COVID-19 pandemic drives global increase in humanitarian food assistance needs
A rise in urban food insecurity occurs alongside efforts to suppress the spread of the virus

FEWS NET estimates 90 to 100 million people are in need of humanitarian food assistance in 2020 across its 29 monitored countries, roughly a quarter of whom are in urban and peri-urban areas (Figure 1). These totals represent a sizable increase and notable shift in the population in need of humanitarian food assistance relative to assessed 2020 needs prior to the COVID-19 pandemic, when total food assistance needs were estimated to be roughly 25 percent lower, and one-tenth of needs were in urban and peri-urban areas.

Across the globe, governments continue to enact measures to suppress the progression of the COVID-19 pandemic. These measures consist largely of movement restrictions and social distancing that help limit the spread of the virus, though they also limit access to income-earning opportunities for many populations and slow trade activities. For example, poor urban households rely heavily on daily wage labor and self-employment to earn the income necessary to purchase food to meet their basic needs (Figure 2). However, COVID-19-related restrictions have led to a significant decline in income and food access among poor urban households. The current and anticipated impacts of COVID-19 on food security in urban areas across FEWS NET’s geographies are detailed below.

**Figure 1.** Percentage of global peak 2020 humanitarian food assistance needs in each FEWS NET region¹, with urban populations in red

**Figure 2.** Average share of income from all annual food and cash sources among poor, urban households, from HEA baselines for urban areas of Africa and Asia²

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1. East Africa: Burundi, Ethiopia, Kenya, Rwanda, Somalia, South Sudan, Sudan, Uganda; Southern Africa: Democratic Republic of the Congo, Lesotho, Madagascar, Malawi, Mozambique, Zimbabwe; West Africa: Burkina Faso, Central African Republic, Chad, Cameroon, Mali, Mauritania, Niger, Nigeria; Central America and the Caribbean: El Salvador, Guatemala, Haiti, Honduras, Nicaragua

2. Indonesia, Kenya, Somalia, Haiti, Ivory Coast, Zimbabwe, and Mauritania
EAST AFRICA

Burundi, Ethiopia, Kenya, Rwanda, Somalia, South Sudan, Sudan, Uganda

Typically, the urban poor in East Africa earn their income from diverse sources in the informal sector: daily casual labor wages and petty trade are among the most prominent. Poor urban households also typically spend a high proportion of their income on food purchases and have limited access to land to cultivate gardens, particularly in capital and port cities. For example, food purchases comprise approximately 50 percent of the urban poor’s income in informal settlements in Nairobi. As such, these households are particularly vulnerable to income and price shocks. While poor households in smaller urban areas are also vulnerable to these shocks, they typically have stronger rural-urban linkages, with concomitant access to agricultural labor and shared food stocks from rural kin that relatively diminishes this vulnerability.

The severity of movement restrictions and the speed of their easing currently varies across East Africa. However, there are commonalities in the impact of movement restrictions on some of the determinants of food access in the region. Broadly, declining business activity, demand for labor, and demand for goods and services have jointly led to below-average income, while social distancing restrictions on public transportation have increased the cost of accessing labor opportunities. In Ethiopia, 60 percent of urban households reported a decline in total income earned since the start of the COVID-19 outbreak, according to a World Bank national phone-based survey conducted in May. Similarly, 84 percent of households surveyed monthly by the Population Council in informal settlements in Nairobi, including Kibera, Huruma, Kariobangi, Dandora, and Mathare, reported at least a partial loss of income due to COVID-19, of which 42 percent reported a complete loss of income.

In some countries, the global economic downturn has also led to steep reductions in international remittances from the East African diaspora, though this experience varies significantly across the region. For example, the World Bank estimates that remittance flows from the Somali diaspora to Somalia are normally 1.4 to 2 billion USD annually, reaching approximately 40 percent of the population in country. Although better-off households typically receive remittances directly, remittances are often redistributed as social support, providing a lifeline for many poor urban households that face difficulty meeting their minimum food and non-food needs. Since the onset of COVID-19, money vendors in Somalia report that the volume of cash transactions declined approximately 30 to 40 percent from March to May. In contrast, data from the Central Bank of Kenya show remittance inflows have remained broadly steady, even with a moderate decline in April.

In some parts of the region, the negative effect on household income is combined with the effects of persistently high food prices resulting from long-term macroeconomic trends, slow cross-border trade and domestic supply chain activities, or seasonal factors. As a result of this combination of factors, the urban poor in affected areas face declining purchasing capacity (Figure 3). In South Sudan, for instance, the terms of trade for a kilogram (kg) of sorghum against the casual labor daily wage in June 2020 is 12 to 58 percent below June 2019 in Wau and Juba. In Juba, the quantity of sorghum that a household could buy with a day’s wage sharply declined from 12 kg in March to 7 kg in June. Similarly, in southern Somalia, the labor-to-maize terms of trade across major reference markets were 20 to 50 percent lower, on average, in May 2020 compared to May 2019.

The current reduction in incomes, in addition to above-average staple food prices, strains the capacity of poor, urban households to meet their basic food and non-food needs. As a result, the urban population facing Stressed (IPC Phase 2) or Crisis (IPC Phase 3) outcomes has risen across the region. The increase in the acutely food insecure urban population is of greatest concern in Sudan, Ethiopia, Somalia, and South Sudan.

Economic growth forecasts largely indicate that a contraction or deceleration of the economy is most likely in the reminder of 2020. Generally, food security outcomes in urban areas are therefore expected to remain most severe in Somalia and South Sudan, where Crisis (IPC Phase 3) outcomes are expected to persist through January. In the rest of the region, Stressed (IPC Phase 2) outcomes are most likely on the area level, but a notable proportion of households in urban areas of Kenya, Ethiopia, Sudan, and Uganda — particularly in capital cities or port/industrial towns, where households are less likely to benefit from own-produced food stocks — will continue to face difficulty meeting their food and non-food needs and be in Crisis (IPC Phase 3) throughout 2020.
REST OF THE WORLD

Afghanistan

In urban areas of Afghanistan, casual labor and petty trade are important sources of income for poor households, though local labor markets are weak due to impacts of prolonged conflict and political instability. Many urban poor households also rely on labor migration to neighboring countries (mainly Iran and, to a lesser degree, Pakistan). Poor urban households source the majority of their food from market purchases, using the income earned from casual and self-employment opportunities.

From mid-March to mid-May, COVID-19 movement restrictions in the main urban centers of Afghanistan resulted in a sharp decline in the availability of casual labor opportunities at a time when these opportunities typically increase. These measures also constrained typical business activity and domestic trade. In mid-March, Pakistan closed its border with Afghanistan for all imports and exports, while in late March, Kazakhstan introduced an export quota on wheat. As a result of these measures and associated disruptions, prices of key staple food commodities increased in the March to May period. At the same time, an influx of more than 150,000 undocumented Afghan migrant workers returning home in March — mainly from Iran — increased the number of people seeking labor opportunities in urban areas. Kabul has been worst affected by these dynamics, with available labor days falling to zero from the second week of April to the first week of May.

Despite the easing of lockdown measures and trade restrictions in May, demand for labor remained significantly below both last year and typical levels in May and June (Figure 4). This is primarily attributed to lack of demand for casual labor in the construction and manufacturing sectors, in addition to demand for other services provided by the transportation sector and small businesses. At the same time, the number of people seeking labor opportunities remains high. According to WFP data, casual labor wages have increased or remained stable between May and June 2020 but remained 17 percent below average in Kabul and 11 percent below average in Herat. As a result of this reduction in income-earning and above-average food prices, the purchasing capacity of poor households in urban areas is significantly below average. Available WFP data indicates that terms of trade between casual labor wages and wheat flour in June were 8 to 42 percent below average in all monitored urban markets.

While many households report purchasing food on credit, borrowing from relatives, and/or relying on humanitarian assistance and gifts, many poor urban households face Stressed (IPC Phase 2) or Crisis (IPC Phase 3) outcomes. These outcomes are expected to persist throughout 2020, due to above-average food prices and below-average income-earning opportunities, given prolonged COVID-19 related impacts on the economy on top of seasonally low labor availability, through the end of 2020, at the national level.

Yemen

Though recent data and information on livelihoods throughout Yemen is limited, key informants report that poor urban households are largely dependent on casual labor, petty trade, and informal transportation services provision for their income. Throughout Yemen, COVID-19 control measures introduced by local authorities have varied, but there have been no widespread and prolonged movement restrictions to date. Meanwhile, localized curfews and restrictions on movement have not been respected or enforced. Despite this, key informants report disruptions to business activity and reduced demand for labor in some urban areas and, more recently, disruptions to the manufacturing, services, fishing, and transportation sectors. Given this, as well as reduced levels of remittances, mainly from Saudi Arabia and other Gulf countries as a result of a general economic slowdown, some urban poor households are likely experiencing a reduction in income-earning opportunities.

Throughout 2020, food prices in Yemen have gradually increased, primarily due to the persistent depreciation of the YER. As of the first week of June, the cost of the minimum food basket (MFB) was 11 percent higher than in December 2019, according to FAO data. Wages for casual labor have been largely keeping pace at the national level, according to data from FAO, though localized differences exist. Of higher concern is Hajjah, where the terms of trade between casual labor wage rates and staple
wheat flour prices decreased by 14 percent between April and May. Also of concern are Aden and Lahij, where the cost of the MFB increased an additional 21 percent and 13 percent, respectively, in the first week of June relative to the May average. Meanwhile, declining demand for labor and slowed business activity is likely reducing income-earning opportunities for many poor urban households. These households are likely accumulating even higher levels of debt, with worst-affected households facing widening consumption gaps. This is of particular concern in northern areas where humanitarian assistance was recently cut by 50 percent, and in areas affected by conflict-related access restrictions. Given expectations for a worsening macroeconomic situation and rising food prices, declining purchasing power is of concern for those who will continue to experience reduced opportunities for income-earning, with an increasing number of households expected to face Crisis (IPC Phase 3) or worse outcomes throughout 2020.

SOUTHERN AFRICA

Democratic Republic of the Congo (DRC), Lesotho, Madagascar, Malawi, Mozambique, Zimbabwe

In urban areas of Southern Africa, too, most poor households rely on a combination of casual labor and petty trade for income to purchase food. The region is also characterized by strong urban-rural and cross-border linkages. In DRC, Zimbabwe, and Malawi, informal cross-border trade is an important livelihood activity for many poor households residing in urban centers in proximity to key border points. Because poor urban households are dependent on market purchases to access food, they are vulnerable to fluctuations in labor availability and food prices.

In April, in response to the COVID-19 pandemic, national governments in the region closed international borders for all activities except formal trade of essential goods. Among these closures, restrictions on movement to South Africa were especially impactful, as they significantly limited the capacity of poor households from Mozambique, Lesotho, and Zimbabwe to travel for casual labor (Figure 5) and remit money to kin in their countries. Border restrictions in eastern DRC similarly led to a sharp decrease in casual labor activities for poor households in border towns. Lockdown measures were also enacted in urban areas of Zimbabwe, Madagascar, and DRC and led to a significant decline in self-employment opportunities.

Between May and July, the status and stringency of these measures has been mixed across the region. Some restrictions have been eased, including in DRC, where banks, restaurants, and cafés have been permitted to reopen with health measures in place. Conversely, in Zimbabwe, informal businesses were permitted to reopen in May, but with the requirement that they first formally register with the government. This proved a costly barrier that prevented many informal businesses from reopening and, as a result, when the government reinstated measures banning all informal business activity in July, many in the informal sector continue to be unable to work. While income is more significantly restricted among poor households in countries where restrictions remain in place, the overall lower demand for casual labor and self-employment continues to negatively affect poor households, even in countries where restrictions are minimal or being eased. For example, in Malawi, Madagascar, and Lesotho, where restrictions are either less severe or not strictly enforced, the region’s broader economic slowdown is limiting poor households’ access to income.

In the coming months, some additional easing of restrictions is likely to support a gradual improvement in informal sector activities in the region. However, it is expected international border closures will remain in place in the near-term. Informal cross-border trade and labor movements will therefore likely remain at relatively lower levels. Continued restrictions on entry to South Africa will also have serious implications on most neighboring countries, given its major role in the region’s economy and as a key source of food and income for many cross-border traders from Zimbabwe, Mozambique, Malawi, and Lesotho.

Overall, poor urban households’ access to income will likely remain below average throughout 2020. Coupled with somewhat higher than normal prices, purchasing power is expected to be below average. Most cities across the region are expected to remain Stressed (IPC Phase 2) through 2020, with some populations in Crisis (IPC Phase 3). In worst-affected areas, including Goma of DRC and Harare and Bulawayo of Zimbabwe, a relatively higher percentage of the population is anticipated to be in Crisis (IPC Phase 3).
WEST AFRICA

Burkina Faso, Central African Republic, Chad, Cameroon, Mali, Mauritania, Niger, Nigeria

Poor households in urban areas of West Africa earn income through skilled and unskilled labor, transportation services, petty trade, and self-employment. In Niger and Mali, poor households in peri-urban areas also engage in agropastoralism. In March/April 2020, governments across West Africa implemented controls to limit the spread of COVID-19. These controls included reorganizing market operations, partially or completely closing local shops, restricting movement, and closing international borders to all but essential imported goods. These measures, along with a global decline in tourism, have led to a significant decline in casual labor, self-employment, remittances, and petty trade. With the exception of Mauritania, movement restrictions began easing in May, though due to measures that remain in place and the broader economic slowdown, income-earning for urban poor households remains restricted.

Movement restrictions have also disrupted seasonal labor migration, which normally begins in May when many poor households migrate from urban residences to rural areas to engage in agricultural activities. The easing of restrictions in June and July allowed for improvements in agricultural labor movement, and levels are now assessed to be near normal. However, the income lost while restrictions were in place has negatively affected those households that rely heavily on this labor source.

While trade in the region has continued throughout the pandemic, movement restrictions have led to delays in both domestic and cross-border trade. Prices for locally produced foods have not increased atypically, though trader speculation led to price increases from imported and processed goods (including for imported milled rice), prompting several governments to adopt price controls. Overall, rice prices remain above average in many urban areas (Figure 6). In Nigeria, where import restrictions were already in place prior to COVID-19, rice prices are 75 to 100 percent above average, due in large part to the depreciation of the NGN following the global decline in crude oil prices, Nigeria’s main export.

Recent assessments corroborate that urban food insecurity has increased in the region. In Cameroon, an assessment by the Institute of National Statistics in April and May reported that 43 percent of surveyed households in the national capital and regional capitals face difficulty accessing food as a result of the COVID-19 pandemic. In Mali, according to an Institute of National Statistics/World Bank survey conducted in May, 16.1 percent of surveyed individuals in Bamako reported losing their job due to COVID-19. The same survey indicated that the main strategies developed by urban households to mitigate the impacts of COVID-19 include selling assets (17 percent), drawing on savings (10 percent), and seeking assistance from friends or family (10 percent). Additionally, remittances from West Africa and abroad to Bamako have reduced by 65 percent, according to mVAM Mali data.

Based on the expectation that current, relatively less stringent measures remain in place or are eased further, typical income-generating activities will gradually resume in urban areas. However, it is still expected that most poor urban households will continue to earn lower than typical levels of income and face above-average staple food prices. In several countries, governments have provided subsidies for water and electricity bills, and, in Ouagadougou and Nouakchott, food and cash distributions have been carried out by the government, mitigating the severity of need. However, higher than normal levels of acute food insecurity are still anticipated to persist in urban areas across Niger, Burkina Faso, Mali, Nigeria, and Chad, where area-level Stressed (IPC Phase 2) outcomes are likely, with some poor households — particularly those that have lost a large part or all of their income — remaining in Crisis (IPC Phase 3). Urban centers of Kano and Lagos in Nigeria and Nouakchott in Mauritania are of greatest concern due to the increase in COVID-19 cases in these areas. This uptick in cases has led to a tightening of restrictions in those cities, at a time when staple commodity prices are also rising, and the lean season is ongoing.

**Figure 6.** Changes in imported rice prices compared to the five-year average in select urban centers of West Africa

Source: FEWS NET
CENTRAL AMERICA AND THE CARIBBEAN

El Salvador, Guatemala, Haiti, Honduras, and Nicaragua

Poor urban households in Central America and Haiti typically derive 90 to 100 percent of their income from the informal sector, such as casual labor, petty trade, and street vending. While middle and better-off households receive the bulk of international remittances, poor households often indirectly benefit from the multiplier effects of these remittances. Government officials in the region began to gradually ease the severity of movement restrictions in June, but economies across the region remain affected by limitations on public transportation, reduced business operating hours, the closure of small businesses, and a decrease in demand for non-essential products and services. While both formal and informal sector workers have been affected, poor households that predominantly work in the informal sector earning subsistence wages are particularly vulnerable, as they work without labor protections and had little savings to cope with the sudden reduction in income after the pandemic’s onset.

Consequently, poor urban households have experienced a decline in income sources since March. For example, a survey conducted in Guatemala in June indicates workers in the informal economy are experiencing a 50 to 75 percent reduction in income overall, while many domestic workers and gardeners employed in private homes and offices have lost their jobs entirely. In addition, available information suggests remittances from March to May 2020 were below the same period of 2019 in countries monitored by FEWS NET. Such remittances are important, as they represent more than 30 percent of GDP in Haiti, 20 percent of GDP in El Salvador and Honduras, and 10 percent of GDP in Guatemala. In Guatemala and Salvador, the value of remittances received in March to May 2020 was 15 percent and 23 percent, respectively, below the value of remittances received from March to May 2019 (Figure 7). While remittances recovered in both countries in June 2020, the outlook through the end of 2020 hinges on economic recovery in the United States and Europe.

As in the other regions, below-normal income combined with high food prices has reduced household purchasing power. Below-average 2019/2020 crop production in the dry corridor, socio-political unrest in Haiti and Nicaragua, and long-term inflation in Haiti were already contributing to rising food prices before the onset of COVID-19. Now, declining cross-border trade flows and speculative trading behavior across the region more broadly has contributed to upward pressure on rice, maize, and bean prices, which are above average in many key reference markets. In Port-au-Prince, for instance, the price of a pound of imported rice in June was nearly double the five-year average.

As a result, income sources among poor urban households are not sufficient to ensure access to both minimum food and non-food needs without engaging in negative coping strategies, such as purchasing food on credit and reducing meal sizes. Many poor households are experiencing Stressed (IPC Phase 2) or Crisis (IPC Phase 3) outcomes in urban areas of Guatemala, Haiti, Honduras, El Salvador, and Nicaragua. From July to October, the number of households in Crisis (IPC Phase 3) is expected to progressively decline as local economies gradually reopen and recover. However, the pace of recovery is expected to be slow. For example, in Haiti, the International Monetary Fund forecasts negative real GDP growth of -4 percent in fiscal year 2020. Most poor urban households are expected to continue earning below-normal income throughout 2020 and will be in Crisis (IPC Phase 3) or Stressed (IPC Phase 2) in the absence of food assistance. Locations of greatest concern in the region include peri-urban areas of Haiti, where the local populations are more dependent on migrant labor with the Dominican Republic, and in more remote, small cities in Central America, where the informal economy is linked to the tourism sector.
**Figure 8.** FEWS NET’s anticipated peak needs in 2020 across 29 countries, including the impacts of the COVID-19 pandemic on food security, July 2020

Across the 29 FEWS NET reporting countries, an estimated 90 to 100 million people require humanitarian food assistance in 2020, as the COVID-19 pandemic drives a global increase in needs.

For more detail on each country, please see FEWS NET’s country-specific reporting at fews.net