



CIHEAM

International Center for Advanced
Mediterranean Agronomic Studies

Impact of the COVID-19 pandemic on agricultural markets and the grains sector in the Mediterranean

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The emergence and rapid spread of the COVID-19 virus on all continents has been sending singular signals in international markets and countries' economies. The Mediterranean (especially its Southern and Eastern rims) is not spared, being one of the most sensitive regions to world prices volatility due to its dependence on international trade.

The objectives of this report are to inform the general public with facts and figures related to the threats of COVID-19 on the agri-food sector of the CIHEAM member countries and to document policy responses to those threats, with emphasis on innovative measures taken by governments.

The content of the report is based on information collected from the focal points of the MED-Amin network. It focuses on the grain sector, in particular on cereals.

It illustrates the importance of multilateral action and international dialogue related to food security in the region.

1. Impacts on Supply

1.1. Limited impact on production

The COVID-19 crisis **did not induce significant changes on the grain harvest outlook** in the Mediterranean countries, as it did not coincide with the harvest (to start in June-July in most of the countries). For spring and summer crops, whose planting occurred mainly during the March-May period, no impact has been reported.

Workforce at farm level to perform appropriate operations in the field remained on place. Beside sanitary measures, all countries set up specific **traffic authorizations for the agricultural sector issued to farmers / workers, seasonal workers, agricultural operators and suppliers** to ensure the normal running of campaigns.

Despite the late **establishment of a 'green corridor' to facilitate the mobility of agricultural workers within the EU member countries**, some countries have had difficulties in meeting the labour demand, in particular in the fruits and vegetable sectors (France, Portugal, Greece). In remote areas of Algeria, customary organizations have been mobilized to contribute to the harvest. However, with regard to **cereals, the production of which is highly mechanized, there have been no significant difficulties**. In Morocco, where the next winter crops harvest is jeopardized by the lasting drought, needed workforce will be significantly reduced.

Increased losses at the field/farm levels have been reported due to reduced demand, especially for fresh products and meat, despite no systematic monitoring at country level. Many governments and public authorities have **boosted short marketing circuits promoting e-platforms and networks** (EU countries, Morocco, Turkey) to secure farmers' income and support the domestic demand. Direct sales at farmgate were developed (Malta).

Box 1: Production shifts as indirect impacts of the crisis:

In Spain, a major exporter of rice, the planting area of the next rice cultivation might increase significantly as a consequence of the good rice domestic prices (due to increase in domestic

demand) and the rise of international prices due to trade restrictions of some of the main world exporting countries. Reversely, the maize acreage is likely to decrease, although it would be compensated for higher yield (no official figures yet).

Algeria announced the immediate creation of a National Office for Saharan Agriculture for the development of millions of hectares in the Algerian Sahara. In Lebanon, the Government is encouraging citizens to cultivate new crops. In Turkey, the government wishes to facilitate the cultivation of idle arable lands.

1.2. Consequences on imports and stock strategies

Since the beginning of the spread of the pandemic in the European continent (mid-March 2020), many countries **have secured their domestic supply and strengthened their stockpiles by increasing the volumes of imports**. This concerns mainly the basic products like flour, soft wheat (in grain), and semolina. The increase was particularly significant in March and April due to high uncertainty on markets and the decision to maintain a certain stock capacity of several months' consumption.

In **Albania**, the surge of total grain imports was +140% in March and +130% in April compared to last year at the same period and state reserves are under the authority of the Defence Ministry. All the **wholesale entities** that trade food products and other products (and **likely other operators of the supply chain**) are **obliged to take measures to keep a stock of the products they trade for at least a period of 3 months** or in accordance with the lifespan of the products in order to cope with the situation caused by COVID-19.



Storage after imports, Tunisie Numérique, April 2020

Algeria imported via its Office (OAIC) 2.55 Mt of grain over the December-March 5 months period, which is well above the projections adopted by the public authorities for the 2019/2020 marketing year. The crisis reinforces the urgency for the country to quickly **reduce its dependence on imports**. In particular, between March 15 and April 15, 2.5 million quintals of semolina were sold in shops, the usual consumption of 3 months in the ordinary period (OAIC, 26 March). The quantities supposed to cover one month disappeared in a few days.

In **Egypt**, the increase of wheat imports is also noticeable (+17%, to 4 Mt) via Egyptian ports in Jan-Mar20 vs 2019. The same for Maize (yellow) imports (+8%, to 2.3 Mt). **The national office for grains (GASC) increased its stocks by the expansion of local grain supply via specific procurements and measures.** The Government allowed marine ports and food factories to operate 24 hours a day to cover citizen's needs. The Strategic reserve of Egypt with regards to the main commodities is safe and will not be affected on the short term.

Lebanon is currently facing a multiple crisis. The current difficulties to import from the international markets are mainly due to the financial crisis which makes it difficult to obtain dollars from banks. Not only is this critical for grains but some shortages were reported on other types of products such as chocolate, some kinds of cheese, etc. In general, imports were calibrated so that the stock of cereals reached a level of 3 to 4 months consumption, which is around 60,000 tons. Since the events of November 17 and the financial crisis, **the situation is not stable and stocks tend to decrease.** New subsidies on imported wheat for bread making have been implemented. The Government continues to buy local wheat and barley at international price and delivers it to the mills at a subsidized price of 22% of the international price to stabilize the price of a bread loaf (125g) at 0.25 \$, which is the price prior to the financial crisis.

The kingdom of **Morocco** experienced slight logistical disturbances at the start of the crisis following the COVID-19 spread around the world. However, the **market remained adequately supplied thanks to its national reserve.** The usual spring suspension of **customs duties has been extended beyond June 1** (first to June 15 and now until the end of 2020) on common wheat and on durum wheat and pulses to guarantee the supply at reasonable prices (anticipating a low 2020 harvest). This measure enabled an increase of the safety stock of cereals and pulses from 3 to more than 4 months consumption (grains, flour). The almost **synchronicity of the COVID-19 pandemic with the Ramadan period has helped the country anticipating** the increase in domestic demand for some products like semolina, bread, etc. The Government has strengthened its regular and close monitoring of the fulfilment of import commitments which had already been scheduled since the start of the year to optimize storage capacities.

Tunisia experienced some difficulties at the beginning of the crisis, like the difficult routing goods to ports, provoking delays in deliveries. Imports increased significantly: +10% for durum wheat in 2020 (first 4 months of the year) vs 2019 same period, +12% for soft wheat and +5% for barley. The national strategic reserve represents two to three months consumption (especially for the 3 imported cereals: Durum wheat, Common wheat and Barley). **Imports were supported by low international prices and covered the usual consumption while feeding the strategic stock.**

In **Turkey** as well, some delays occurred in deliveries due to difficult border crossings. **The devaluation of the Turkish lira vs US Dollar also affected the cost of imported goods.** The level of stocks seems to be adequate by now to meet the needs of breeders, producers, manufacturers and consumers, so there is no need for a new strategic reserve. Stocks are detained mainly by the national office TMO. The government has **closely monitored the evolution of domestic demand.** Necessary measures have been taken to ensure the availability of inputs used in plant and animal production (especially those obtained through imports like seeds).

For the EU countries, the supply relies on the market, within the framework of the EU single market. No limiting measures on trade of agri-food products have been taken, in a bid **not to restrict trade**

(trade restrictions being considered as counterproductive). The health crisis has caused high uncertainty in demand, making estimating stocks extremely complex and imprecise in a market as volatile as it was during those weeks. However, it is considered that the level of cereal stocks is sufficient to guarantee the supply, in general of at least one month of consumption (only). This is tight and voices have arisen to **enhance this safety margin and allow the EU to get all the means to ensure its food security**. In Greece and Portugal, however, stocks between 3 and 4-month use for grains and flour are reported.

Box 2: Changes in imports:

There is a specific concern about the appropriate EU supply of imported corn and soybeans at competitive prices that can maintain the EU meat sector, seriously affected by the health crisis.

An increase in the EU import of corn from Ukraine (using a duty-free quota) was reported (1Mt the first 3 weeks in April).

In Turkey, imported wheat is re-exported as flour or pasta, after being processed. There is a prospect of origins diversification following trade restrictions in the Black Sea (Russia, Ukraine or Kazakhstan) to maintain the flour mills operating.

Another indirect consequence of the crisis is the establishment of **EU customs duty on corn imported by the EU** at € 5.27/t then few days later (4 May) at € 10.04/t (EU regulation 2020/573) as a consequence of the US corn prices drop under the threshold of € 157/t.. The fall in corn prices is a direct consequence of an ethanol sector that was severely affected by the COVID-19 crisis.

In particular, Spain maintained stocks of rice for more than 3-month consumption. France revised slightly upward the stocks for common wheat, barley and corn, and downward for durum wheat (for which the stocks were already low) mainly driven by evolution of the domestic and international demand and by the expected level of the next harvest. Malta, which relies totally on (privately-operated) imports and the market, reported +7% grain imports the 1st quarter 2020 vs the same period in 2019. Due to increased worldwide disruptions some imports may be delayed. Portugal also reported delays on deliveries by traders. Imported grains prices rose during the COVID-19 state of emergency for feed and baking wheat, decreased for barley and remained stable for maize.

1.3. Logistic disruptions and agri-food industries

Shortages of labour and demand shock may have disrupted the processing of food at places. The milling-baking and the malting-brewing are among the grain-related sectors most affected by the demand shock induced by the crisis, (with the meat and milk industries). Locally, logistical disruptions for perishable goods (fruits and vegetables) have been reported.

Operations linked to imports and related logistics have performed normally. However, the quick **increase in demand put them under pressure with temporary difficulties in the supply of certain finished products (pasta, semolina, etc.)**. In Algeria, millers had to face an urgent demand and to accelerate grain processing to supply retailers. The Government made advances on the quantities allocated to processors to meet strong demand (the first days of the crisis). In the NENA region, the food processing factories significantly increased their activity during this period. Several public authorities performed a **very close monitoring of operators** in the agri-food industry, in particular flour mills,

private or public. In general, transport authorizations apply to the agri-food industry in most of the monitored countries.

The currency devaluation induced a rise in the cost of wheat procurement in Lebanon, with direct **consequences on the cost of production of bread and on millers' margin in Lebanon**. The government had to intervene and subsidize more the price of flour to make bread.

Another side effect is that the export bans in place in **Turkey's neighbouring countries have had an impact on the increase in the price of inputs into the animal feed sector**, which increased by 10% to 20 % in a month. Urgent measures have been taken by the Turkish authorities to keep the food value chain running at all stages, from supply to logistics.

"Green corridors" between CEFTA (Central European Free Trade Agreement) Countries were put in place, for a list of priority goods. Borders remained open for transport of such goods. No specific logistic difficulties were reported in Albania or in the Balkans.



Trucks are stuck in traffic jams on the A12 autobahn in the direction of Poland near Frankfurt (Oder), Germany, Tuesday, March 17, 2020.

In the EU countries, the **agri-food companies were often heavily impacted by the demand shock induced by the closure of the HORECA channel** (hotels, restaurants and cafes), and the lack of tourism. The increase of households consumption (for instance for rice, bread, flour and semolina) did not compensate it.

The **flour (and semolina) companies' activity fell** between 20-30% in Spain, 20% in Greece. There, the semolina industry reoriented its market to the domestic demand, simplifying production ranges and focusing on basic ranges to fit the peak demand. Grains (malting barley) and flours were **reoriented to feed** (as related industries were paralyzed) – despite the low level of meat production (slaughtering plummeted). In road transport, the **increase in the cost of freight has been detected** as the main problem since some routes are not profitable, as trucks have sometimes to travel empty.

In **France**, the transport of agricultural products was noticeably disrupted, **especially for perishable goods (Fruits & Vegetables)**. The operators noted a disruption of flows from the Rhône Valley: the corn

stored in this region could not be transported to the processors at the start of containment in France (logistical problems), which led to an increase in imports of French corn of + 20kt in the 2019/20 campaign (estimate by French operators). The **milling-baking** (decline in activity, despite the increase in the sale of flour at retail) and **malting-brewing** (HORECA closure) **sectors have been very affected by the loss of sales opportunities**. So is the **ethanol industry** (corn and wheat). The manufacture of alcohol for the production of hydro-alcoholic gel is far from replacing the fuel demand. **Corn is now very attractive for animal feed** vs wheat or barley as a consequence of the international oil price crash. In Portugal, the oil price crash induced problems on storage of cereals in the port of Lisbon where oilseeds stocks accumulated.

2. Impacts on demand

2.1. The Demand shock

The **closure of the HORECA channel (hotels, restaurants and cafes), and the lack of tourism** in all the Mediterranean countries, impacted with force the demand patterns.

At the beginning of the diffusion of the disease, most countries reported a **significant increase in cereal products demand**. Whereas food demand is generally inelastic, market witnessed an **increase in both staple food and ready-to-eat food that can be stored**. **Panic purchases** (to make home stocks of primary necessity products like flour, pasta, semolina, rice and pulses, milk powder, sugar, oils but also hygienic products, gas, etc.) skyrocketed. These compulsive purchases may have **caused temporary food shortages in some cities**. This situation was corrected a week later by the mobilization of stocks from the suppliers concerned and the responsiveness of logistics players. These trends lead to difficulties to sell produce, loss of perishable produce and loss of income.

The increase in the consumption of some products put **pressure on processors (see previous chapter) and on prices**. In order to maintain the accessibility of basic food products, Governments monitored with particular attention the evolution of those prices and took action to stabilize them when needed. For instance, public authorities have **controlled private operators and retailers to prevent price increases** (Turkey, Morocco, Tunisia, France, Greece, etc.). In Morocco, price stability was assured by sufficient stocks and a balance between supply and demand (where the Ramadan-linked additional purchases offset the decrease due to HORECA closure).

So far, prices stability was reported in most countries (see figure 1 below), and more specifically:

- In Egypt, an increase in the prices of rice (+0.8%) and pasta (+0.5%).
- In Lebanon, human food consumption has decreased during this crisis due to food stuffs price increases to up 50-60%, except for bread and flour which were subsidized. Prices increased due to the collapse of LBP more than to COVID-19.
- In Turkey, there was no change on grain prices. The consumer price index increased annually by 10.94%, and monthly by 0.85% in April 2020 without any specific association to the COVID-19 crises.
- In Spain, retail prices in the first month of containment have remained stable (less than 1% variation for food products in average);
- In France, Consumer organizations are reporting some increase in retail prices for wheat flour, pasta, semolina and rice (and also for fruits and vegetables);

- In Malta, prices increased in flour, pasta and rice. This increase was registered in April 2020 when compared to the previous month. The price of bread remained stable.

	Consumer prices evolution (March-April 2020) compared to last year same period or previous months		
	Down	Stable	Up
Albania		Bread, Flour, Semolina, Pasta, Rice, Maize, Barley	
Algeria		Bread, Flour, Semolina, Pasta, Rice, Maize, Barley	
Egypt		Bread, Flour, Semolina, Maize, Barley	Pasta, rice
France	Maize	Bread	Slight increase for Pasta, semolina, Flour, Rice (and Fruits & Vegetables)
Greece		Bread, Flour, Semolina, Pasta, Rice, Maize, Barley	
Lebanon		Bread and Flour (subsidized)	Semolina, Pasta, rice, maize, barley
Malta		Bread	Flour, Pasta, Rice
Morocco		Bread, Flour, Semolina, Pasta, Rice, Maize, Barley	
Portugal	Barley	Bread, Flour, Semolina, Pasta, Rice, Maize,	Wheat (for baking and feed)
Spain		Bread, Flour, Semolina, Pasta, Rice, Maize, Barley	
Tunisia		Bread, Flour, Semolina, Pasta, Rice, Maize, Barley	
Turkey		All grains. Slight consumer price index increase linked to Turkish lira depreciation	

Figure 1: Consumer price evolution reported since March 2020 in the monitored countries

After the first weeks of turmoil in the supply chains, things came back to normal in most cases. Household consumption of food products remained strong, much higher than usual (in Spain +27% food products household consumption in March-April vs 2019 same period, +150% for flour and semolina) but did not balance the **decreased demand from the food industry**. This concerns in particular **flour, semolina, barley (for malting industries), soft wheat (for milling industries), dough (for bakeries)**. In **Italy**, demand for flour increased by 80%, canned meat by 60%, canned beans by 55%, and tomato sauce by 22%. Market witnessed a **strong increase in e-commerce up to five times fold** in all the monitored countries.



Market in Middle East, Middle East Eye, April 2020

The crisis was an opportunity to **speed-up and improve a short marketing circuits** and 'Farm to Fork' integrated strategies thanks to efficient transactions and enhanced information exchange.

Aversion behaviour (fear of contagion) probably affected food consumption, through reduced visits to food markets. Local open-air markets were maintained in some cases during the containment to ensure the local accessibility to food products (Spain, Greece). Also, it is clear that the consumption shock has **shaken the mass distribution (supermarkets, malls)** but it is too early to draw conclusions for the Mediterranean region.

Box 3: New consumption trends under crisis

- Retailers turned to e-commerce and direct door to door deliveries;
- Consumers turned to (new or updated) e-commerce platforms¹ and small neighbouring retailers;
- Appearance of new consuming and dietary behaviours (e.g. towards more deliveries and e-purchases, or more local and labelled quality products in developed countries or medium to high-income households);
- Emergence in public space of new solidarity actors (distribution of meals, etc.);
- Development and facilitation of short supply circuits for supermarkets and consumers (including direct producer sales).

2.2. Socio-economic measures to alleviate poverty

Tackling the crisis cannot be limited to measures to mitigate its impact on the agriculture sector. It must include **broader measures to support the most vulnerable populations and companies**, and indirectly the household consumption (including agricultural products). It is already clear that the crisis will have significant impact on the economy, with a **notable contraction of the GDP in every country** in the World and specifically in every country of the Mediterranean. Inevitably, it induces an increase of poverty, in particular in (already) most vulnerable populations (e.g. rural populations). Social and economic supports are more than needed. The importance of such measures depends a lot on the countries own capacities and resilience towards the crisis. The Mediterranean countries have **enhanced safety nets and social protection programmes** on several aspects, in addition to direct or indirect support of the agricultural sector (see Figure 2 below), by:

- Expanding funding to existing social assistance schemes;
- Expanding social assistance programmes (cash or in-kind) to non-beneficiaries/participants of the existing programmes who became vulnerable to the impacts of the crises;
- Providing a complementary assistance scheme (using contingency funding) to offset loss of income;
- Expanding the use of food banks if need be (including from donations from individuals, solidarity networks, non-governmental organizations, etc.).

For example in **Portugal**, the national authorities provided between 438 and 1097 € for 3 to 12 months to self-employed workers².

¹ In Turkey, the E-Çiftçi (e-Farmer) Portal was reorganized and turned into a comprehensive e-Tarım (e-Agriculture) portal for farmers, citizens and companies.

² <https://www.cmjornal.pt/sociedade/detalhe/saiba-como-vai-funcionar-o-apoio-aos-recibos-verdes-durante-a-epidemia-de-coronavirus>

In **France**, the Government provided health insurance to relatives of a sick person who must remain in quarantine and unemployment insurance was extended to parents who had to look after their children while schools were closed³.

Box 4: Italian support to socio-economy and agri-food sectors⁴

In Italy, several measures have been in place from tax exemptions to independent workers' and caregiver support transfers of maximum 600 euros per month (valid for March and April). These are outlined in the recently released decree "Cura Italia" consisting of a 25 billion euro package⁵. To support Italian agricultural smallholders, the country launched the following measures:

- March 17th 2020 a new decree, namely "Cura Italia" to **allocate funds and provide incentives for agriculture**, among other sectors. The decree allocates 100 million euro to support agricultural enterprises related to farming, fishery and aquaculture to cover the interests of loans and mortgages.
- 50 million euro to **support food distribution for poor and vulnerable people**.
- Farmers will be able to request an **advanced payment** of 70% for the annual non-repayable contributions, instead of 50% under the Common Agriculture Policy.
- A **compensation** of 600 euros will be transferred **to the agricultural workers with short-term contracts** for the month of March.
- National policies are in place to ensure access to agricultural services, including the supply of seeds, plant protection and fertilizers. Still, reality places **new challenges on the operationalization of these policies**.
- **Preference is given to local products**. In Italy, about 82% of consumers agree on the importance of buying local products to safeguard the national food industry. This objective is also supported by the Codiretti's campaign **#Mangialitaliano**, which saw the participation of famous personalities to promote the "Made in Italy"

³ <https://www.service-public.fr/particuliers/actualites/A13890>

⁴ Source: FAO publication, <http://www.fao.org/3/ca8308en/ca8308en.pdf>

⁵ https://www.corriere.it/economia/lavoro/cards/decreto-emergenza-misure-definitive-salva-economia-tutti-aiuti-famiglie-impreselavoratori-sanita/misure-sanita-famiglie-impreselavoratori_principale.shtml

	Measures taken to alleviate crisis impact on rural population and more generally on the national citizens and economy
Albania	<ul style="list-style-type: none"> The government has approved two financial packages. One element of these packages is the state guarantee line of about 100 million USD. Providing financial assistance to employees in business entities with annual income up to 14,000,000 (fourteen million) ALL, for the period after the cessation of economic activity . Giving an additional payment to individuals who receive payment of economic assistance and unemployment compensation. • Different measures in order to facilitate access to food for consumers as well as other socio-economic measures: measures 1 and 2 (social assistance and business assistance) • A National Support Scheme expected in May 2020.
Algeria	<ul style="list-style-type: none"> 2.2 million families (unemployed, informal sector) received a bonus of 10,000 DZD . • The government has already released a budget of 22 billion dinars, to which have been added aid in foodstuffs supplied for the benefit of nearly 400,000 families (food baskets containing essential food made available to the most deprived citizens). • In May, the national support schemes will be implemented, suspended previously by Covid-19. • Single window available to farmers • Advances are provided on phytosanitary products and other inputs. • Simplified bank loans as well as insurance at subsidized rates.
Egypt	<ul style="list-style-type: none"> Central Bank of Egypt (CBE) has expanded its EGP 100 billion industry stimulus initiative to include companies in agriculture and agricultural production. • Companies in the agriculture sector with revenue between EGP 250 thousand and EGP 50 million can access incentives (loans) at a 5% interest rate under the CBE's 2017 small companies program. • Govt encourages farmers to supply the new wheat crop by increasing wheat price to 700 EGP / 150kg (between 670 and 700 pounds per ardab (150 kg) depending on the cleanliness rate). • Suspension of the tax on agricultural land for 2 years. Subsidy on summer crop seeds (maize, rice ...) to top seeds price at last year level. • Govt is operating mobile sales outlets trucks with prices that are 20% less than market prices that drive through villages and the different governorates to give access to cheaper vegetables, fruits, legumes, dairy products...etc and to limit crowding issues in markets and reduce the burden of population in poverty.
France	<ul style="list-style-type: none"> General aid measures for all companies, including SMEs and very small businesses, at the national level: coverage of partial unemployment by the State for employees forced to stop their activity, direct aid for very small businesses and self-employed workers depending on the loss of turnover, granting of loans by banks with the guarantee of the Public Investment Bank. • Market management measures have also been negotiated at EU level for the agricultural sector, in particular in the form of private storage aid for certain animal products. • Ag Sector operators have committed to price stability at the request of the government.
Greece	<ul style="list-style-type: none"> Allocation 150 Me euros to provide direct payments to producers in the primary sector with maximum amounts that can be allocated for agricultural holdings amount to 100,000 euros, including sowing seeds (298.22 per hectare). • Aid for up to 5,000 euros per farmer and up to 50,000 euros per business (small and medium-sized enterprise), facing the crisis, includes the proposal of the DG Agri to create a new financial measure of support from the unallocated funds of the Rural Development Program of common agricultural policy (CAP) 2014-20. • Control of companies in the flour industry and animal feed production by the Competition Committee to limit pricing.
Italy	See Box 4
Lebanon	<ul style="list-style-type: none"> Socio-economic aid measures were implemented by the country (subsidized bread, facilitation of cereal imports, food panier tickets distributed). • The country has prepared a request of financial assistance to IMF and other donors.
Malta	<ul style="list-style-type: none"> No specific global measures to alleviate the crisis impact on the economy and citizen's life. • Farmers allowed to proceed with their routines even though they may fall under the category of vulnerable people. Those farmers with a licence to sell at the farmers' markets were temporarily given an automatic permit as hawkers to be able to sell their produce.
Morocco	<ul style="list-style-type: none"> Establishment of the Economic Watch Committee to monitor the impact of Covid-19 on economic activity and the identification of support measures from 11 March. • Creation of a special fund for the management of the pandemic (Current budget of 32 billion MAD). • Fixed compensation of 2,000 MAD was granted to employees declared to the National Social Security Fund (CNSS) who lost their jobs because of the crisis. • Establishment of a new "Damane Oxygene" guarantee mechanism which aims to mobilize financing resources for companies whose cash flow has deteriorated due to the decline in their activity during the crisis. • Aid for households operating in the informal sector (RAMEDist or not) 800-1200 dirhams. • Free distribution of food baskets for the holy month of Ramadan in several cities in Morocco.
Portugal	<ul style="list-style-type: none"> Among other measures, provide a maximum 1.097 euros aid and at least €438 for 3 to maximum 12 months to self-employed workers • Promoting national and local products.
Spain	<p>Govt launched temporary employment regulation files, ERTES, supported by a unemployment subsidy, financed by the State, to alleviate the labor consequences and the bankruptcy of companies. In addition to other measures to provide liquidity. • Easing measures, such as fiscal easing, postponing (and telematic) the registration of agricultural machinery, extension of the subscription period for agricultural insurance. • Is asking to EU about flexibilization measures (delay in single request, higher advance payment) of direct payments, and increase in the amount of these advances and other elements of their management, flexibility of on-the-spot controls, etc.).</p>
Tunisia	<ul style="list-style-type: none"> Among other measures, food tickets and vouchers of 65 EUR / household without income.
Turkey	<ul style="list-style-type: none"> Crop seeds (6,100 t) were given free of charge to farmers for additional 350,000 ha planted areas. • Farmers' debts and rent payments delayed 6 months. • The MAF has carried out the necessary follow-ups in order to avoid price increases. In order to ensure supply security without causing any price increases, the works have been carried out in many fields such as economic and administrative (inspection and monitoring) in a collaboration with relevant Ministries. • An institutional infrastructure will be developed in furtherance of holding joint meetings with sector representatives during the epidemic process and in preparation of future crisis.

Figure 2: Main socio-economic measures reported in the monitored countries in order to alleviate poverty and the crisis impact on the economy and citizens' life

2.3. Collateral consequences on export strategies

Most of the exporting MED-Amin countries **did not ban nor limit export of agricultural products**, following the recommendations of the multilateral organizations (WTO, FAO, FAO-AMIS, IFPRI). However, some of them took restrictive measures. **Egypt banned exports of legumes** for a period of 3 months from March 28, especially faba beans and lentils.

The demand of specific products has been boosted by the crisis. Hence, **new marketing opportunities have encouraged countries and private operators to export greater volumes** to countries in need. This is the case in France where export demand to third countries has intensified since the start of the coronavirus crisis. The French logistics chain has managed to organize and respond to this demand. For common wheat, exports to third countries increased by 60% in March, and by 25% in April as

compared to the same period last year. Egypt reported increased exports of fruits and vegetables (in volume), and Tunisia reported an increase in the volume of exported olive oil and tomatoes and an increase in the value of exported dates and seafood.

For **other products** particularly impacted by the lock down measures, **exports decreased** like wine, fruits and vegetables from Portugal. In Turkey, exports were controlled by the government and allowed them only when products were in abundant supply. Especially exports of onion, potato and lemon have been subject to special permission in order to prevent price increase in the domestic market.

3. Towards a renewed governance of food security

All the respondents to the survey pledged for an **increased international cooperation on food security**, and more specifically in the Mediterranean region. This pledge was made with reference to the relevant international organizations, such as AMIS and MED-Amin. In addition respondents declared themselves in favour of **stronger cooperation with neighbouring countries and the EU common market** institutions and programmes in order to secure a continuous supply of the agricultural products (including basic products such as wheat). Inclusive and win-win cooperation would be particularly relevant for countries that depend heavily on imports. Historical trade links between exporting and importing countries of the Mediterranean rim could be revived and based on common objectives to ensure food security in the Region. The exchange of experiences encouraged by the MED-Amin network aims at contributing to such an outcome.

However, cooperation and **partnerships could also be enlarged to new trade partners** to diversify supply sources. Egypt, for example, foresees changes of trade partners in the future (both import and export markets).

For most of the monitored countries, the crisis revealed again the importance of anticipation. For them, it is urgent to review and renew national policies and strategies for food security. For some of them, a **better capacity to follow-up and monitor the international markets is needed**, in order to overcome increasing uncertainties and price volatility. In particular, Algeria and Lebanon reported the need to access better and more reliable information (cereal balance sheets, cereal situations, agricultural and cereals market data...) and to monitor them, to improve the timeliness of the information collected, and to better manage market knowledge. The EU countries benefit directly from the monitoring of production and consumption in place at EU level, through DG AGRI. Countries in need could be supported by advanced countries in that respect, directly or via multilateral organizations like FAO, CIHEAM, IFPRI.

In Morocco, a wider **cooperation at regional or sub-regional level** is felt as potentially beneficial for the stability of markets on the one hand and the optimization of logistics costs on the other. These are essential pillars for an extended and lasting food security. Besides that, public authorities of the Mediterranean countries reveal the necessity to better frame and limit speculation by traders and trading houses to facilitate food security for all.

Countries like Turkey and Morocco, as well as most EU countries, have already put in place food security strategies and strengthened them during the crisis outbreak. In Turkey, commodity balance sheets have been established in order to track the agricultural products, which have strategic

importance, and monitor the change in price (cotton, sunflower, corn, soy, canola, sunflower, chickpeas, white beans, lentils, potato, onion, tea, hazelnut, figs, apricots, cherries, grapes, olives-olive oil, and forage crops). In addition, an “institutional infrastructure” will be developed to hold joint meetings with sector representatives during crises similar to the COVID-19.

The crisis illustrated the key role that an **efficient and transparent public-private partnership** can play in ensuring the correct supply of markets at reasonable prices. Public-private partnerships and exchanges have been enhanced during this crisis notably in Spain, Turkey, Morocco and France. In the peculiar case of Malta, where the agricultural sector is almost totally privatized, public authorities intervene the least. The country relies totally on imports and the private sector to ensure its food security...

Box 5: The MED-Amin network and the food security in the Mediterranean

The MED-Amin network, along with the CIHEAM, is fully engaged to face the collective challenge of food security in the Mediterranean region. Launched by the 13 Ministries of Agriculture of the CIHEAM member countries in 2014, with the memory of the 2008 food riots, the network contributes to build dialogue and experience sharing in a climate of trust. This is precisely to prepare member countries to face food crisis like the COVID-19 pandemic that the network must strengthen current activities (e.g. the harvest forecasting and early warning exercise) and open new fields of collaboration.



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