

Strategic Analysis Paper

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Covid-19 and Food Security in the Pacific: Considerable Challenges with an Opportunity to “Build Back Better”

Mervyn Piesse

Research Manager

Global Food and Water Crises Research Programme

Key Points

- While the health implications of the Covid-19 pandemic have been limited in most Pacific Island Countries, the economic implications are severe.
- Lower access to international markets could reduce dietary diversity with poor outcomes for nutritional health.
- A reduction in tourism and a decline in the flow of remittances has reduced household income, leaving a large portion of the Pacific population with weaker food security. Extreme poverty is also likely to increase significantly.
- Agricultural development could form the basis for “building back better” after the pandemic has passed, especially in the larger Melanesian countries of Papua New Guinea, the Solomon Islands and Fiji.

Summary

The Covid-19 pandemic is expected to exacerbate pre-existing food security challenges across the South Pacific. The pandemic has disrupted some supply chains in the region, leaving some areas with a more limited range of food products. Lockdowns and the associated economic downturn has restricted the sale of local produce and weakened the financial strength of households. Most Pacific Islanders have resorted to traditional coping mechanisms, based largely on subsistence agriculture, artisanal fishing and family and village social networks. While the pandemic has presented considerable challenges to the region it also presents an opportunity to “build back better” in its aftermath. Agricultural development could stand to benefit, particularly in the large Melanesian countries that have significant agricultural potential.

Analysis

Despite having relatively low Covid-19 case numbers, Pacific Island Countries banned travel and implemented stringent social distancing measures very rapidly in the early stages of the pandemic. As even advanced economies with world-class health systems struggled to contain the virus, the Pacific recognised that it would not be able to cope with a widespread outbreak of the virus. The imposition of travel restrictions and stringent domestic containment policies in the early phase of the pandemic has ensured that Covid-19 case numbers have remained low across the region. As of 11 October, there were [16,909 reported cases](#) of Covid-19 and 147 deaths in the region.

Reporting Country / Territory / Area	Total cases	Total Deaths	Days Since Last Reported Travel-Related Case	Days Since Last Reported Community-Acquired Case
American Samoa	0	0	-	-
Cook Islands	0	0	-	-
Fiji	35	2	0	207
French Polynesia	10,971	52	0	0
Guam	5,755	91	0	0
Kiribati	0	0	-	-
Marshall Islands, Republic of the	1	0	14	-
Micronesia, Federated States of	0	0	-	-
Nauru	0	0	-	-
New Caledonia	29	0	6	222
Niue	0	0	-	-
Northern Mariana Islands, Commonwealth of the	100	2	2	85
Palau	0	0	-	-
Pitcairn Islands	0	0	-	-
Samoa	0	0	-	-
Solomon Islands	16	0	3	-
Tokelau	0	0	-	-
Tonga	0	0	-	-
Tuvalu	0	0	-	-
Vanuatu	1	0	1	-
Wallis and Futuna	1	0	26	-
Total	16,909	147	N/A	N/A

Table 1: Countries, territories & areas with reported COVID-19 cases & deaths (as of 11 November 2020, midnight UTC+12)

Source: World Health Organization

While the health implications of the pandemic are relatively minor, the economic effects have been significant. Every country in the region is experiencing challenging economic conditions as a result of the pandemic. Strict border measures have led to a collapse in the tourism industry and there is weaker demand for Pacific exports. Household incomes have declined due to job losses, a reduction in working hours and lower remittance flows. According to the Australian Government's [regional development response plan](#), some Pacific Island Countries might not return to their pre-Covid levels of GDP per capita for the better part of a decade.

Covid-19 is expected to cause the [first increase in global poverty](#) since the 1998 Asian Financial Crisis. It is possible that the number of people living in extreme poverty (living on less than \$1.90 per day) in the region could increase by [more than 40 per cent](#) in the short term. A five per cent contraction in household consumption – which is a conservative estimate – is likely to see the rate of extreme poverty increase to over 30 per cent of the population in Papua New Guinea, 27 per cent in the Solomon Islands and 17 per cent in Vanuatu. A severe contraction in household consumption of 20 per cent, would see 1.2 million people in the region pushed into extreme poverty. The region will be poorer once the pandemic has passed.

New Zealand has considered creating a [travel bubble](#) with the Cook Islands and Niue, which are constituent parts of the Realm of New Zealand. Tourism is the main industry in the Cook Islands, with 75-80 per cent of GDP derived from the sector. Samoa, Fiji and Vanuatu are also highly dependent on tourism, with about [20 to 25 per cent](#) of national GDP derived from the sector. A growing number of businesses in the Pacific believe that they [will not survive](#) the pandemic. The New Zealand Covid-19 Response Minister, Chris Hipkins, has stated that it is [unlikely](#) that a travel bubble will be in place before Christmas, as testing and contact tracing systems require further development. Regional tourism is unlikely to begin to recover until the middle of 2021, at the earliest.

Remittances from Pacific labourers working overseas make up a large part of many regional economies. According to data from the Pacific Community, almost [ten per cent of regional GDP](#) is derived from remittances. Pacific labourers working in Australia and New Zealand send [about \\$9,000](#) – the equivalent of about three years of wages in many countries – back to their families while working in Pacific labour programmes. Globally, remittances are expected to decline by about [20 per cent](#) in 2020 due to the pandemic and associated economic shutdowns. In East Asia and the Pacific, remittances are likely to be 13 per cent lower. In terms of the share of national GDP, Tonga and Samoa are most vulnerable to a decline in remittances. In dollar terms, however, they are the third- and second-largest regional recipients, respectively. Fiji, which gets the largest dollar amount of remittances in the region, drew in remittances worth almost [US\\$270 million](#) (\$360 million) in 2019. It is also likely to be adversely affected by the decline in remittances.

Remittances % of GDP										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fiji	6.0	5.6	4.2	4.8	4.9	4.5	5.4	5.5	5.2	5.2
Kiribati	10.6	10.0	9.4	9.3	9.3	9.1	8.2	9.1	9.7	9.7
Marshall Islands	15.5	13.5	12.8	12.5	12.9	14.2	15.2	14.6	13.9	14.1
Micronesia, Federated States of	6.2	6.1	6.3	6.4	7.0	7.3	7.4	7.1	6.9	7.1
Palau	0.9	0.9	1.0	1.1	1.0	0.9	0.8	0.8	0.8	0.8
Papua New Guinea	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Samoa	21.3	21.5	21.6	22.2	20.5	17.5	16.3	16.6	16.4	16.4
Solomon Islands	2.1	2.1	1.8	1.9	1.8	1.4	1.6	1.6	1.2	1.4
Tonga	25.7	20.0	19.9	19.3	27.2	26.9	34.4	31.5	36.8	40.7
Tuvalu	17.8	12.3	11.8	10.2	10.8	10.9	11.4	11.1	10.0	9.5
Vanuatu	1.9	1.7	2.7	2.8	3.0	3.5	3.3	2.4	2.2	2.2
Colour Key	0 - 5%		5 -10%		>10%					

Source: Pacific Community

Until travel restrictions are loosened and regional labourers are able to travel overseas again, it is likely that Pacific economies will continue to struggle. As a result, food security in the region is expected to remain weaker than before the onset of the pandemic.

According to the [Food and Agriculture Organization](#), ‘food security exists when all people, at all times, have physical and economic access to sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life.’ The Covid-19 pandemic has limited physical access to food, especially from overseas sources. The economic downturn in the region has had a greater affect, however, and has reduced economic access to safe and nutritious food in the South Pacific.

A joint [assessment](#) by the Australian Centre for International Agricultural Research and CSIRO found that countries in the Pacific suffered from pre-existing food security vulnerabilities that are likely to be exacerbated by the effects of the pandemic. A strong dependence on food imports made the region highly vulnerable to any disruption in international trade. Its sensitivity to extreme weather events also meant that domestic food supplies could be weakened at very short notice. A severe cyclone in parts of the region in the early phase of the pandemic created further economic hardship and further weakened food security for many communities, at least in the short term. The region’s considerable nutritional challenges (micronutrient deficiencies, childhood stunting and obesity) could also worsen as a result of more limited food choices during the pandemic. A reduction in the availability of shelf-stable food products and a greater reliance on fresh, locally-produced food could actually improve some nutritional conditions.

Malnutrition and obesity in the Pacific region

Nutritional condition	Melanesia (%)	Polynesia (%)	Micronesia (%)	Global average (%)
Anaemia (women of reproductive age)	35.9	27.9	25.1	32.8
Stunting (children under 5 years)	49.5	4.9	no data	21.9
Wasting (children under 5 years)	13.3	3.9	no data	7.3
Overweight (children under 5 years)	13.7	5.3	no data	5.9
Diabetes (men)	15.3	22.4	21.7	9
Diabetes (women)	14.8	26.4	22.8	7.9
Obesity (men)	17.5	54.9	43.6	10.5
Obesity (women)	26.8	40.7	53.1	14.7

Notes: Melanesia = Fiji, Papua New Guinea, Solomon Islands, Vanuatu; Polynesia = Samoa, Tonga, Tuvalu; Micronesia = Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Palau.
Based on data from the Global Nutrition Report (2020)

Source: ACIAR and CSIRO

Agricultural production and fishing have [declined](#) due to restrictions on movement and a reduction in the availability of farming supplies. Due to restrictions on international travel, some Pacific Islander labourers working overseas have been unable to return home. They have been working shorter hours or have suffered from job losses in their host countries, however, due to lockdown restrictions. [Labour supply shortages](#) are particularly evident in Samoa and Tonga.

Urban people in the informal sector are at greatest risk of elevated food insecurity as traditional safety nets (families, village communities and churches) are finding it difficult to manage the increased demand for their services. In Vanuatu and the Solomon Islands, urban

residents were [encouraged to migrate](#) to rural areas to be closer to domestic food supplies. More people are engaged in subsistence agriculture and artisanal fishing than before the pandemic, mainly to ensure that they continue to have access to food.

For the most part, residents of Pacific Island Countries have managed to find ways to cope with the disruption to their food supplies. That has involved falling back on traditional food systems, mainly by shifting to subsistence agriculture or artisanal fishing and relying on family or village social networks.

Before the pandemic, the Pacific was the only region in the world where access to water, sanitation and hygiene (WASH) services [declined over the past decade](#). Basic sanitation coverage fell from 38 per cent to 30 per cent of the population between 2000 and 2017. As water is essential to maintaining good hygiene practices, both during and after the pandemic, further investment in WASH services will be a key part of “building back better” once the pandemic is over.

It has been [suggested](#) that increased regional food production and intraregional food trade could strengthen the regional economy and improve health outcomes, especially if it increases access to fresh, locally-produced food. That could form part of a strategy to “build back better” after the pandemic passes. Papua New Guinea, Fiji and the Solomon Islands could develop a larger agricultural base to reduce their dependence on international markets. Before the onset of the pandemic, the Papua New Guinean Prime Minister, James Marape, [announced](#) that he would seek to diversify his country’s economy away from its dependence on oil and gas and turn it into the “food basket of Asia”. About 30 per cent of the land in PNG has moderate to very high agricultural potential, but only about five per cent of it is being used for commercial agriculture. It is likely that similar agricultural development potential exists in other large Pacific Island Countries. The smaller atoll countries (including Nauru, Kiribati, Samoa and Tuvalu), however, lack the fertile land necessary to develop agricultural sectors. Food security in those countries will continue to be based on access to fisheries resources and international markets.

To effectively benefit from any potential agricultural development scheme, however, the region will also need to invest in production, processing and storage infrastructure. Transport networks would also need to improve to ensure greater domestic access and benefit from potential export markets.

For the most part residents of Pacific Island Countries have managed to find ways to cope with the disruption to food supplies by turning to traditional coping mechanisms. That strategy is likely to work in the short term, however, it is not viable in the long term as it will unnecessarily decrease living conditions. Similar to other parts of the world, however, the pandemic offers an opportunity to “build back better” and agriculture could play a key role in that endeavour.

Any opinions or views expressed in this paper are those of the individual author, unless stated to be those of Future Directions International.

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Suite 5, 202 Hampden Road, Nedlands WA 6009, Australia.
Tel: +61 8 6389 0211
Web: www.futuredirections.org.au