



Mandate Spotlight: 048 ASEAN SOM-AMAF

Overview Study: COVID-19 Pandemic Implications on Food and Agriculture Trade in ASEAN Member States

Location: Indonesia (ASEAN)

Beneficiaries: ASEAN Secretariat's Food, Agriculture and Forestry Division, the ASEAN Ministers on Agriculture and Forestry (AMAF), and Senior Officials on Agriculture and Forestry (SOM AMAF)

Consultant: Asia Pacific Foundation of Canada

Start: Sept. 2020

End: Feb. 2021

CTIF Contribution:
CAD \$75,860

Context

ASEAN is a major global producer and exporter of various crops and grains, and it is the world's largest producer of palm oil and natural rubber. Agricultural products that are widely traded among ASEAN Member States (AMS) include cereals, fresh fruit, fresh vegetable, fish products, livestock products, palm oil, fertilizer, and pesticides. For exported products, palm oil, crude rubber, and rice are still the most favored commodities. The agriculture sector also contributes crucially to employment in AMS; this is particularly the case in Lao PDR and Cambodia, where it accounts for 70% and 55% of each country's labour force, respectively.

The COVID-19 pandemic has caused major disruptions to the sector across the ASEAN region, impacting trade, investment, economic growth, and food security. Before recovery efforts for the region's economies and specific industries and sectors could be initiated, however, it was important to first assess the pandemic's wide-ranging impacts. In this light, CTIF agreed to provide technical assistance to support an assessment of the implications of the COVID-19 pandemic on food and agriculture trade in ASEAN. The study would also recommend corresponding recovery strategies and policy actions to the ASEAN Ministers on Agriculture and Forestry (AMAF), its senior officials (SOM-AMAF), and their working groups.

Brief Description of the Mandate

Working with officials from the ASEAN Secretariat's Food, Agriculture and Forestry Division (FAFD), CTIF's consultant – the Asia Pacific Foundation of Canada – assessed the implications of the COVID-19 pandemic on the food and agriculture trade for ASEAN member states (AMS) and provided recommendations on actionable items at the national and regional levels while taking into consideration environmental sustainability and climate change adaptation and mitigation actions. The study was shared with the Working Groups under SOM-AMAF/AMAF across crops, livestock, fisheries, and forestry sub-sectors for validation. Resulting knowledge products included the study's main report detailing disruptions, challenges, and recommended policy actions in response to the pandemic; a case study of the pandemic's impacts on the livestock sub-sector; and a presentation and short video summarizing key findings and policy actions.

Selected Key Findings and Recommendations

- ***Intra-country travel restrictions amplify existing health and nutritional disparities:*** Implementing evidence-based measures that will not disrupt internal logistics and transport is essential to support households with limited access to a stable supply of food and for future vaccine distribution.
- ***Transaction costs and impediments to trade at the border have been rising:*** New constraints have been placed on product movements and on those of workers such as seafarers. Such disruptions and delays have reduced the availability of food, increased waste, and lowered food quality while concurrently increasing costs for consumers. Efforts to reduce these constraints and should be a high priority.
- ***Migrant workers remain vulnerable:*** Migrant workers are now more vulnerable to exploitation than they were before the pandemic. As a result of migrant repatriations, job losses, and job suspensions, remittance shortfalls for ASEAN members are estimated to range from \$6 billion to \$12 billion USD. In many instances, employers held migrants' passports and other documents, limiting migrants' ability to remove themselves

from an abusive or exploitative situation. Increased incidences of deferred, reduced, withheld or non-payment of wages by employers were also experienced by migrant workers. In the absence of social safety nets, these practices heighten the exposure of the region's migrant workers to COVID-19.

- **Falling incomes and job losses shift dietary patterns and lower nutritional outcome:** The primary way in which COVID-19 has threatened household food security has been via its impacts on the economy and associated income shortfalls and job losses, particularly for migrant workers and the poor. Poverty and food insecurity levels in the Philippines, Indonesia, Cambodia, Thailand, Vietnam, Myanmar, and Lao PDR have all risen as a result. Such impacts typically result in consumers shifting toward “caloric sufficiency” starch-based diets at the expense of “nutrition adequate” diets with greater amounts of nutrition-rich foods.
- **Wet markets and other food venues need to revisit food safety practices:** Many food vendors in ASEAN countries are not well educated about public health or food safety standards, nor are they trained to maintain good hygiene while distributing food to help prevent the spread of foodborne diseases. As many new viruses originate with animals and livestock products, renewed efforts in risk management and hygiene education focusing on livestock production, livestock processing and wet markets are warranted.

Environment & Climate Change

CTIF's consultant found that some AMS have subsidized both the manufacture and use of fertilizers and pesticides in a possible effort to stimulate production and protect farmer incomes. However, this two-fold form of subsidies often leads to environmental degradation in the form of soil and water contamination, nutrient loading, chemical run-off, leaching, and loss biodiversity or wildlife habitats. Subsidies that are tied to specific inputs or outputs are also less helpful to farming households, as they tie the households to specific production and consumption options rather than allowing them to make choices reflecting their own needs.

CTIF's consultant also examined the ramifications of land and watershed nutritional loading because of livestock effluents. As a result, they posed questions regarding whether private and public entities within ASEAN member states may wish to recalibrate the nature, intensity, and location (proximity to urban areas and to key watersheds) of their livestock operations.

Follow-up Support

CTIF's consultant has been asked to provide further support for the implementation of recommended policy measures. This support will be further discussed with the Food, Agriculture and Forestry Division later in 2021.

Testimonials



Figure 1: SOM-AMAF Chair, Dr. Prum Somany (Cambodia), providing welcome remarks in APF Canada's video summarizing the study's findings and recommendations.

Gender and Social Inclusion

In line with “AMAF's Approach to Gender Mainstreaming in the Food, Agriculture, and Forestry Sectors,” adopted in 2018, and Canada's Feminist International Assistance Policy, the study considered the differentiated impacts of the pandemic on male and female producers where appropriate. As a result of this approach, it was found that women have suffered disproportionately from the pandemic-induced economic downturn. Women are much more vulnerable than men because they represent most casual workers in the processing and service sectors. Many female market vendors have been forced to significantly reduce their operating capacity so that they could cover the cost of their household necessities. This gender imbalance has been accentuated by the uneven division of care and domestic work in the household, further limiting women's livelihood choices and opportunities.

“The study provides a comprehensive evidence-based account of the disruptive impacts of the COVID-19 pandemic and related control measures in the ASEAN's food and agriculture sector. The series of immediate, short-term and sustained long-term actions provide valuable inputs to support national and regional COVID-19 recovery efforts and facilitate the transformation to a more sustainable and resilient agriculture sector.”

- Officers of the FAFD, ASEAN Secretariat
