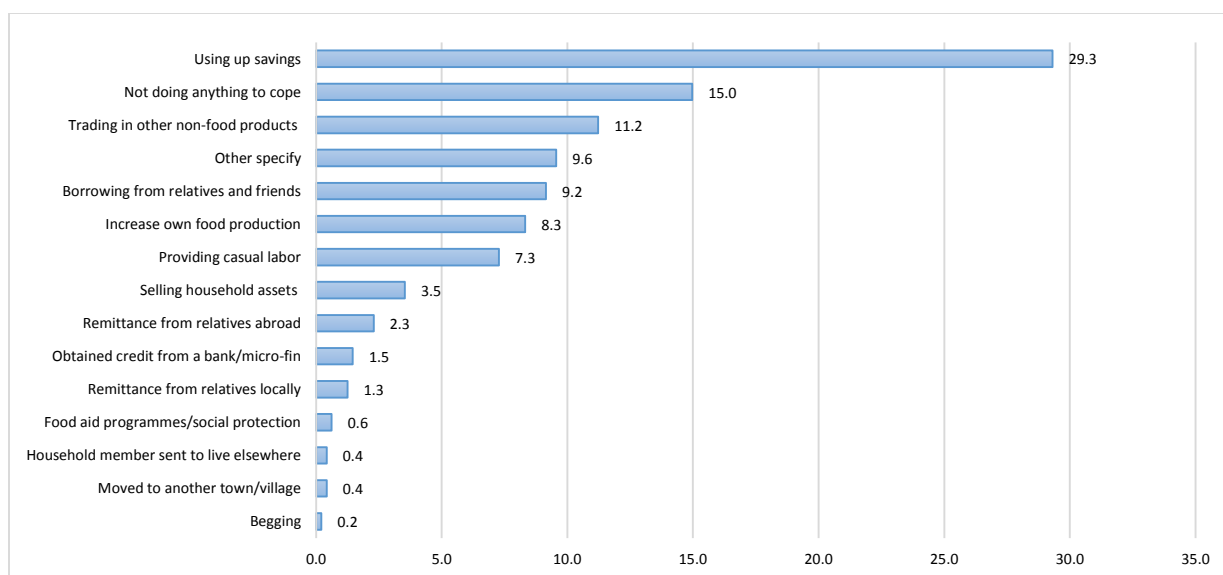


Figure 11: Coping strategies for changes in food consumption

x. Government response

In the region, policy response in dealing with the pandemic has largely focused on the economic and health sectors, leaving gaps in response to food systems that are critical for maintaining livelihoods.

The respondents were asked about their views on what response options would be most helpful in dealing with the impacts of the pandemic. The top three government responses that the traders identified as those that would be most helpful for their livelihoods were the introduction of financial programmes such as low interest credit lines or credit guarantees to help their business (73.6 percent), tax waivers or tax breaks for their businesses (39.1 percent) and opening up new agricultural markets to cope with the limited opening/trading times and movement restrictions (36.2 percent). These results are summarised in Figure 12.

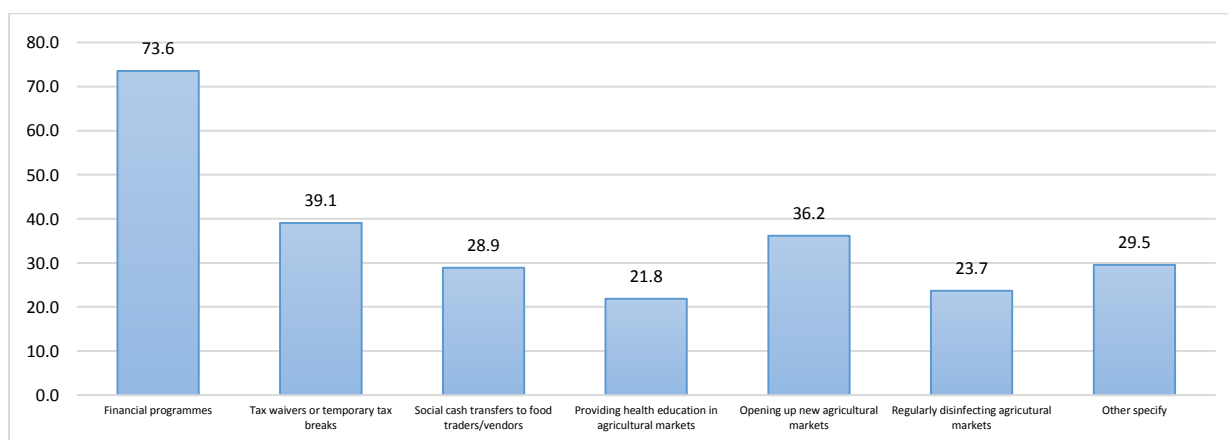


Figure 12: Government response priorities

Some other response priorities mentioned by the traders included the need for the revision of trading times and expanding agricultural markets into smaller areas to have more trading space. Some traders noted that:]

“Being given money for restocking our produce, food aid, and paying school fees because of the reduced revenue flows because of pandemic would be a good way to help us” – Vhengere and Mbizo

4. Conclusion and Policy Recommendations

The findings of this snap survey indicate that the pandemic did negatively impact food traders along different nodes of their trading business and some are still dealing with the lingering effects of the pandemic.

The main procurement challenges were directly linked to insufficient transport when available, inadequate market space and some misunderstandings with authorities when moving their products during the lockdown, even with authorization. Sales were also hit by the reduced number of customers as they also had restricted movements and some of the commodities had become more expensive during this time, further deterring the few customers that came to their stalls. On coping with these impacts, the traders were negotiating trading terms with their suppliers (farmers) primarily by organizing themselves to buy in bulk and using that as leverage to negotiate the price. These challenges had a direct impact on their incomes and this trickled down to their household food consumption, leading to them cutting back on meals and sometimes skipping them all together.

Based on the traders' experiences during the lockdown, the following are some of the lessons learnt on how to ease the pressure on food traders as the pandemic continues to unfold.

Commodity procurement

- Transporting goods for the traders was a challenge during the previous lockdown and as such, transport services must be considered as essential service as their availability determines the functioning of supply to markets. It ensures farmers can transport their produce to traders, reducing losses on both the producer and the trader.
- Food traders should also form groups and use them to procure and transport food products. This will help to reduce transportation delays, get leverage to negotiate food and transport costs from the suppliers, and also reduce movements, a critical aspect of disease spread reduction, by organising deliveries.
- Law enforcement authorities must be included in deliberations on the essential services in the country to aid in information dissemination within the authority system to have a better understanding of which entities fall under this category to ease tensions between them and food traders. This action should also include food traders in response and recovery decision-making through leveraging on their representatives is also critical in order to implement policy response strategies that resonate well with their needs and realities.

Coping strategy support

The best support for food traders is summarised in four ways.

- First, providing support in the development of cold chain, food processing, and horticultural food handling services. This is because traders reported losses of perishable food commodities due to transportation challenges and too few customers. This is a long term solution to tackle food loss that goes beyond pandemic supply disruptions. Policy incentive packages to support design and development of solar powered cold chains at agricultural markets can go a long way in reducing food losses among traders.
- Second, low interest credit lines and targeted emergency cash transfers to help ease the hit on profits and incomes that are still ongoing to help traders recover from the shock and sustain their livelihoods.
- Third, Decentralization of agricultural markets. This will facilitate having more options for market space and allow traders to be able to adhere to social distancing requirements and trading times during the pandemic, but still be able to sell their produce. These efforts should be accompanied with responsible city council authorities regularly disinfecting agricultural markets and installing multiple public hand washing stations and allowing agricultural markets to remain open during lockdown periods.
- Fourth, digital platforms that directly link food traders and farmers should be also promoted to strengthen and ease logistics and food distribution.

A consideration on any future lockdowns would be to implement localized lockdown measures in specific towns or geographic areas with COVID-19 cases resurgence. Implementing localized lockdown measures will help to reduce the social and economic costs to the economy at large and specifically to the food traders as compared to nation-wide lockdown measures.

5. References

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ABOUT LFSP:

- The Zimbabwe Livelihoods and Food Security Programme (LFSP), Agriculture Productivity and Nutrition Component (APN) is managed by the Food and Agriculture Organisation of the United Nations (FAO), with the aim of contribute to poverty reduction through increased incomes for a target 250,000 smallholder farming households. The programme is being implemented in four provinces covering 12 districts as follows: Mutasa, Mutare, and Makoni in Manicaland; Guruve, Bindura, Mazowe and Mt Darwin in Mashonaland Central; Kwekwe, Gokwe North, Gokwe South and Shurugwi in Midlands and Zvimba in Mashonaland West provinces. FAO is in partnership with three NGO consortia led by Practical Action, Welthungerhilfe and World Vision International, two Strategic Technical partners i.e. **IAPRI** for policy influence, HarvestPlus for biofortification, three Commercial Banks, 1 Wholesale Facility - the Zimbabwe Microfinance Fund (ZMF), 5 Microfinance Institutions (MFIs) and the USAID managed DCA Facility. To date the LFSP is funded for two phases to the tune of £72.4m.

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