

## Covid-19: Reemphasizing and Reshaping Priorities for the Policy Action Coalition

### Overview

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In addition to the deep health and economic costs of the COVID-19 pandemic, the crisis has laid bare the many fragile interconnections of our global food system. The safety of ‘essential’ food workers; the relationship between animal, environmental, and human health; the vulnerability of farmers and companies in the value chain amid shifts in demand: such topics, once relatively obscure, are now part of public discussions around the world.

The weaknesses and the shortcomings of the global food system have long been a topic of discussion among experts in the United Nations, NGOs, academia, and national governments, but now the wider public is seeing these vulnerabilities for themselves. Greater awareness of the consequences of how we eat could provide an important tailwind for policy action aimed at achieving targets stemming from the Paris Agreement and the Sustainable Development Goals. At the same time, analysts believe global food insecurity will rise amid Covid-19-related income shortfalls; in fact, it is likely more people will suffer from hunger than Covid-19-related illnesses. Governments will be hard-pressed to respond to the challenges of Covid-19 recovery, increased hunger, and continued climate change simultaneously – but this is precisely what they must do. Such a complex process of ‘building back better’ will require the creative inputs of researchers, multi-lateral institutions, farmers, processors, distributors, and civil society.

With this shared challenge in mind, the Policy Action Coalition (PAC), an initiative of the Just Rural Transition, convened three dialogues on Covid-19 in June and July of 2020 with its Knowledge and Implementation Partners. The dialogues – designed to develop an understanding of the impacts of the pandemic on livelihoods and value chains, climate change and the environment, and nutrition – focused on various dimensions of several questions: beyond the short-term context of Covid-19, how do we build back better in concrete terms? In doing so, how should governments think about repurposing their support to the agri-food sector? Finally, where should the PAC’s priorities be either reemphasized or reshaped?

Augmenting the events’ rich conversations were brief interventions from respected leaders across the agri-food systems landscape: Theo de Jager (World Farmers’ Organization), Ed Davey (World Resources Institute), Lawrence Haddad (Global Alliance for Improved Nutrition), Martien van Nieukoop (World Bank), and Shenggen Fan (China Agricultural University).

This report distills key reflections that emerged from the dialogues. It aims to help chart a way forward for the Just Rural Transition.

## Key Reflections

### **1. The Covid-19 pandemic throws into sharp relief the importance of ‘One Health’ – the interdependent nature of human, animal, and environmental health.**

Scientists [believe](#) the conversion of forests into agricultural land drives wild animals from their natural habitats and into closer contact with humans, thereby increasing the risk of infectious disease transmission. The Covid-19 outbreak was itself likely a function of this increase in human-animal contact, resulting from the sale and consumption of wild meats sold in wet markets in Wuhan, China. The driving forces behind this dynamic, as noted by a recent UN Environment Programme [report](#), are myriad: an increasing global population and its concomitant food needs, a growing middle-class demand for animal proteins specifically, a lack of incentives to conserve wild habitats, and so on.

The clear indication is that the [wellbeing](#) of animals and the environments in which they live are basic, indivisible conditions of human prosperity. This realization is growing among the general public. Yet it is hardly new. The [One Health](#) movement has stressed the interdependent linkages of humans, animals, and the environment since its inception in the early 2000s. In the Covid-19 era, its paradigm is a means by which siloed research, investments, and policymaking related to things like ‘public health,’ ‘animal welfare,’ and ‘environmental conservation’ can be much more deeply integrated among themselves – and likewise built into the PAC’s agenda to a degree it was not prior to the pandemic.

### **2. For agri-food value chains across the global North and the global South, resilience is the new efficiency.**

During the PAC Dialogue on Covid-19 and Nutrition, Lawrence Haddad, the executive director of the Global Alliance for Improved Nutrition (GAIN), likened agri-food value chains to a house of cards: a precarious structure that is all too easily toppled. The pandemic has proven his point vividly. In the United States, for example, farmers dumped millions upon millions of gallons of milk as demand from restaurants and other food service outlets dropped precipitously. In developing countries, fresh fruits, vegetables, and flowers destined for developed country markets were left rotting in the fields. Many value chains lack flexibility because they are concentrated and rely on ‘just in time’ inventorying. Covid-19 has made this definition of ‘efficiency’ obsolete. Resilience is emerging as a new criterion, understood as the ability of actors and systems across a value chain to quickly recover from supply and demand shocks. Foregoing some efficiency for the sake of resilience – for example, by diversifying suppliers – has trade-offs. It may open up new market opportunities for producers. But it could also drive up prices for consumers (at least in the near-term). Policy measures could help mitigate the costs associated with building value chain resilience, for example by providing tax incentives for firms’ capital investments aimed at supplier diversification. Supporting [digitalization](#) in the agri-food sector can also help drive resilience by optimizing the use of resources, expanding access to weather data, providing real-time market information, and establishing new revenue streams such as direct-to-consumer sales.

### **3. The pandemic has made a case for shorter value chains, but short value chains can be vulnerable to localized shocks.**

It has become obvious during the pandemic how geographically long value chains can often be subject to a greater number of threats – food safety, food perishability, trade restrictions, inelastic supply, and so on. One conclusion is that value chains should simply be made shorter. Yet, doing so could concentrate value chain risks geographically – one natural disaster or political crisis could bring an entire chain to a halt. At the same time, shortening value chains could induce land-use changes with

substantial negative environmental externalities (e.g., deforestation leading to carbon emissions and a rise in zoonoses). Finally, if, in the process of shortening the value chain, smaller firms are crowded out by larger firms with greater political or economic leverage, the inequitable distribution of ‘value’ across the chain could be reinforced. Rather than reactively calling for shorter value chains, policymakers should incentivize value chain investments that *diversify the sources of risk*. Doing so may result in a shorter value chain in some scenarios, but this alone is likely to be insufficient for resilience. In sum, the PAC can help country governments assess the costs and benefits of shorter value chains against the over-arching aim of greater resilience.

#### **4. Policies implemented during crises can have staying power – and so can their unintended consequences.**

History suggests crises often give rise to policy reforms that outlive the original problems they were meant to solve. For instance, agricultural subsidies in the United States originated in New Deal legislation meant to counter the effects of the Great Depression; in Europe and Japan, subsidies arose in the postwar era. When the current pandemic begins to subside, it is possible Covid-19-era government policies (e.g., [social safety nets](#)) will remain in place. We may also observe a return to a ‘narrower’ focus on agricultural productivity amid rising levels of food insecurity. This is a risk because it threatens a regression to policies that ignore, or even exacerbate, the impact on nutrition and health, climate change and the environment. It is critical policy responses to near-term problems do not undermine efforts to reach goals stemming from the Paris Agreement and the Sustainable Development Goals. Indeed, the [opportunity](#) exists to ‘build back better,’ but the devil is in the details. Policymakers themselves need incentives to balance short-term and medium-to-long term needs. They also need clear, accessible information about their policy options; the PAC and its knowledge partners can play a role here.

#### **5. There is no food safety without food worker safety.**

In many countries, farmers, farm workers and food sector workers are considered ‘essential workers.’ But these workers tend to be poorly compensated and poorly protected. Many of the United States’ meatpacking facilities—at least 115—became hotspots of infection for the virus, raising questions about the risks of industrial food production to public health. Wet markets, thought by some to be the place of the pandemic’s origin, are likewise under scrutiny. The World Health Organization’s food safety expert Peter Ben Embarek stressed recently that such markets are, however, critical sources of food and livelihood for millions of people globally. This suggests policy solutions aimed at improving safety conditions for agri-food workers must avoid regressive, unintended consequences for the often-vulnerable populations who rely upon them.

#### **6. Equitable nutrition is the first line of defense for public health.**

The pandemic has called attention to the links between what people eat, how much, and their susceptibility to illness, as a recent piece by scientists in the *European Journal of Clinical Nutrition* noted. Scaling Up Nutrition, the global consortium, notes that undernutrition may exacerbate Covid-19’s effects, while both obesity and non-communicable diseases have been associated with more severe outcomes. This has made the public health impacts of poor nutrition and poor diets more visible for health ministries; it may, as a result, increase diet and nutrition-related policy investments as a first line of defense against other health threats.

Efforts to increase demand for nutritious foods have been underway for some time, but they more important now. Covid-19 may represent an opportunity to help increase the uptake of fruits, vegetables, and other healthy foods by consumers. The question is how, and by what means. Policy has

a critical role to play, but nutrition gains will remain elusive without robust public-private collaborations. Firms need incentives to ‘add nutrition’ to their bottom lines, but more importantly consumer demand for healthy foods must be in place to drive such investments. Public health initiatives that link healthy diets to immunity with scientific evidence and compelling messaging can help build this demand.

Nutrition investments must be equitable. The 2020 Global Nutrition Report (GNR) places a timely focus on equity and its role in ending malnutrition. In the report, the 2018 World Food Prize laureate Lawrence Haddad observes that “inequity is a maker and a marker of malnutrition. The crisis hurts the nutrition status of the most vulnerable first and hardest. In turn, the malnourished will be more susceptible to the virus.” Such concerns are not merely short-term; malnutrition almost always has long-term developmental ramifications, especially for children within their first 1,000 days.

Agri-food systems that are resilient to shocks and diversified with nutrient-rich foods improve upon those systems that are fragile, rigid, and dominated by processed foods. But they are just as inequitable if they do not work for the most vulnerable across both developed and developing countries. How can the ‘build back better’ paradigm inform novel policy investments aimed at equitable nutrition, especially given relatively high costs and complex political trade-offs? Equity-oriented policy investments would not just aim to “even out” nutrition outcomes, but rather “shift the focus to the underlying systems that generate unequal distributions of outcomes,” as the 2020 GNR notes. Such investments could expand financing options for nutrition-focused SMEs (especially those owned by minorities) or strengthen linkages to climate change and environmental degradation, since these broader forces disproportionately affect the vulnerable.

## **7. Managing multiple crises simultaneously is the new normal.**

Major growing regions in places like East and West Africa were strong in 2019, owing to high rainfall after several consecutive years of drought. However, locust infestations—intensified by climate change— are proliferating across the Horn of Africa, the Arabian Peninsula, and South Asia. They are the worst seen in decades. 16 million hectares of cropland in Ethiopia alone have been affected, according to the analytics firm Gro Intelligence. Moreover, the FAO reports that the March to May rainfall period for 2020 was “one of the wettest the region has seen since 1981,” which has led to localized flooding, mudslides, flashfloods, and river overflows. The consequence has been casualties, infrastructure damage, crop destruction—and highly conducive breeding conditions for locusts. In this context, the demands on country governments of responding to Covid-19 persist. The PAC and its Knowledge Partners can help policy-makers with limited resources approach these integrated challenges in a way that—to the extent possible—maximizes synergies and minimizes trade-offs.

### **About the Just Rural Transition and the Policy Action Coalition**

The Just Rural Transition (JRT) works with public and private stakeholders to address one of this decade’s most critical challenges: providing nutritious food for a growing global population while protecting the vital natural systems which sustain life. JRT’s Policy Action Coalition (PAC) supports countries who want to redesign their policies and public support systems to address and respond to these challenges. The knowledge and implementation partners of the PAC will work directly with individual countries, identifying policy options that minimize trade-offs and maximize synergies for people and nature. For more information, visit [www.justruraltransition.org](http://www.justruraltransition.org).