GL&BAL PARTNERSHIPS

IMPACT BRIEF



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COVID-19 Pandemic Effects on Food Security

THE CHALLENGE

Around the world, millions of people living in poverty are experiencing the effects of the coronavirus pandemic on their health, safety, and livelihoods. Data show that one of the most pressing issues is access to food: as markets close and family incomes are hit by economic downturn, households are seeing an increase in hunger. A recent Oxfam <u>report</u> warns that lack of food, exacerbated by the pandemic, could kill millions more than the pandemic itself.

A May <u>study</u> by the social sciences research center Instituto de Estudios Peruanos found that nine of ten rural households in Peru reported having reduced the quantity and quality of food consumed during the pandemic.

Global Partnerships (GP) is collecting and analyzing emerging data in the countries where our social enterprise partners work, including data at the household level. Many of our partners' microentrepreneur clients, particularly those who work in the informal economy, have had to close their businesses and/or face declining demand due to COVID-19, leading to decreased revenues and thus less income to buy food.

Of approximately 8,900 individuals in poverty surveyed in <u>60 Decibels' COVID-19 project</u> (as of July 21, 2020), 38 percent reported a decrease in food consumption in their household because of the pandemic.¹

Pre-existing gender inequities mean that the effects of food insecurity fall hardest on women. Not only do women experience compounded economic impacts of the crisis, since they generally earn less, hold more informal and insecure jobs, and disproportionately bear the increased burden of unpaid care work; <u>research shows</u> that women also tend to buffer the impact of household food insecurity during a crisis by reducing their own consumption to feed others, migrating or selling assets, or taking on risky jobs.

In May 2020, one of GP's social enterprise partners, BRAC Liberia Microfinance Company Limited, conducted a rapid customer survey among 19 percent of its clients, consisting mainly of female microentrepreneurs, and found that 94 percent of respondents' incomes had fallen due to lockdown and movement restrictions.

¹ 60 Decibels, Inc. is an impact measurement company that uses a mobile-based client survey methodology called "Lean Data" to collect and analyze customer and sector-specific data from around the world.

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PARTNERS' RESPONSES

As the threat of food insecurity rises, a number of GP partners are answering the call. Some of GP's microfinance partners, for example, are starting entirely new programs to assist clients.

- **PADECOMSM** (the Fund for the Development of the Communities of Morazán and San Miguel) is working with Fundación Gloria de Kriete on a food relief program that is distributing boxes of food to approximately 2,500 families who are clients of PADECOMSM in the northern municipalities of Morazán, El Salvador.
- BRAC International is partnering with other organizations to help meet their clients' basic needs after conducting a client food security assessment, which showed that a majority of clients in Liberia, Tanzania, and Uganda have reduced the frequency or amount of food they consume.
- **Genesis Empresarial** in Guatemala developed a food bank program to support clients and communities in need, leveraging donations as well as "rescued" agricultural products that would otherwise go unused. So far, the program has benefited more than 24,000 people and delivered over 110,000 pounds of food.

GLOBAL PARTNERSHIPS' RESPONSE

GP's investment initiatives have long been designed to strengthen client resilience, including food security, through products and services that stabilize income and consumption. We are also adapting in real time during the COVID-19 pandemic:

- We are continuously following and analyzing emerging data to better understand the evolving needs of households living in poverty.
- We have adapted our surveys of partner clients to incorporate questions that seek to understand clients' experience and resilience in the face of the pandemic.²
- Through our debt funds, we are providing working capital to various partners as they find new ways to respond to the widespread effects of the pandemic, including food insecurity.

In this moment, when overlapping economic and health crises are disrupting food supplies and incomes for households living in poverty, GP's work with our partners is critical. Our goal is for our funds to provide support that will assist various partner social enterprises in Latin America and sub-Saharan Africa to help their clients improve food security and respond to other adverse effects of the pandemic.

² Global Partnerships conducts client Lean Data surveys with 60 Decibels (www.60decibels.com).

