Policy responses to the COVID-19 crisis in the Near East and North Africa – keeping food and agriculture systems alive

A review based on the FAO Food and Agriculture Policy Decision Analysis (FAPDA) database
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Food and Agriculture Organization of the United Nations
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## Contents

Acknowledgements ...................................................................................................................................................... v

Acronyms ................................................................................................................................................................ vi

Executive summary ..................................................................................................................................................... vii

1. Introduction ......................................................................................................................................................... 1

2. Issues at stake in food and agriculture systems ........................................................................................................ 2
   2.1 Regional context .............................................................................................................................................. 2
   2.2 Food security and nutrition situation .................................................................................................................. 3
   2.3 Trends, challenges and priorities ...................................................................................................................... 4
   2.4 Impact of COVID-19 ......................................................................................................................................... 5

3. Public policy responses in the region ...................................................................................................................... 10
   3.1 Consumer-oriented policy responses .................................................................................................................. 11
   3.2 Producer-oriented policy responses .................................................................................................................. 14
   3.3 International trade/economy-wide-oriented policy responses .............................................................................. 16

4. Insights drawn from the policy response to date and general recommendations .................................................. 18

References .................................................................................................................................................................. 20

Annex 1. Specific policy responses by countries and territories (March to May 2020) ................................................. 23
Figures

Figure 1. Share of GDP (%) by country in the NENA Region ................................................................. 2
Figure 2. Share of total population (%) by country in the NENA Region .................................................. 3
Figure 3. Classification of policy responses in FAPDA (aggregate level) .................................................. 10
Figure 4. NENA countries featuring selected types of consumer support measures (%) ......................... 11
Figure 5. Allocation of economic stimulus packages (current USD per capita) ....................................... 14
Figure 6. Allocation of economic stimulus packages (% of GDP) ........................................................... 15
Figure 7. NENA countries featuring specific producer support measures (%) ........................................... 15

Box

Box 1. Systemic impacts of COVID-19 outbreak and policy responses .................................................... 7
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<table>
<thead>
<tr>
<th>Acronym</th>
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<tr>
<td>FAO</td>
<td>Food and Agriculture Organization of the United Nations</td>
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<tr>
<td>FAPDA</td>
<td>Food and Agriculture Policy Decision Analysis (FAO)</td>
</tr>
<tr>
<td>FSIN</td>
<td>Food Security Information Network</td>
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<tr>
<td>GDP</td>
<td>Gross domestic product</td>
</tr>
<tr>
<td>ICA</td>
<td>Institute for Contemporary Affairs</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>IPC</td>
<td>Integrated Food Security Phase Classification</td>
</tr>
<tr>
<td>NAF</td>
<td>National Aid Fund</td>
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<tr>
<td>NENA</td>
<td>Near East and North Africa</td>
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<tr>
<td>SDG</td>
<td>Sustainable Development Goal</td>
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<tr>
<td>UNICEF</td>
<td>United Nations Children's Fund</td>
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<td>WHO</td>
<td>World Health Organization</td>
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Executive summary

This report is based on an extensive review and analysis of policy decisions made by 19 governments in the Near East and North Africa (NENA) Region in response to the COVID-19 crisis, from March 2020 to May 2020. The 19 countries and territories are: Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates and Yemen.

A broad range of policy decisions were reviewed based on the Food and Agriculture Policy Decision Analysis (FAPDA) database of the Food and Agriculture Organization of the United Nations (FAO), complemented by information on disruptions of food and agriculture systems and related policy responses provided by the FAO Regional Office for the Near East and North Africa and selected FAO Country Offices.

Policy decisions were analysed following the FAPDA classification comprising three main categories: producer-oriented policies, consumer-oriented policies and international trade/economy-wide-oriented policies.

Overall considerations are that the major policy response to date from most countries in the region has been to adopt an economic stimulus package aimed at injecting liquidity into the economic system through fiscal and monetary policies and ensuring the introduction and/or expansion of social protection programmes.

Common policy responses targeting consumers and producers in the region include: cash transfers, unemployment compensation schemes, deferral of income tax declarations and payments, postponement of loan payments, provision of subsidized interest rate loans, creation of investment funds and state guarantees for new credits, exemption from utility payments, social security contribution waivers, in-kind food transfers, and price controls.
1. Introduction

This report is based on extensive tracking and analysis of policy decisions made by national governments in the Near East and North Africa (NENA) Region in response to the COVID-19 crisis, from March 2020 to May 2020. It examines 19 countries and territories, namely: Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates and Yemen. Since the outbreak of the pandemic, policy responses to the COVID-19 crisis have been tracked, classified and stored in the Food and Agriculture Policy Decision Analysis (FAPDA) database.

The objective of the report is to support all stakeholders, including governments, development partners, regional economic organizations, civil society organizations, researchers, policymakers and the private sector, to identify and map policy measures implemented in response to the COVID-19 pandemic, providing analysis and recommendations that may feed the policy debate at the national, regional and global levels. Monitoring and analysing policy responses can facilitate better-targeted policy support and contribute to recovery with coordinated policy responses across countries.

Section 2 provides a contextual overview of the NENA Region, its food security situation, and the challenges and priorities. It then reviews observed and potential negative impacts of the COVID-19 outbreak on drivers, core functions, institutional set-up and performances of food and agriculture systems. The specificities of NENA countries are taken into account.

Section 3 presents an analysis of policies following the FAPDA classification consisting of three main categories: producer-oriented policies, consumer-oriented policies and international trade/economy-wide-oriented policies. In addition, an overview of specific policies implemented in the region by country is provided in the Annex.

Section 4 consolidates the information, draws insights from the policy response and makes possible general recommendations, taking into account the challenges and disruptions within the region.

Finally, the Annex provides examples of policy responses implemented by NENA countries in the first four months after the COVID-19 outbreak.

1 While FAPDA makes every effort to serve as a high-quality, reliable source of information and monitoring, due to the very dynamic policymaking processes regarding COVID-19, the FAPDA database may not always provide complete and up-to-date information.

2 The FAPDA Database, launched in 2008 during the food price crisis, is an FAO initiative that tracks at global level country policy measures and policy frameworks.
2. Issues at stake in food and agriculture systems

2.1 Regional context

The NENA Region is host to more than 410 million people, 41 percent of whom live in rural areas. It is the most land- and water-scarce region in the world, with 0.3 ha of agricultural land per capita and per capita water availability at 10 percent the global average (FAO, 2019). The region has dealt with persistent challenges for decades, in particular overdependence on natural resources (oil and gas) as an engine of gross domestic product (GDP). In addition, the shares of GDP and population by country in the region are heterogeneous and vary in accordance with specific factors characterizing each country, such as natural resources, political stability and humanitarian crises. Figure 1 presents the share of GDP by country in the region and Figure 2 the share of total population by country in the region.

Figure 1. Share of GDP (%) by country in the NENA Region

<table>
<thead>
<tr>
<th>Country</th>
<th>Share of GDP (%)</th>
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<tbody>
<tr>
<td>Saudi Arabia</td>
<td>28.6</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>15.2</td>
</tr>
<tr>
<td>Egypt</td>
<td>10.9</td>
</tr>
<tr>
<td>Iraq</td>
<td>8.4</td>
</tr>
<tr>
<td>Qatar</td>
<td>6.6</td>
</tr>
<tr>
<td>Algeria</td>
<td>6.1</td>
</tr>
<tr>
<td>Kuwait</td>
<td>4.9</td>
</tr>
<tr>
<td>Morocco</td>
<td>4.3</td>
</tr>
<tr>
<td>Oman</td>
<td>2.8</td>
</tr>
<tr>
<td>Libya</td>
<td>1.9</td>
</tr>
<tr>
<td>Lebanon</td>
<td>1.9</td>
</tr>
<tr>
<td>Jordan</td>
<td>1.6</td>
</tr>
<tr>
<td>Syrian Arab Republic</td>
<td>1.5</td>
</tr>
<tr>
<td>Bahrain</td>
<td>1.4</td>
</tr>
<tr>
<td>Tunisia</td>
<td>1.4</td>
</tr>
<tr>
<td>Yemen</td>
<td>1.0</td>
</tr>
<tr>
<td>Sudan</td>
<td>0.7</td>
</tr>
<tr>
<td>Palestine</td>
<td>0.5</td>
</tr>
<tr>
<td>Mauritania</td>
<td>0.3</td>
</tr>
</tbody>
</table>

High population growth, fast urbanization and overextraction of underground water have resulted in increased water scarcity and desertification, reducing the arable land area and increasing dependence on food imports. Concurrently, climate change, which has already increased temperatures and led to extreme events, is expected to progressively reduce water availability in the long run.

Protracted conflicts and persistent geopolitical tensions over land, oil and other natural resources, have often resulted in continuous mass displacement and refugee influx, food insecurity crises, and lasting economic and social losses affecting several generations.

### 2.2 Food security and nutrition situation

The region has a worrying food insecurity situation due to limited access to food and inadequate food availability, especially in those countries already affected by conflict and humanitarian crises. At the same time, the region suffers from a double burden of malnutrition: overweight and obesity and also undernutrition. A high or very high prevalence of stunting in children under the age of five persists in nearly half of the Arab States, while anaemia is a severe public health issue in some countries. The trends of overweight and obesity continue to worsen for children and adults (FAO et al., 2020).

According to FAO et al. (2020), in 2019 in the Arab States, nearly 55 million people – that is 13.2 percent of the population – were hungry and the situation was particularly worrying in the following countries affected by conflicts and violence: Iraq, Libya, Sudan, Syrian Arab Republic and Yemen. The Sudan, the Syrian Arab Republic and Yemen were among the ten countries most affected by food crises in 2019 (FSIN,
Yemen suffered the world’s gravest food crisis in 2019 with 15.9 million people classified as in crisis or worse (IPC/CH Phase 3 or above).³

Due to ongoing conflicts, the NENA Region has the highest number of children in need in the world, according to the United Nations Children’s Fund (UNICEF) (UNICEF, 2020). Nearly half of all children in the region live in multidimensional poverty, deprived of basic services including education, housing, nutrition, healthcare, safe water, sanitation and access to information. The region is also home to nearly 25 million children in need, including refugees and internally displaced persons.

2.3 Trends, challenges and priorities

Identifying trends and challenges is key to establishing meaningful, tangible and well-targeted priorities and consequential policies. The Food and Agriculture Organization of the United Nations (FAO) has in recent decades identified in detail NENA-specific issues. It is noteworthy that some have remained similar while others built up over time as a result of a combination of global and regional dynamics. In 2014, the identified challenges were (FAO, 2014):

- high population growth and growing urbanization;
- limited economic growth and high youth unemployment;
- limited and fragile natural resource base of land and water and high reliance on dryland and rainfed agriculture;
- high exposure to climate change;
- frequent incidence of conflicts and natural disasters; and
- the resulting high dependence on food imports.

In the global context – illustrated in the FAO report *The future of food and agriculture – Trends and challenges* (FAO, 2017), which highlighted how trends in key variables raise challenges for the overall sustainability of food and agriculture systems – a 2018 review for the NENA Region (FAO, 2018a) described the following trends and related challenges:

- conflict and upheaval and related social and economic impacts, in particular forced displacement and migration;
- sluggish economic growth, poor fiscal outlook and low investor confidence;
- rising levels of import dependence and exposure to market shocks, including dependence on energy exports for oil-producing countries in the region and consequent vulnerability;
- impoverishment and inequity, especially for females and youth;
- increasing food insecurity and malnutrition;
- degradation of natural resources and water scarcity; and
- transboundary animal and plant pests and diseases.

The most recent 2020 review (FAO, 2020a), which, *inter alia*, builds on the FAO global report *The future of food and agriculture – Alternative pathways to 2050* (FAO, 2018b), shows that the region continues to endure previously identified challenges:

- high rates of population growth and rapid urbanization bringing a large number of new entrants to the labour market every year and putting pressure on limited resources;

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³ IPC = Integrated Food Security Phase Classification.
• the global economic and political situation, which impacts development prospects and slows the rate of economic growth;
• political instability, tensions and conflicts, weak social, political and administrative accountability mechanisms and high levels of gender inequality;
• climate change (already affecting the region through higher temperatures, increased occurrence of droughts and heat waves), which is projected to lead to increasingly unpredictable precipitation and water recharge in most of the region, as well as to a rise in sea level affecting deltas and coastal areas;
• poor regional integration;
• trade and the digital revolution; and
• the growing divide between rural and urban livelihoods leading to a lack of job opportunities in rural areas (in particular for youth) and to migration;

In view of these important issues, FAO identified four major priorities to provide support to countries in the region and maximize its impact over the next 10–15 years. These four priorities fall under the overall umbrella of “Transforming food systems to achieve the SDGs” (FAO, 2020a) and focus on:
• better rural employment opportunities and higher rural incomes;
• food security and healthy diets;
• sustainable use and protection of natural resources, with a focus on water and climate change; and
• better resilience against shocks and protracted crises.

Together, they form the basis of a theory of change to address key Sustainable Development Goal (SDG) targets and achieve a vision for food security, nutrition and the sustainable management of natural resources in the region.

2.4 Impact of COVID-19

The COVID-19 outbreak is presenting an additional challenge to this already complex situation, as it continues to spread throughout the world and within the region. On 14 September 2020, the total number of confirmed cases in the 19 countries and territories examined in the region was 1 420 406 (WHO, 2020). All countries have imposed physical distancing measures, partial or complete lockdowns, travel restrictions and border closures in order to contain the spread of the virus and ease the pressure on currently strained healthcare systems. Differing response capabilities, health systems and governance structures are noticeable. Unsurprisingly, countries with existing humanitarian crises (e.g. the Sudan, the Syrian Arab Republic and Yemen) are particularly exposed to the effects of the pandemic. Therefore, the impacts of the COVID-19 crisis have the potential to exacerbate the multiple crises affecting the region (ICA, 2020).

The macroeconomic performance of the region will be hit hard. In Global economic prospects (World Bank, 2020c), the World Bank envisages the GDP of the NENA Region shrinking by 4.2 percent in 2020, a significant decrease triggered by the pandemic. The sharp decline in oil prices has added to the severity of the situation. The Economic and Social Commission for Western Asia (ESCWA) forecasts that the Arab region will lose more than USD 42 billion in 2020 due to the sharp decline in oil prices and other impacts of COVID-19 (FAO, 2020b). Furthermore, there will be lower foreign direct investment inflows and reduced remittance receipts to provide essential cash injections into the local economies. Even before the pandemic, several countries in the region were already experiencing economic and financial difficulties.
Egypt, Jordan, Mauritania, Morocco and Tunisia already had credit lines from the International Monetary Fund (IMF) prior to the COVID-19 outbreak.\(^4\)

ESCWA estimates that 1.7 million jobs will be lost in 2020 due to the closure of most businesses, suspension of salaries and near total lockdowns in response to COVID-19. This is expected to extend poverty to an additional 8.3 million people in the region (ESCWA, 2020). All of the above aggravates an already volatile political and social situation. The region has one of the youngest populations in the world (UNICEF, 2019) and at the same time, one of the highest – and consistently high – youth unemployment rates. The COVID-19 outbreak occurred in a context already characterized by persistent joblessness and, in some countries, disappointment in the political system forcing governments to resign, such as in Algeria, Iraq, Lebanon and the Sudan (Belhaj and Arezki, 2019). Whether the peculiar nature of this pandemic, which requires people to isolate and maintain physical distancing, will favour social stability or aggravate the situation, remains to be seen. Potential disruptions to food and agriculture systems, caused by the outbreak of COVID-19 and illustrated in general terms in Box 1, depend on country/region-specific structure, relationships, weaknesses and strengths.\(^5\)

The outbreak of COVID-19 has systemic impacts because it disrupts income and income-earning opportunities, as well as production factors, specifically labour supply, input supply, logistics, international and domestic trade, food processing and related activities (see Box 1). Food and agriculture systems in the NENA Region are fragile and weak in resources, thus the impact of COVID-19 is likely to be more severe than if the systems were more resilient. A recent FAO-NENA policy brief identified selected NENA-specific impacts of COVID-19 (FAO, 2020b):

- **Prolonged recession.** While most countries may be able to tolerate the initial supply- and demand-side shocks associated with COVID-19, a deepening of the global economic recession and a prolonged period of disruption in global and local supply chains may considerably affect production and availability of and access to food.

- **Dependency on cereal imports.** Despite the fact that food supplies and reserves are currently satisfactory in most countries, the region’s high level of dependence on cereal imports makes it vulnerable to potential global market disruptions.

- **Persisting conflicts and instability.** COVID-19 has the potential to exacerbate food insecurity in countries affected by conflict and instability in the region and already host to more than 28 million people in a situation of crisis, especially if food assistance is cut or disrupted.

- **Macroeconomic weaknesses of selected countries.** Selected NENA countries have limited macroeconomic capacities to tackle the challenges. Every country in the region has enacted measures to mitigate the economic impact of the crisis by adopting economic stimulus packages and/or emergency funds. Economic packages are targeted at informal sector workers in the hardest-hit tourism and services sectors, and are designed to strengthen existing social protection programmes. These measures include postponement of agriculture sector taxes and provision of new credit facilities to farmers. However, with the exception of the countries of the Cooperation Council for the Arab States of the Gulf, most countries in the region do not have the fiscal capacity to sustain the implementation of stimulus measures over extended periods and they may experience difficulties maintaining strict sanitary and health measures to contain the spread of the virus while simultaneously keeping the economy alive.

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\(^4\) For example, as recently as March, Jordan had an IMF credit line of USD 1.3 billion.

\(^5\) Further analysis of potential disruption of food and agriculture systems is found in the FAO policy briefs on the impacts of COVID-19 on food and agriculture systems (FAO, 2020c).
Box 1. **Systemic impacts of COVID-19 outbreak and policy responses**

The outbreak of COVID-19 and the related containment measures that governments are imposing affect food and agriculture systems in all their components and their relationships with socio-economic and environmental systems. The impacts spread through the channels interlinking the core activities of food and agriculture systems; they mutually reinforce with a magnifying impact on most drivers and outcomes of food and agriculture systems.

**COVID-19 impacts on food and agriculture systems and policy responses**


Early reactions of governments as tracked by the Food and Agriculture Policy Decision Analysis (FAPDA) database, inputs received from FAO field offices and studies elaborated by FAO technical divisions (FAO, 2020c) allow to highlight the key impacts of the COVID-19 outbreak in the following areas:

**a) Consumption:**

- Access to sufficient, safe and nutritious food is directly affected by the reduced purchasing power of people in precarious work situations, left without income-earning opportunities due to lockdown.
  - Employees in service sectors (e.g. tourism) and wage workers in manufacturing are likely to experience job losses due to economic recession, leading to a reduction in their purchasing power; similar effects will be seen in businesses that rely on them (e.g. aquaculture).
Box 1. Systemic impacts of COVID-19 outbreak and policy responses (cont.)

- Smallholder farmers and fishers may experience a reduction in purchasing power if disruptions in food value chains persist, creating difficulties in accessing inputs and selling their products.
- Global downturn can slow remittances to rural areas. Food reserves are expected to become an issue if restrictions on movement continue, especially in countries highly dependent on food imports, in light of export restrictions on certain commodities by some food-exporting countries.
- Increase in retail food prices might affect purchasing power.

b) Primary production:
- Labour shortages may impact food production and harvesting, further affecting farmers and fishers producing perishable commodities (e.g. milk, meat, fish, fruit and vegetables).
- Food losses may increase due to limited transportation, storage and processing capacity, in addition to falling demand caused by lower purchasing power and limited access to alternative markets.
- Production can be affected due to restricted trade flows affecting supply and market availability of agricultural inputs such as machinery and tools, spare parts, fertilizers, chemicals (pesticides, insecticides), imported animal fodder and feed.
- Inputs may be subject to cost increases affecting the profitability of producers, especially small producers.
- Smallholder farmers supplying school meal schemes may be affected by the closure of schools.
- Smallholder farmers might be affected by reduced demand and inability to reach markets.

c) Processing activities:
- Difficulties may be encountered ensuring the functioning of processing plants due to insufficient space and lack of appropriate infrastructure to implement physical distancing between workers.
- Required food safety measures to avoid food contamination will bring additional costs and reduce the efficiency of the system.
- Lack or insufficient numbers of workers may negatively affect timing of food handling and processing.

d) Retailing:
- Temporary closure of markets, supermarkets and food stores will have a strong impact.
- Retail prices of food and agriculture inputs may increase, despite the enactment of price control measures by governments.
- Proximity of operators and continuous interaction with customers is a risk of contagion.
- Sudden loss of market for small retail operators may occur due to severe movement restrictions of consumers, impacting also those heavily dependent on supplying them.

e) Logistics:
- Potential disruption of logistics services affects all of the above, as the movement, storage, custody and control of food and agriculture products may affect food distribution.
- Road closures/blockages and checks can prevent smallholders from selling products or buying inputs, resulting in loss of income and produce and affecting the following season’s cultivation.

f) Institutional environment:
- Decision-making bodies face difficulties operating in a lockdown environment.
- Consultation processes with stakeholders are impaired.
Box 1. Systemic impacts of COVID-19 outbreak and policy responses (cont.)

- Identifying priorities is hampered by pressure from lobbies.
- Budgets are diverted from developmental initiatives for food and agriculture to emergency healthcare, testing and control measures.
- In some countries, funds are insufficient to cover the expansion of social protection programmes.
- Food systems are exposed to disruptions in world trade and international food supply chains. Fluctuating demand from trading partners and disruption to logistics may harm countries that export high-value perishable products. Some countries in the region may face specific risks related to their agro-food import–export profiles.
- In countries affected by political instability or conflict, the COVID-19 pandemic could prove much more difficult to control and could potentially further exacerbate existing and underlying tensions.
- Precarious housing conditions pose difficulties for physical distancing especially for forcibly displaced people.
- There is a risk that the outbreak could be manipulated for political purposes, for example to enhance identity group divides, such as between ethnicities or displaced/non-displaced persons.
- Lack of information on market conditions (production, stocks, consumption, trade, prices) and uncoordinated policy interventions by countries may result in a situation similar to that of the 2007–08 global food price crisis.
- In some countries, the level of capacity for providing even basic public services and public goods is low.

Policy responses by governments revolve around three main domains:

1) **Consumer-oriented policies**, essentially aimed at reducing the impacts on purchasing power and logistics at the retail level (points a, d and e).

2) **Producer-oriented policies**, generally focusing on supporting/stimulating primary production, processing and domestic logistic activities (points b, c and e).

3) **Economy-wide, institutional and international trade measures**, aimed at maintaining international market linkages and addressing systemic impacts (point f).
3. Public policy responses in the region

Each country and territory, in response to the current and potential disruptions in food and agriculture systems caused by the COVID-19 outbreak, has implemented sets of policy responses aimed at, on the one hand, containing the spread of the virus and, on the other, countervailing the negative impacts of confinement, physical distancing and limited mobility of commodities. Policy responses, categorized according to the FAPDA classification, comprise: 1) consumer-oriented policy responses; 2) producer-oriented policy responses; and 3) international trade/economy-wide-oriented policy responses (see Figure 3).

**Consumer-oriented policy responses** comprise governments’ decisions aimed at maintaining consumption levels and welfare-related outcomes of food and agriculture systems, including measures such as disposable income programmes, social protection schemes, tax policies, market support programmes, and nutritional and health assistance schemes.

**Producer-oriented policy responses** comprise decisions aimed at keeping alive the other core activities of food and agriculture systems, notably primary agricultural production, food processing, distribution and related logistics (transport, storage etc.). This category includes measures such as production support policies, market support policies and natural resources management measures.

**International trade/economy-wide-oriented policy responses** comprise decisions aimed at regulating the institutional environment within which food and agriculture systems operate, including measures regulating international trade, macroeconomic policies and regulations affecting society as a whole.

Figure 3. Classification of policy responses in FAPDA (aggregate level)

Source: Authors’ own elaboration based on FAO (2015).
Subsections 3.1–3.3 provide an overview of the specific policies implemented in the region according to the FAPDA classification.  

### 3.1 Consumer-oriented policy responses

Implementing adequate social protection measures in response to COVID-19 is critical to save both lives and livelihoods. Social protection can ensure critical access to healthcare, provide incentives for compliance with confinement measures, and support income protection for those affected to enable them to bounce back from economic and health-related shocks. Therefore, social protection schemes have already been adopted or expanded in response to COVID-19 (see Figure 4) (FAO, 2020d).

**Figure 4. NENA countries featuring selected types of consumer support measures (%)**

![Diagram showing the percentage of consumer support measures in NENA countries]

*Note: The number of specific policy measures by type implemented in each country does not affect the ranking. Source: FAO (2020e).*

Of the various social protection measures implemented, **cash transfer programmes** are the most widely used interventions by governments and authorities, for example in Algeria, Bahrain, Egypt, Iraq, Jordan, Lebanon, Mauritania, Morocco, Palestine, Saudi Arabia and Tunisia (see Figure 4). Some countries such as Mauritania, Morocco and Tunisia have introduced new cash transfer programmes, while others have adapted existing ones by expanding the coverage of beneficiaries, increasing benefits, and/or changing the implementation modalities. Some countries – Mauritania, for example – have almost doubled the coverage of their cash transfer programmes (Gentilini, Almenfi and Orton, 2020).

**Cash transfers: country examples**

- **ALGERIA:** On 13 April 2020, the Government introduced a solidarity allowance of DZD 10 000 (USD 78) per family. This allowance was to be paid to disadvantaged families affected by the measures to prevent and fight against COVID-19 as well as to those previously receiving the allowance of DZD 6 000 (USD 47).

- **MOROCCO:** On 23 March 2020, the Economic Watch Committee members decided to activate a mobile payment device to transfer cash to workers operating in the informal sector and adversely affected by COVID-19 (only those directly affected by the compulsory confinement policy).

  The electronic cash transfer programme targeted half of informal sector workers (i.e. 3 million workers would receive payment). Registration started in 30 March 2020 and the first payments were due on...

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6 Reference is made to the policy measures included in the Annex.
6 April 2020. The rapidity and scale were facilitated by use of a health insurance fee waiver registry in the first phase and adoption of a simple payment mechanism.

Programme benefits were structured as follows:
- MAD 800 (USD 81) per month for households of two people or less.
- MAD 1 000 (USD 101) per month for households of three to four people.
- MAD 1 200 (USD 121) per month for households of more than four people.

**TUNISIA:** On 22 March 2020, the Government introduced the following social protection measures (cash transfers) to assist vulnerable people impacted by COVID-19:
- One-off cash transfer of TND 200 (USD 68) to 623,000 households working in the informal sector, not covered by any social protection programme and vulnerable to shocks (households registered in the social security system with a low-cost healthcare card).
- One-off cash transfer of TND 50 (USD 17) to 260,000 households working in the informal sector (a top-up on the transfer of TND 180 (USD 61), received in March (households registered in the social security system with a free healthcare card).
- One-off cash transfer of TND 200 (USD 68) to households including an elderly person.
- One-off cash transfer of TND 200 (USD 68) to households fostering children without parental support.
- One-off cash transfer of TND 200 (USD 68) to households including a disabled person.

**EGYPT:** The Ministry of Social Solidarity planned to add 60,000 families to the Takaful and Karama programmes and a further 100,000 households in the 2021 fiscal year budget, increasing it from EGP 18.5 billion (USD 1.17 billion) to EGP 19.3 billion (USD 1.22 billion). Moreover, it was envisioned that women leaders in rural areas would receive increased payments of EGP 900 (USD 57) per month. A one-off monetary compensation of EGP 500 (USD 31) for three months would be offered to informal workers registered in the database of the Ministry of Labour and was expected to cover 1.5 million individuals working in construction, ports, agriculture, fishing, plumbing, electrical work etc.

**MAURITANIA:** The Government announced the allocation of MRO 5 billion (USD 132 million) to support 30,000 families whose dependents include women, elderly and/or disabled persons, most of which are in Nouakchott, with monthly financial aid for three months.

**JORDAN:** The Jordanian National Aid Fund (NAF) announced the following measures:
- Due to the curfew, the Government would deliver cash to the houses of all beneficiaries of the NAF monthly cash transfer programme for March 2020 (around 100,000 households).
- Payments would be made for the first quarter of the 2020 payment cycle (approximately 24,000 households) in early April.
- The enrolment of an additional 25,000 household beneficiaries in the Takaful programme would be completed with payment made in April.
- Registration began for the Bread Subsidy Cash Compensation Programme, targeting up to 80 percent of the population with a small amount of money annually. Payments were scheduled throughout April–November 2020 with registration as for the Takaful programme.

**SAUDI ARABIA:** The Government allocated SAR 4 billion (USD 1 billion) to provide special social transfers to low-income families during 2020, with 100,000 Saudi Arabian citizens set to benefit.

**PALESTINE:** The Ministry of Social Development of the Palestinian Authority increased the number of social allowances for vulnerable families in West Bank and Gaza Strip. Its quarterly cash transfer
programme, which usually reached 105 000 vulnerable families, was expanded in April to reach an extra 9 000 families from Gaza Strip, in light of the socio-economic impacts of COVID-19.

In comparison with cash transfers, which have been adopted to date by many governments, in-kind food transfers have been used by only a few countries and territories such as Algeria, Iraq, Jordan, Mauritania, Palestine and the Sudan, whose governments launched in-kind distribution campaigns to distribute food to the most vulnerable families, including those living in isolated areas and affected by the lockdown.

In-kind food transfers: country examples

- **ALGERIA**: In March 2020, the Government launched a campaign for the in-kind distribution of food and hygiene items to the most vulnerable families, including those living in isolated areas and impacted by the lockdown.

- **IRAQ**: On 7 April 2020, the Ministry of Labour and Social Affairs launched a programme named “1 000 000 Food Baskets for the Poor” to alleviate the effects of the COVID-19 crisis. The aid targeted poor households registered in the main Cash Transfers Programme database. The estimated cost of each basket was about USD 15. On 13 April 2020, a total of 708 360 beneficiaries had received the food basket.

- **JORDAN**: In-kind distribution of bread (universal) took place at a reduced subsidized price. The Ministry of Local Affairs coordinated distribution from local bakeries. Bread was delivered from door to door by buses that patrol localities, escorted by police officers to deter crowding. Beneficiaries of the National Aid Fund monthly cash transfer programme received the bread free of charge with the support of the municipalities. The Social Security Corporation provided in-kind support to about 100 000 (some reports indicate 35 000–50 000) vulnerable families including an individual over the age of 70 and casual workers. The programme could be extended to persons suffering from a chronic illness.

- **SUDAN**: The Ministry of Labour and Social Development provided in-kind support to poor households, informal workers, teachers and casual workers (2 050 000 households). Each targeted household received a support package to the value of SDG 3 000 (USD 55) in the form of a food basket with various commodities, for example, pulses (5 kg), oil (2 litres), sugar (5 kg), tea (0.45 kg), wheat or sorghum flour (7 kg), two types of soap (10 pieces) and salt (1 kg). The food basket covered the basic needs of the targeted families for three weeks, the period observed for restricted movement; the initiative was estimated to cost approximately SDG 6.15 billion (USD 110 million).

- **MAURITANIA**: The Government started distributing food baskets to 1 750 poor families in Nouakchott to a value of MRO 30 million (USD 77 936) as part of the effort to mitigate the effects of COVID-19. The baskets contained rice, sugar and other foodstuffs, in addition to hygiene products.

- **PALESTINE**: The Palestinian Authority distributed 98 000 food baskets.

Individuals severely affected by the crisis have also received assistance by governments adopting disposable income and tax policies. Most countries and territories such as Algeria, Bahrain, Egypt, Iraq, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Tunisia and the United Arab Emirates have implemented disposable income measures (e.g. unemployment compensation) and credit for consumption measures (e.g. postponement of loan payments and provision of consumption credit at subsidized interest rates), have adopted tax policies providing deferrals of income tax declarations, and have effected payments of and exemptions from utility costs.

Finally, for some products, the COVID-19 crisis has generated significant price increases, as well as widespread speculation causing strain on the availability of certain products. In order to maintain the affordability of staple food products and prevent price gouging, some countries such as Algeria, Egypt, Jordan, Libya, Morocco, Oman and the Sudan have introduced price control measures.
3.2 Producer-oriented policy responses

Of great concern is the economic fallout on already hard-hit economies. To stimulate economic growth and alleviate the negative impacts on both consumers and producers, most countries introduced an emergency economic stimulus package aimed at assisting vulnerable individuals through the adoption of social protection measures and supporting the national economy through temporary fiscal measures. For this reason, economic stimulus packages, according to FAPDA, are cross-cutting measures affecting both consumers and producers.

In terms of allocations to the economic packages for facing the crisis, Qatar, Bahrain, Oman, Saudi Arabia and the United Arab Emirates have earmarked substantially higher per capita amounts of funds than have North African countries (see Figure 5). However, when stimulus packages are considered as a share of GDP, there is greater homogeneity across all countries (with the exception of Qatar – see Figure 6).

Figure 5. Allocation of economic stimulus packages (current USD per capita)

Notes: Information collected on government sites and through FAO Country Offices reports different amounts of resources allocated to economic stimulus packages for selected countries: Bahrain: BHD 4.3 billion (USD 11 billion); Morocco: MAD 35.6 billion (USD 3.6 billion); Oman: OMR 8 billion (USD 20.8 billion); Saudi Arabia: SAR 120 billion (USD 31 billion). IMF figures only are reported in the graph for comparability purposes. According to government sources, the stimulus of the United Arab Emirates is AED 256 billion (USD 70 billion), which is significantly different from the IMF source of USD 7.2 billion. Information about the United Arab Emirates is to be validated given the discrepancy between government numbers and IMF numbers, which may be explained by different IMF measurements of what goes into a stimulus package. In addition, the Government of Mauritania approved additional health, medical supplies, social protection, support to small and medium enterprises, foodstuff stocks, and security-related expenditures to address the pandemic (about USD 210 million, i.e. about 3.2 percent of GDP).

As part of the economic stimulus packages to support businesses affected by the COVID-19 crisis, most countries have implemented **finance and credit facilities and tax measures** (see Figure 7). Countries and territories such as Algeria, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Tunisia and the United Arab Emirates have adopted significant measures including: deferrals of income tax declarations and payments, postponement of loan payments, provision of subsidized interest rate loans, creation of investment funds and state guarantees for new credits, exemption from utility payments, and social security contribution waivers.

**Figure 7. NENA countries featuring specific producer support measures (%)**

*Note: The number of specific policy measures by type implemented in each country does not affect the ranking.*

*Source: FAO (2020e).*
3.3 International trade/economy-wide-oriented policy responses

Most NENA countries and territories enacted institutional measures (containment measures) to contain the spread of the virus; therefore, schools, universities and religious buildings were closed and social activities were stopped. Many countries and territories declared a state of emergency, imposed physical distancing measures, curfews, and in some instances total lockdowns, sealed their borders, cancelled flights and severely restricted or banned domestic travel. In addition to containment measures, national governments quickly adopted measures to strengthen institutional coordination, by creating interministerial structures and/or technical and scientific committees in charge of monitoring and evaluating the progress of the situation, and anticipating the direct and indirect repercussions of COVID-19 (OECD, 2020).

Country examples

- **TUNISIA**: The Government created a National COVID-19 Monitoring Authority, gathering senior officials from all ministries, with the aim of imposing full compliance with measures to fight the virus. The Authority ensured coordination between the national committee against the coronavirus, headed by the Presidency of the Government, and the regional committees against natural catastrophes. It would also be in charge of monitoring the regularity of the supply of basic products, the distribution of social assistance to poor families or families without income, and the referral of recommendations to the national committee for combating COVID-19 regarding the measures to be adopted to contain the virus.

- **PALESTINE**: During its 44th meeting on 24 February 2020, the Palestinian Authority decided to establish a follow-up committee to handle the COVID-19 outbreak. The tasks of this committee were to: 1) assess the needs and establish standard procedures to deal with suspected cases and persons infected with COVID-19; 2) follow up and internalize World Health Organization (WHO) criteria; 3) coordinate with neighbouring countries; 4) coordinate prevention and curative measures with relevant actors; and 5) raise public awareness on the virus.

- **MOROCCO**: On 11 March 2020, the Government created the Economic Watch Committee, chaired by the Minister of Economy, Finance and Administrative Reform, to discuss and take the necessary measures to mitigate the economic and social impacts of the pandemic.

- **OMAN**: In order to combat COVID-19, the Government issued a royal decree on 10 March to form a supreme committee in response to the outbreak. The supreme committee was headed by the Minister of the Interior, and its membership spanned several sectors to include the ministers of health, education, transport and legal affairs, and the undersecretaries of the ministries of health and foreign affairs.

- **KUWAIT**: The Government formed a committee to propose and implement stimulus measures to ease the negative impact of COVID-19 on economic activity.

- **YEMEN**: The Government created a commission to deal with COVID-19 issues.

Although most countries and territories adopted measures to contain the spread of the virus, the reaction was not immediate everywhere. As of May, several countries in the region have begun to gradually relax lockdown measures and plan their exit strategies.

The containment measures have a direct and indirect impact on trade flows. For instance, Iraq, Morocco, Qatar and Saudi Arabia have exempted some food products from custom duties; Algeria has announced a

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Section 3.3 contains a summary of the information presented in more detail in the Annex. Given the heterogeneity of economy-wide measures adopted by the different countries, a comparison by type, as carried out in the two previous sections, is not feasible.
ban on the export of any strategic products (food or medical) until the end of the pandemic in the world, in order to preserve strategic reserves; Egypt has suspended the export of all types of legumes for a period of three months (until 28 June 2020) and plans to start increasing strategic food reserves to meet domestic demand; Bahrain has introduced a ban on the export of medical products (i.e. protective masks); the Syrian Arab Republic has adopted export restrictions on eggs, milk, cheese and legumes for one month; Oman has placed temporary restrictions on exports of certain agricultural products, such as onions, garlic, flour and wheat.
4. Insights drawn from the policy response to date and general recommendations

In such a volatile region with numerous challenges affecting food and agriculture systems and several countries already under economic strain for years, the COVID-19 outbreak and the consequent economic crisis are making a bad situation worse.

The response to the outbreak in NENA countries has entailed more limited actions than in Western European countries or the United States of America. This may be explained by the relatively low number of infected citizens compared with the hardest-hit countries or by the fact that some countries of the NENA Region simply do not have the financial means to provide a massive stimulus plan. The magnitude of measures implemented in the region is characterized by a somewhat foreseeable divide between oil- and gas-rich countries and all other NENA countries.

Most of the oil- and gas-rich countries are able to inject liquidity into the system and spend or redirect resources to priority sectors. Algeria and Oman seem to be the exception: there has been a budget reduction rather than increase due to low oil prices. In addition, natural resource wealthy countries have the means to more efficiently bring support to the targeted people and implement programmes more effectively.

Relatively poor countries in the region – some already dealing with economic, financial, social and, in some cases, humanitarian crises – do not have the means to do the same. The limited resources available to governments are spent on the most basic essential items, health products and food, as governments try to reassure their population and avoid the spread of panic. Despite these efforts, there is no question that several countries are in need of external financial aid. International cooperation is fundamental to contain the impact of COVID-19 in the NENA Region. Globally, international cooperation has been upscaled to address the health-related aspects of the crisis, while donors and international financial institutions have been mobilizing resources to address the immediate and longer-term socio-economic consequences.

Already in early April, the IMF stated that 14 countries from the Near East and North Africa Region and Central Asia had applied for financial emergency assistance. Algeria, Egypt, Iraq, Lebanon, Morocco and Tunisia were among those countries and, on 10 April, the IMF Executive Board approved emergency financing of USD 745 million under its Rapid Financing Instrument to help the Tunisian authorities (IMF, 2020b). The IMF also approved debt relief to Yemen to help address the impact of the COVID-19 pandemic (IMF, 2020c). Yemen, which has been experiencing a severe humanitarian and economic crisis due to its civil conflict for the past five years, will likely see the COVID-19 crisis aggravate its situation, as it will bear a heavy cost on the Yemeni economy.

Notwithstanding the arrival or not of the much-needed external support for the relatively poorer countries of the region, what emerges from the NENA countries’ policy response is that all governments had no choice but to resort to the macroeconomic policy toolbox at their disposal – with more or less difficulty, very much connected to the countries’ natural resource wealth (oil revenues).

Unquestionably, what some countries in the region lack is the macroeconomic capability to inject liquidity to withstand the impacts. As ministers look for financial support from donors and multilateral and bilateral creditors, the priority of governments is to ensure that there are enough food supplies and reserves. In a part of the world heavily dependent on food imports, this is not a surprise and helps to explain the export bans and cases of lowering or removal of import duties. Food stocks are currently satisfactory in most countries in the region (FAO, 2020b), but countries in conflict and a state of instability are at high risk.

Some countries might revert to self-sufficiency strategies. While this merits further investigation, such a response in this region would certainly have repercussions for water use and long-term sustainable food security. Although an understandable reaction – given the situation and the need to reassure populations – this strategy may be counterproductive and not advisable (Torero, 2020).
So far, the major policy response from most countries has been to introduce an economic stimulus package aimed at injecting liquidity through fiscal and monetary policies and ensuring the introduction and/or expansion of social protection programmes, similar to the majority of countries around the world.

As per the FAPDA database, the most common policy responses targeting consumers and producers in the region include: cash transfers, in-kind food distribution, unemployment compensation schemes, deferrals of income tax declarations and payments, postponement of loan payments, provision of subsidized interest rate loans, creation of investment funds and state guarantees for new credits, exemptions from utility payments, social security contribution waivers, and price control and price monitoring to avoid price gouging.

This pattern of response measures is to some degree in accordance with recommendations made in the FAO policy brief for the NENA Region (FAO, 2020b), namely, scaling up social protection for the most vulnerable and monitoring prices. Considering the disruptions mentioned in Section 2, it is recommended that NENA governments facilitate trade flows; promote digital agriculture; support e-finance and mobile payment systems where applicable; and expand social protection programmes to include informal workers.

Overall, the main policy response has been the implementation of fiscal stimulus packages. However, the main issue is the lack of size and durability of such packages. Withdrawing fiscal stimulus too quickly and pursuing hard austerity measures could be counterproductive, inflicting further pain on the most vulnerable. Thus, in addition to seeking external financial support or aid if needed, governments have to rethink their fiscal plans to create fiscal space. They can do this by reorienting spending, increasing fiscal revenues, and addressing corruption and informality that inappropriately remove financial resources from the budget. There are several things governments could do to address fiscal space constraints.8

In terms of redirecting spending, aside from delaying non-essential investments, some countries in the region have high food subsidies, which incentivize unhealthy eating and lead to food waste. Furthermore, they most often benefit wealthy people, who consume more of the subsidized goods, especially energy products, than the poor. These and other subsidies perpetuate a structure of the economy that furthers dependence on imports. Some countries also have a high public sector wage bill and provide substantial benefits to public sector workers. In terms of raising fiscal revenue, governments may choose to increase taxation on the wealthiest individuals, given that during a severe economic crisis, it is vital to target cost-cutting and revenue-enhancing measures. An excessive tax burden on the middle class would be counterproductive and delay a recovery. Excise taxes on certain goods could be considered.

Therefore, the temporary suspension of ill-targeted public sector benefits, the reduction/phasing out of non-targeted generalized and food subsidies that disproportionately benefit the wealthy, and a broader and more progressive tax and benefit system, may allow for fiscal space to be redirected towards essential and cost-effective options. Such options include strategic investments that improve the overall profitability of food and agriculture systems, favour sustainable natural resource use and new markets, promote new skills development and workforce redeployment, and support well-targeted social programmes. These measures would address not only the short-term emergencies but also the long-term challenges.

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8 These are general recommendations for the NENA Region. Specific recommendations for a particular country would need to be addressed in a focused country policy profile.
References


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Annex 1. Specific policy responses by countries and territories (March to May 2020)

The policy measures collected through various sources mostly referring to official government websites are based on the information uploaded to the FAPDA database and classified according to the FAPDA classification.

ALGERIA

CONSUMER-ORIENTED

Cash transfers
- On 13 April 2020, the Government introduced a solidarity allowance of DZD 10 000 (USD 78) per family. The allowance would be paid to disadvantaged families affected by the measures to prevent and fight against COVID-19 as well as to those previously receiving the allowance of DZD 6 000 (USD 47).
- The Government announced that, in order to avoid crowding in post offices, beneficiaries (numbering 1 million) could receive solidarity allowance benefits at any time without a specific deadline (in normal circumstances, on the 30th/31st day of the month, any uncollected benefits are automatically returned to the Social Development Agency).

In-kind food transfers/food coupons
- In March 2020, the Government launched an in-kind distribution campaign of food and hygiene items to vulnerable families, including those living in isolated areas and impacted by the lockdown.

PRODUCER-ORIENTED

Value chain development/transport regulation and infrastructure measures
- As soon as the COVID-19 pandemic started, the Government shut down all passenger travel (international and domestic) but allowed the transport of cargo to continue in order to maintain the supply chain. Food and healthcare establishments remained open in order to keep activities and food supply chains running. Bakers, butchers, fruit and vegetable shops, and grocery stores remained open with physical distancing requirements. Restaurants and coffee shops were closed. To avoid shortages of basic foodstuffs and health products, the customs process was expedited for staple foods, health products and medical equipment. These items were prioritized for release upon arrival with the actual clearance processing takes place at a later date.

Price interventions on staple commodities
- For some products, the COVID-19 crisis generated significant price increases, as well as widespread speculation causing strain on the availability of certain products. In response, in March, the Government instructed all local authorities, in coordination with the ministries of commerce and agriculture, to be aware of speculators and take the necessary measures to prevent price increases. Measures were put in place and violators faced fines, imprisonment and closure of their stores or warehouses.
- The Ministry of Agriculture also opened points of sale to sell agricultural produce at reasonable prices in order to control market prices.
General input measures/transport regulation and infrastructure

- In March, the Minister of Agriculture outlined additional actions to be taken in anticipation of the impact of COVID-19 on agriculture plantings and harvest. The Minister instructed the Agricultural Services, Chambers of Agriculture, and other government offices to ensure that regular plantings and harvest continued. Transportation and health protection were to be provided to agricultural workers to allow them to work in secure conditions while maintaining a reliable agricultural supply chain. The governors of provinces were also instructed to facilitate the re-opening of agricultural input stores for the sale of seeds, veterinary drugs and agricultural equipment.

CONSUMER- AND PRODUCER-ORIENTED

General social protection measures/unspecified production support

- On 22 March 2020, in response to the oil price shock, the authorities announced their intention to lower current spending by 30 percent (i.e., 8 percent of GDP or USD 15 billion), while keeping wages intact and protecting health and education spending. The Government was also preparing a supplementary finance law incorporating measures to mitigate the economic impact of the virus. The law would notably include compensation measures for losses incurred by businesses. In the meantime, declaration and payment of income tax for individuals and enterprises – with the exception of large enterprises – were postponed.

Establishment or modification of food stock/value chain development measures

- The Algerian Office of Cereals (OAIC) announced that wheat stocks were available, and points of sale were opened in several provinces to respond to the increased demand for semolina and flour. The Minister of Agriculture reported that wheat mills had increased production and were working seven days a week. In addition, the President announced that wheat mills would be supplied at 100 percent capacity. As a result, overall wheat production increased threefold.

- Algeria produces sufficient fruit and vegetables, vegetable oils, poultry and meat to meet domestic demand, but it imports a large proportion of other staples, mainly grains. OAIC officials reported that additional quotas had been approved for mills in order to increase production. State and private mills increased their working hours and wheat mills operated at full capacity. International press reports indicated that the OAIC had purchased wheat (mainly bread wheat) via tenders on the international market. These purchases were part of the usual purchase programme prior to the following grain harvest.

- Large agribusinesses assured consumers that vegetable oils and sugar would remain in sufficient supply without any price increase. In addition to the large stocks reserved in the event of high demand, agribusinesses continued to operate at full capacity; many had their own logistical means and could ensure distribution of their products throughout the country.

INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Export ban

- In March 2020, the President announced a ban (temporary suspension) on the export of any strategic product, food or medical, until the end of the pandemic in order to preserve strategic reserves.

- The Government reported that Algeria has enough food stocks to meet domestic food demand through to the beginning of 2021, although demand for semolina and flour surged following the outbreak of COVID-19. As in other countries around the world affected by COVID-19, at the beginning of the crisis, Algerian consumers rushed to purchase staple foods such as flour and semolina fearing shortages and supply disruption, despite government assurances of availability.
The General Directorate of Customs published the list of tariff subheadings for products temporarily suspended from export until the end of the health crisis. The list included semolina, flour, pulses and rice, pasta, vegetable oils, sugar, coffee, mineral water, tomato paste, milk and milk powder (including that for infants), vegetables and fresh fruits, in addition to meats, medical and paramedical medicines, equipment, medicines and pharmaceuticals, personal care products and household detergents.

BAHRAIN

CONSUMER-ORIENTED

General social protection measures

At the end of April 2020, a fund-raising campaign “There is good in us” was launched. The campaign had raised over USD 100 million by the end of May 2020. Citizens, residents and the private sector contributed. The private sector mainly used the funds allocated to them by the Government to pay the salaries of Bahrainis and redirected that amount to the campaign. The areas of expenditure were outlined by the Royal Humanitarian Foundation as follows:

- Daily meals for the migrant population. A total of 60,000 meals had been provided. The meals were bought from suppliers but mainly from households operating under the Productive Families scheme with the Ministry of Labour and Social Development.
- Purchase of laptops for families in need to support them in the e-learning process.
- Funding of families volunteering to produce local face masks (by purchasing the full production).
- Funding of sterilization and disinfection operations in buildings.
- Provision of food coupons for families in need.

PRODUCER-ORIENTED

Transport regulation and infrastructure

On 9 April 2020, the Ministry of Industry, Trade and Tourism issued Resolution No. 40 for the year 2020 ordering the closure of some private facilities in order to prevent the spread of the virus. Restaurants and food and beverage outlets were permitted to operate through outdoor sales and home delivery services.

CONSUMER- AND PRODUCER-ORIENTED

General social protection measures/financial support through public banks

On 17 March, a BHD 560 million (USD 1.5 billion) – 4.2 percent of GDP – stimulus package to respond to the economic distress caused by the COVID-19 pandemic was announced. According to other sources, the allocations earmarked for the economic stimulus package amounted to BHD 4.3 billion (USD 11 billion).

The package, effective for a period of three months from April, comprised the following initiatives:

- payment of salaries for Bahrainis working in the private sector to be financed from the unemployment fund (BHD 215 million; USD 566 million);
- payment of electricity and water bills for Bahraini individuals and companies (BHD 150 million; USD 395 million);
- exemption of commercial entities from municipalities’ fees;
- exemption of tourist facilities from tourism fees;
- exemption of industrial and commercial entities from paying rent to the Government;
- doubling of the liquidity fund to support small and medium enterprises (BHD 200 million; USD 526 million); and
- redirection of Tamkeen (a semi-autonomous government agency providing loans and assistance to businesses) programmes to support adversely affected companies, as well as restructuring of all debts issued by Tamkeen.

To respond to urgent health needs created by COVID-19, the Cabinet authorized the Minister of Finance and National Economy to withdraw from the general account up to BHD 177 million (USD 466 million) – 1.3 percent of GDP.

On 17 March, the Central Bank of Bahrain (CBB) expanded its lending facilities to banks by up to BHD 3.7 billion (USD 10 billion) – 28 percent of GDP – to facilitate deferred debt payments and extension of additional credit. The CBB also followed the Federal Reserve’s interest rate cuts in response to the COVID-19 pandemic: the one-week deposit facility rate was cut (in two steps) from 2.25 percent to 1.0 percent, the overnight deposit rate from 2.0 percent to 0.75 percent, and the overnight lending rate (in one step) from 4.0 percent to 2.45 percent. The CBB also followed up with banks regarding the suitability of their contingency plans.

Other key measures to support banks and their clients included:
- reducing the cash reserve ratio for retail banks from 5 percent to 3 percent;
- relaxing loan-to-value ratios for new residential mortgages;
- capping fees on debit cards; and
- requesting banks to offer a six-month deferral of repayments without interest or penalty and to refrain from blocking customers’ accounts if a customer lost his or her employment.

EGYPT

CONSUMER-ORIENTED

Establishment or modification of food stock/price control

- On 1 April 2020, the President called on the relevant authorities to increase the country’s strategic food reserves as part of the strategy to achieve food security amid the current COVID-19 crisis.
- According to official statistics, food consumption in the country was expected to increase significantly between the end of April and May, the Ramadan period. The Ministry of Supply affirmed that domestic stocks of basic commodities were sufficient: wheat stocks would last 3.5 months, rice stocks 4.6 months and vegetable oil stocks until October 2020.
- In 2019/2020, the Egyptian Government allocated about EGP 89 billion (USD 5.6 billion) to subsidize food products (sugar, cooking oil, rice, bread, beef and chicken) for the population.

Cash transfers

- More than 90 percent of the major works in Egypt were suspended in the wake of the COVID-19 pandemic. The construction companies contracted for these projects were forced to offer workers full wages for “two weeks compulsory leave, with a possible extension”.
- The Ministry of Social Solidarity planned to add 60 000 families to the Takaful and Karama programmes with a further 100 000 households to be added in the 2021 financial year budget which would be increased from EGP 18.5 billion (USD 1.17 billion) to EGP 19.3 billion (USD 1.22 billion).
- Increased payments were envisioned for women leaders in rural areas – EGP 900 (USD 57) per month. A one-off monetary compensation of EGP 500 (USD 31) for three months would be offered to informal workers registered in the Ministry of Labour database. It was expected to cover 1.5 million individuals working in construction, ports, agriculture, fishing, plumbing, electrical work etc.
PRODUCER-ORIENTED

Unspecified government market intervention/transport regulation and infrastructure

- The Government announced a package of stimulus policies worth EGP 100 billion (USD 6.13 billion) – 1.8 percent of GDP – to mitigate the economic impact of COVID-19. Pensions were increased by 14 percent and the targeted cash transfer social programmes, Takaful and Karama, were extended to reach more families. A targeted support initiative for irregular workers in the most severely hit sectors was announced, entailing EGP 500 (USD 31) in monthly grants for three months. To support the healthcare sector, EGP 3.8 billion (USD 233 million) was allocated to provide urgent and necessary medical supplies and for the disbursement of bonuses for medical staff working in quarantine hospitals and labs. To support medical professionals, including doctors working in university hospitals, a 75 percent allowance in addition to their wages was announced. Energy costs were lowered for the entire industrial sector; real estate tax relief was provided for the industry and tourism sectors; and subsidy payout for exporters was stepped up. The EGP 100 billion (USD 6.13 billion) package included EGP 50 billion (USD 3.07 billion) for the tourism sector, which in 2019 accounted for close to 12 percent of Egypt’s GDP, 10 percent of employment, and almost 4 percent of GDP in terms of receipts. The moratorium on the tax law on agricultural land was extended for two years; stamp duty on transactions and tax on dividends were reduced; capital gains tax was postponed until further notice.

- Authorities suspended the export of all types of legumes for a period of three months with a plan to increase strategic food reserves to meet domestic demand. The Central Bank of Egypt (CBE) and the Government implemented measures to contain the economic implications of the epidemic.

- All shops except for supermarkets, bakeries and pharmacies had to close at 17.00 hours on weekdays and remain closed throughout the weekend (Fridays and Saturdays).

CONSUMER- AND PRODUCER-ORIENTED

General social protection measures/production subsidies

- On 22 March 2020, the President communicated the Government’s plan to combat the dangers of COVID-19, which he described as the most serious crisis facing Egypt. The statement included:
  - reassurance that the state’s strategic stock of food supplies was sufficient for the citizens’ needs.
  - an appeal to those citizens who were buying more than their needs to cease such behaviour;
  - communication of the addition of five allowances for pensioners equivalent to 80 percent of the basic wage, as well as a 14 percent increase to the periodic allowance for pensions as of the following fiscal year;
  - affirmation that the state had taken urgent measures to contain the food crisis in the affected areas; and
  - confirmation that the state had carried out major disinfection operations (on the Luxor cruise ship and in many other facilities).

- The Ministry of Finance allocated EGP 100 billion (USD 6.13 billion) to deal with the COVID-19 crisis by implementing the following measures:
  - reduction of the price of natural gas for the entire industry by USD 4.5;
  - reduction of electricity prices for the entire industry by EGP 0.1 (USD 0.00613);
  - provision of EGP 1 billion (USD 61.3 million) to subsidize exporters during March and April 2020 and pay part of their dues;
  - lifting of administrative reservations on all financiers owing payable taxes, for only 10 percent of the tax due; and
  - reduction of CBE interest rates by 3 percent, while providing credit limits for capital financing, and in particular employee salaries.
The credit entitlements of micro, small and medium-sized enterprises were postponed for six months. Microlenders were instructed to consider delays on a case-by-case basis, of up to 50 percent of the value of monthly instalments for struggling clients. A new debt relief initiative for individuals at risk of default was also announced, waiving marginal interest on debt under EGP 1 million (USD 61 300) if customers made a 50 percent payment.

No additional fines or returns were to be applied for late payment. The regulations issued in 2019 requiring banks to obtain detailed information on borrowers were relaxed. Suspension of credit score blacklists for irregular clients and waiver of court cases for defaulted customers were announced.

The Government’s tourism financing initiative included hotels, with EGP 50 billion (USD 3.07 billion) allocated to cover their expenses. The interest rate on loans to small and medium enterprises, industry, tourism and housing for low-income and middle-class families was reduced from 10 percent to 8 percent.

The Agricultural Land Tax Act was suspended for two years.

The limit for electronic payments via mobile phones was raised to EGP 30 000 (USD 1 839) per day and EGP 100 000 (USD 6 130) per month for individuals, and to EGP 40 000 (USD 2 492) per day and EGP 200 000 (USD 12 260) per week for corporatons. A temporary daily limit was set for deposits and cash withdrawals for individuals and companies.

IRAQ

CONSUMER-ORIENTED

In-kind food transfers

On 7 April 2020, the Ministry of Labour and Social Affairs launched the 1 000 000 Food Baskets for the Poor programme to alleviate the effect of the COVID-19 crisis. The aid targets poor households registered in the main cash transfers programme database. The estimated cost of each basket was about USD 15; by 13 April 2020, a total of 708 360 beneficiaries had received the food basket.

CONSUMER- AND PRODUCER-ORIENTED

Conditional cash transfer/transport regulation and infrastructure

On 12 April 2020, the Higher Committee for Health and National Safety announced an emergency grant for families impacted by the lockdown. A temporary monthly grant was only available to Iraqi citizens resident in Iraq.

On 8 April 2020, the Higher Committee for Health and National Safety decided to allocate IQD 600 billion (USD 500 million) over the subsequent two months to support nearly 10 million citizens. This support could be applied for and accessed via a phone app.

Unspecified market policy/financial support through public banks

The Central Bank of Iraq announced a moratorium on interest and principal payments by small and medium enterprises through its directed lending initiative (the “one trillion ID” initiative) and encouraged banks to extend maturities of all loans as they deem appropriate. The Central Bank also encouraged the use of electronic payments to contain the transmission of the virus, and instructed vendors to eliminate commissions on such payments for the next six months.
INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Import tariff

- On 2 April 2020, the Cabinet approved measures to strengthen protection for Iraqi agricultural produce, and to support Iraqi gypsum manufactures by imposing additional import duties for a period of two years.

JORDAN

CONSUMER-ORIENTED

In-kind food transfer/unconditional cash transfer

- The Jordanian National Aid Fund (NAF) announced the following measures:
  - Due to the lockdown, the Government would deliver cash to the houses of all the current beneficiaries of the NAF monthly cash transfer programme for March 2020 (approximately 100,000 households). Payments would start on 29 March.
  - Payments would be made for the first quarter of the 2020 payment cycle (around 24,000 households). Payments would be made in early April.
  - Enrolment would be completed for an additional 25,000 household beneficiaries of the Takaful programme. Payments would be made in April.
  - NAF started the registration of the Bread Subsidy Cash Compensation Programme, targeting up to 80 percent of the population with a small amount of money annually. Payments would occur during April–November 2020. Registration required the same form as the Takaful programme.

- In-kind distribution of bread (universal) would occur at a reduced subsidized price (JOD 1 [USD 1.4] per 3 kg, instead of JOD 1.5 [USD 2.1]). The Ministry of Local Affairs coordinated distribution from local bakeries with bread delivered door to door by buses patrolling localities and escorted by police officers to deter crowding. Beneficiaries of the NAF monthly cash transfer programme would receive bread for free with support from the municipalities. The Social Security Corporation would provide in-kind support to about 100,000 (other reports indicate 35,000–50,000) vulnerable families comprising an individual over the age of 70 and casual workers. Food parcels had a monetary value of JOD 40–50 [USD 56–71]. The programme could be extended to persons with chronic illnesses.

PRODUCER-ORIENTED

Production subsidies/price intervention on staple commodities

- On 18 March 2020, the Government announced measures that included:
  - postponement to the end of the year of the collection of sales tax on all domestic sectors, and on imports related to health and the supply of medicines;
  - introduction of price ceilings on essential products; and
  - postponement of 70 percent of the value of customs duties for selected companies and the reduction of social security contributions from private sector establishments.

CONSUMER- AND PRODUCER-ORIENTED

Establishment or modification of food stock/government procurement from domestic farmers

- The Ministry of Agriculture announced plans to secure food supplies in response to restricting measures aimed at controlling the COVID-19 outbreak. The Ministry instructed the poultry sector to store quantities for emergencies. Up to 9,000 tonnes were stored and were expected to last two months.
**KUWAIT**

**PRODUCER- AND INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED**

Financial support through public banks/macroeconomic policy

- The Government submitted to Parliament a draft law that would allocate KWD 500 million (USD 1.6 billion) – 1.4 percent of GDP – in additional funds to support the efforts of government entities to fight the spread of COVID-19. The Government also formed a committee to propose and implement stimulus measures to ease the negative impact of COVID-19 on economic activity.
- The Central Bank of Kuwait instructed banks to delay loan payments from companies affected by the shock for three months.
- The Government set up a KWD 10 million (USD 31.9 million) fund, financed by Kuwaiti banks, to support its efforts in combating the virus.

**LEBANON**

**CONSUMER-ORIENTED**

Unspecified tax policy/unconditional cash transfer

- The Ministry of Finance announced the extension of all deadlines related to payment of taxes and fees.
- The Ministry of Social Affairs, in collaboration with the ministries of industry, agriculture, defense, interior, labour, finance, economy and information, started implementing a plan –executed in coordination with municipalities, mayors, social affairs centres and the army – to distribute cash assistance to families hit financially by COVID-19.

**LIBYA**

**CONSUMER-ORIENTED**

Price control

- To prevent food prices from increasing, the Minister of Economy adopted a regulation controlling the prices of 16 food items such as fruits, vegetables and meat. The regulation was to be revised every three months.

**CONSUMER- AND PRODUCER-ORIENTED**

Public/mutual fund and contingent risk financing/general social protection measures

- In March 2020, the Government announced a package of LYD 500 million (USD 350 million) – 1 percent of GDP – for emergency COVID-19-related spending. While the exact breakdown and use was not immediately specified, it was believed to be aimed at supporting the health system in expanding testing and responding to a possible surge in infections. Certain medical supplies and personal protective equipment were already in short supply as a result of the civil war which had impacted imports and impeded the free flow of goods within Libya’s borders.
MAURITANIA

CONSUMER-ORIENTED

Cash transfers

- The Government allocated MRO 5 billion (USD 13.2 million) to provide monthly financial aid over three months to 30,000 women-dependent families comprising elderly and people with disabilities, most of which in Nouakchott.

In-kind food transfer

- The Government started distributing food baskets to 1,750 poor families in Nouakchott, to a total value of MRO 30 million (USD 77,936), as part of its efforts to mitigate the effects of the COVID-19 outbreak. The baskets consisted of rice, sugar and other foodstuffs, in addition to hygiene products.

CONSUMER- AND PRODUCER-ORIENTED

Public/mutual fund and contingent risk financing/general social protection measures

- On 25 March 2020, the Government announced the creation of an emergency fund of MRO 29 billion (USD 80 million) – 1.1 percent of GDP – for the urgent procurement of medical supplies and equipment, subsidies for 30,000 poor households, and financial support for small individual businesses. It also waived customs duties and taxes on imports of essential goods and signalled that it would take additional measures as more resources were mobilized.

- On 6 May 2020, the Government approved expenditure of about MRO 78 billion (USD 210 million) – 3.2 percent of GDP – for additional healthcare, medical supplies, social protection, support for small and medium enterprises, foodstuff stocks, and security-related expenditures to address the pandemic.

MOROCCO

CONSUMER-ORIENTED

Cash transfers

- On 23 March 2020, the Economic Watch Committee members decided to activate a mobile payment device to transfer cash to workers operating in the informal sector adversely affected by COVID-19 (only for those directly affected by the compulsory confinement policy).

- The electronic cash transfer programme would reach half of informal sector workers (3 million workers to receive payment). Registration started on 30 March 2020 and the first payments were due to start on 6 April 2020. The speed and scale were facilitated by the use of a health insurance fee waiver registry in the first phase and a simple payment mechanism.

- Programme benefits were structured as follows:
  - MAD 800 (USD 81) per month for households of two people or less.
  - MAD 1,000 (USD 101) per month for households of three to four people.
  - MAD 1,200 (USD 121) per month for households of more than four people.

Disposable income policy/unemployment compensation

- On 19 March 2020, the Government announced that formal employees who lost their jobs and were registered with the pension fund would receive MAD 2,000 (USD 203) per month (MAD 1,000 for March, MAD 2,000 for April, May and June) and could defer debt payments until 30 June 2020.
Price control

- From the first week of containment, a daily monitoring committee of the market situation was set up to ensure the availability of food and agriculture products and the maintenance of seasonal prices in all regions. This monitoring committee was coordinated by the Ministry of Agriculture with the involvement of the various stakeholders (Federation of Chambers of Agriculture, Regional Chambers of Agriculture and the Association of Interprofessional Agricultural Federations known as COMADER).

PRODUCER-ORIENTED

Access to credit/public/mutual fund and contingent risk financing

- On 26 March 2020, the Government established funding for the lending facility “Damane Oxygène” to provide loans to small and medium enterprises (SME) at subsidized interest rates with a guarantee of 95 percent from the Central Guarantee Fund. On 15 May, the programme was extended to the end of 2020, and collateral requirements were removed to improve access for SMEs.

- This mechanism aimed to mobilize financial resources for companies (mainly SMEs) impacted by COVID-19 and with revenues not in excess of MAD 200 million (USD 20 million). Medium-sized companies with revenues of MAD 200–500 million (USD 20–50 million) could also benefit from the facility due the exceptional nature of the crisis. A total of 17 500 companies benefited from the facility for a total outstanding amount of MAD 9.5 billion (USD 953 million).

- On 29 March 2020, the central bank of Morocco, Bank Al-Maghrib (BAM) announced a series of monetary measures to support access to credit for businesses and households by enhancing banks’ refinancing capacity with the central bank. The prudential measures were designed to support credit institutions in covering liquidity, equity and provisioning of claims. Other measures were taken to reinforce the specific refinancing programme for the benefit of very small enterprises and SMEs by integrating, in addition to investment credits, operating credits and increasing the frequency of their refinancing. On 15 April, and for a period of two years, BAM established a credit line for refinancing new loans disbursed in favour of micro, small and medium-sized enterprises, as part of the integrated business support and financing programme.

- On 21 May 2020, the Government announced a post-crisis facility to support businesses by providing financing to cover working capital needs at a subsidized interest rate (with a 4 percent maximum interest rate, equivalent to the current policy rate + 200 basis points). A sovereign guarantee of 95 percent was provided to SMEs, for an equivalent of up to 10 percent of annual turnover. Larger firms benefited from a sovereign guarantee of 80–90 percent of the outstanding loan, which was capped at one month of turnover for most sectors. Firms have seven years to repay with a two-year grace period. In addition, the Government guaranteed loans to state-owned enterprises, provided by banks exclusively to repay suppliers.

CONSUMER- AND PRODUCER-ORIENTED

Public/mutual fund and contingent risk financing/general social protection measures

- On 17 March 2020, the Government established the Special Fund for the Management of the Coronavirus Pandemic, allocating approximately MAD 10 billion (USD 1 billion) – approximately 2.7 percent of GDP. On 28 April, the total contributions had reached MAD 35.6 billion (about USD 3.6 billion) (FAO, 2020g).

- The fund covered the costs of upgrading medical facilities and supported businesses and households impacted by the pandemic.

- Employees affiliated with the social security system benefited from a monthly allocation of MAD 2 000 (USD 203) and until 30 June 2020, loans and consumption credit reimbursements were also suspended.
In addition, to support businesses, the Government enacted the following measures:

– suspension of payment of all social taxes until 30 June;
– establishment of a moratorium on the repayment of bank credit maturities and for the reimbursement of leasing maturities until 30 June, without payment of fees or penalties;
– postponement of the filing of tax declarations until 30 June applicable to companies whose turnover for the 2019 financial year was less than MAD 20 million (USD 1.9 million); and
– suspension of all tax inspections.

In addition, the Government decided to accelerate payment to its suppliers to support businesses.

The Government took measures to support households working in the informal sector. Households benefiting from the non-contributory health insurance, RAMED, were to receive a mobile payment of MAD 800–1 200 (USD 80–120) in April, depending on the composition of the household. Other households not benefiting from RAMED could claim cash support by registering online.

Unspecified credit and finance facilities/unemployment compensation

On 23 March 2020, the Government announced that companies could benefit from the suspension of social security contributions for the period from 1 March to 30 June 2020 with graceful remission of late payment increases for this period for employers in difficulty, affiliated to the social security fund, Caisse Nationale de Sécurité Sociale (CNSS). The CNSS would ensure transfer of family allowance/child allowance and reimbursements of medical expenses through the its compulsory health insurance.

INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Import tariffs

On 27 March 2020, the Government suspended customs duties on durum wheat, lentils, chickpeas, beans and dry common beans. This measure took effect on 1 April 2020 to continue until further notice with the aim of providing regular and affordable supplies of durum wheat and legumes during Morocco’s ongoing drought and also in preparation for the month of Ramadan.

Morocco uses import duties to provide protection to local grain producers during their marketing season, to regulate prices and to manage stocks. On 27 March 2020, the Government extended the import duty exemption on common wheat until 15 June 2020 to ensure adequate supply and maintain low prices in the local market.

On 7 May 2020, the Government extended the suspension of customs duties on common wheat and its products through to December 2020. This measure was intended to keep the cost price of imports at a competitive level and to build stocks.

Institutional and organizational measures

On 5 March 2020, the Government issued a circular intended to limit the spread of COVID-19. The circular suspended cultural activities, sports events, seminars and other meetings attended by foreign participants until the end of March. The circular specifically banned:

– all events with foreign visitors, including conferences, forums, and cultural and sporting events;
– all indoor events with 1 000 or more people; and
– all festivals, with the exception of certain traditional festivals (Moussem).

The circular further declared that all authorized national sporting events would take place without an audience.

On 11 March 2020, the Government created the Comité de Veille Économique (Economic Watch Committee – CVE) chaired by the Minister of Economy, Finance and Administrative Reform to discuss and take the necessary measures to mitigate the economic and social impacts of the pandemic. The Ministry of Education announced the closure of all educational institutions from pre-primary to tertiary
as of 16 March 2020 for an undetermined duration. This impacted 8.9 million learners in the country, including 6.2 million primary and secondary education students. Restaurants and all non-essential shops were also closed, and all sports, cultural and arts events cancelled. Mosques and other religious buildings were closed until further notice. People were ordered to stay at home, and restrictions on public and private transport and travel between cities were also put in place, with security forces and the army deployed on the streets.

OMAN

CONSUMER-ORIENTED

Price control/unspecified market policy

- The Public Authority for Consumer Protection launched an electronic application to control the manipulation of prices in commercial centres by creating a database of thousands of goods and products and prices to ensure consumer access to essential goods at fair market prices amid the COVID-19 pandemic.

- Government initiatives included the establishment of a number of e-platforms to facilitate online sales of agricultural products to reduce the repercussions of COVID-19. The Ministry of Agriculture and Fisheries (MAF) launched two integrated electronic online platforms called Behar, for both wholesale and retail, to facilitate the trade of fish products via remote auctions.

- MAF in coordination with the competent authorities issued the fish price list on a daily basis to secure the availability and affordability of fish in all governorates.

INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Institutional and organizational measures

- In order to combat COVID-19, the Government issued a royal decree on 10 March 2020 to form a supreme committee in response to the outbreak. The supreme committee was headed by the Minister of Interior, and its membership spanned several sectors to include the ministers of health, education, transport and legal affairs, and the undersecretaries of the ministries of health and foreign affairs.

Export ban

- Oman stopped the export of onions, garlic, flour and wheat.

PRODUCER- AND INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Access to credit/macroeconomic policy

- Due to the decline in oil prices and resulting loss of government revenue, the authorities announced that they would reduce spending in the 2020 budget by 10 percent (i.e. about 5 percent of GDP).

- On 19 March 2020, the Central Bank of Oman announced a comprehensive incentive package to inject additional liquidity of more than OMR 8 billion (USD 20.8 billion) into the economy. Measures included:
  - suspension of municipal taxes and some government fees (until the end of August) and rent payments for companies in industrial zones (for the next three months);
  - reduction of port and air freight charges;
  - postponement of loan servicing for Oman Development Bank borrowers and an SME support fund for six months.
The authorities also directed banks, finance companies and finance leasing companies to respond positively to requests to postpone the payment of instalments and interest by borrowers affected by the repercussions of the current situation for a period of six months, especially for small and medium enterprises.

On 26 March 2020, the Government donated OMR 10 million (USD 26 million) to tackle the COVID-19 outbreak in the country opening the donations for the public and private sectors across the country. At the time of writing, the funds had reached approximately OMR 27 million (USD 70 million).

On 1 April 2020, the Tax Authority announced a package of measures including:
- waiving of fines and penalties for late disclosures;
- allowing the paying of taxes in instalments; and
- tax deduction on donations made to combat the coronavirus.

On 31 March 2020, the Government announced corporate tax relief measures.

In an effort to cushion the worst of these impacts, on 15 April, the Government announced that fuel subsidies would also be provided, and electricity and water bills were frozen until the end of June.

**Government procurement from domestic farmers/government procurement through imports**

The Government allocated OMR 10 million (USD 26 million) for the purchase of basic commodities for April and May. The Public Authority for Stores and Food Reserve (PASFR) signed a contract with The Gulf Sugar company (United Arab Emirates) to purchase 5 000 tonnes of sugar. The Government requested quotations for additional goods from Pakistan and India on 30 March 2020. Due to concerns about acquiring the necessary quantities of rice or potential shipping delays, local companies and others from Thailand were invited to submit their bids to PASFR.

The Director-General of Agricultural and Animal Marketing and Investment at the Ministry of Agriculture and Fisheries (MAF) announced that in the previous 48 hours, more than 150 agricultural consignments, weighing a total of 36 522 tonnes, were imported through land, sea and air outlets in Oman; these included various types of vegetables, fruits, grains and legumes. MAF worked to follow up on agricultural exports and imports to meet the needs of the domestic market, by integrating with local agricultural products during the ensuing period.

The customs authority announced that where the importer was unable to obtain or produce the necessary authorizations (i.e. documents and certificates of the goods from the exporting country), the relevant goods would still be cleared. Further, the requirement to obtain a guarantee for the non-submission of original legalized documentation was waived until further notice.

PASFR conducted a stocktaking of reserves in storage and space available, and granted to commodities traders of basic food the opportunity to facilitate storage for ninety days without financial compensation to ensure availability of larger quantities of food.

**Unspecified production support/other export promotion measures**

MAF coordinated with the Ministry of Commerce and Industry and the General of the Royal Customs Police to ensure that the transportation of food and basic materials was not affected by the movement restrictions between the governorates and the closure of airports, ports and land ports.

The Ministry of Commerce and Industry in cooperation with the Ministry of Agriculture and Fisheries and the Omani Agriculture Association launched an initiative to support Omani agricultural products and actively tackle the surplus of home-grown crops in the market.

MAF improved its services by using the platforms already available to facilitate fish exports. For example, from January to April 2020, there was a 50 percent increase in the number of exporters in Sohar Port (the largest export port for fish in Oman) compared with the same period in 2019, and the number of containers increased by 28 percent and the quantity of fish exported by 23 percent.
MAF ensured the continuing operation of all agricultural production-related services, such as phyto/animal sanitary quarantine outlets, veterinary clinics, specialist veterinary pharmacies and animal feed outlets.

PALESTINE

CONSUMER-ORIENTED

In-kind food transfer

- The PA distributed 98 000 food baskets.

Cash transfers

- The Ministry of Social Development is increasing the number of social allowances to vulnerable families in West Bank and Gaza Strip. Its quarterly cash transfer programme, which usually reaches 105 000 vulnerable families, was expanded in April to reach an additional 9 000 families from Gaza Strip, in light of the socio-economic impacts of COVID-19.

Cash transfers/unemployment compensation

- On 17 May 2020, the Palestinian Authority started disbursing aid to 40 202 labourers affected by the COVID-19 pandemic. Labourers in eligible sectors (e.g. construction, tourism, services, transport) were to receive text messages to go to the bank and receive NIS 700 (USD 198). The process would take place over five days.

PRODUCER-ORIENTED

Access to credit/public/mutual fund and contingent risk financing

- The Palestinian Authority announced extension of filing deadlines for corporate income tax, postponement of tax audits and suspension of late filing penalties concerning monthly VAT returns. The Central Bank of Palestine also instructed banks to postpone loan payments for four months (six months for the tourism and hospitality sector) for all businesses and individuals.

- The Palestine Monetary Authority (PMA) launched an SME fund to provide soft loans to small and medium enterprises (SMEs) impacted by the crisis. Loans are at 3 percent interest rate over 36 months. The SME fund is USD 300 million, of which USD 210 comes from the PMA.

CONSUMER- AND PRODUCER-ORIENTED

General social protection measures/unspecified production support

- On 26 March 2020, the Palestinian Authority released the National COVID-19 Response Plan to:
  - present the Government’s strategy and actions;
  - propose an aid coordination approach;
  - identify critical support needs, including for the public health response to COVID-19, budget support to maintain government services, and diplomatic engagement with regional partners;
  - describe the expectations of the longer-term economic impact of COVID-19 and required economic recovery actions.

The plan specifies a requirement of USD 120 million over 90 days for containment measures in a number of key sectors, including health, economy and social protection.
The PA is planning to spend NIS 410 million9 (USD 117 million) – 0.7 percent of GDP – to cover short-term (1–3 months) critical gaps related to COVID-19. In addition, it plans to allocate additional resources to support poor families and those in need. The PA plans to spend NIS 20 million (USD 5.7 million) – 0.1 percent of GDP – to support workers and for unemployment benefit. On the tax side, the PA cancelled penalties for late submission of tax returns, extending the tax filing deadline to June, and the period of quittance issued by the value added tax from 1 March to 15 April 2020.

INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Institutional and organizational measures

During its 44th meeting on 24 February 2020, the Palestinian Authority (PA) decided to establish a follow-up committee to handle the COVID-19 outbreak. The tasks of this committee were to:

- assess the needs and establish standard procedures to deal with suspected cases and persons infected with COVID-19;
- follow up and internalize WHO criteria;
- coordinate with neighbouring countries;
- coordinate prevention and curative measures with relevant actors; and
- raise public awareness on the virus.

On 5 March 2020, a state of emergency was established in West Bank. Strict confinement measures were put in place on 22 March. In West Bank, quarantine and treatment facilities were established in several governorates, and public laboratory capacities were increased in Ramallah. A central operation coordination was established at the Prime Minister’s office and travel prohibited in all governorates between 19.30 hours and 10.00 hours, in order to avoid family groupings during Ramadan.

On 2 April 2020, the PA issued a decree extending the state of emergency for another 30 days.

On 4 May 2020, the PA issued a new decree declaring a new state of emergency until 5 June 2020.

On 5 May 2020, the PA announced a partial ease of the lockdown and a gradual and phased exit from COVID-19 restrictions.

QATAR

CONSUMER- AND PRODUCER-ORIENTED

Public/mutual fund and contingent risk financing/unemployment compensation

On 16 March 2020, the Government announced the creation of an emergency economic package of QAR 75 billion (USD 20.6 billion) – about 13 percent of GDP – to reduce the effects of the COVID-19 outbreak. The programme aimed at supporting small businesses and hard-hit sectors (hospitality, tourism, retail, commercial complexes and logistics) through six-month exemptions on utility payments (water, electricity). Logistics areas and small and medium industries were exempt from rent payments for six months.

The Government launched a temporary COVID-19 Wage Subsidy Scheme, which took effect on 26 March 2020 and was expected to run for 12 weeks. To qualify for the scheme, businesses had to: be experiencing a significant economic downturn due to COVID-19 (at least a 25 percent decline in revenues or customer orders); be unable to maintain wages without assistance; and retain employees on the payroll.

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9 NIS = New Israeli Shekel.
INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Import tariff

- On 15 March 2020, as part of the economic package, the Government exempted all food and medical products from the country's 5 percent customs duty for a period of six months. This relief had to be applied to the final selling price offered to the consumer.

SAUDI ARABIA

CONSUMER- AND INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Employment programmes/other measures that affect imports

- The Government implemented measures to ensure movement of food commodities from production areas to consumers in main cities. Markets providing food and essential items were allowed to remain open to maintain availability for consumers, while maintaining safety protocols of distancing and sanitation. The Government also monitored prices to ensure that food markets operated without excessive price distortion.
- Expatriate fees, normally charged when hiring expatriates and obtaining visas for dependents, were cancelled for three months (foreigners represent almost one-third of the population and an even higher share of the labour force).
- Saudi Arabian business owners were allowed to postpone payments of VAT, excise tax, income tax, government service fees and municipal fees for three months.
- The collection of customs duties on imports was postponed for three months.
- The Human Resources Development Fund announced the allocation of SAR 2 billion (USD 533 million) to support 100,000 job seekers in the private sector, in addition to offering and activating remote work tools as available and alternative options for regular work.
- The Government’s financial package was designed to support smallholder farmers and SMEs, helping new investment and reducing economic stress. To assist with reducing impact on employment and the labour force, the Government provided financial packages (employment support) to the private sector (especially SMEs) to ensure the continuity of the workforce.
- The Government subsidized wages (up to 60 percent) for employees in the private sector. Instead of terminating the contracts of Saudi Arabian labourers, an employer was entitled to apply to the General Organization for Social Insurance (GOSI) and request a monthly compensation payment for labourers (60 percent of the wage registered in GOSI) for three months, up to a maximum of SAR 9,000 (USD 2,400) per month, to a total value of SAR 9 billion (USD 2.4 billion).
- The Government enacted measures to ensure smooth delivery of imported food commodities entering the country. They included strengthening of food stocks through both procurement and policy measures to promote trade partnership for stable import supply. The Government also provided financial support to ensure the imports of fresh food commodities.
- The Government allocated SAR 4 billion (USD 1 billion) to provide special social transfers to low-income families during 2020, with 100,000 Saudi Arabian citizens set to benefit.
Financial support through public banks/macroeconomic policy

- A SAR 70 billion (USD 18.7 billion) – 2.8 percent of GDP – private sector support package was announced on 20 March 2020. The Government announced a SAR 120 billion (USD 31 billion) stimulus package to mitigate the economic effects of the COVID-19 outbreak in the country.

- The package included the suspension of government tax payments, fees and other dues to provide liquidity to the private sector and an increase in available financing through the National Development Fund.

- The Government stated that it would fund any necessary increase in health spending and made a budgetary reallocation to increase the resources available to the Ministry of Health to fight the virus.

- Because the decline in oil prices will result in a loss of government revenue, the authorities also announced that they would reduce spending in non-priority areas of the 2020 budget by SAR 50 billion (USD 13.3 billion) – 2.0 percent of GDP – to accommodate some of these new initiatives within the budget.

- Further, on 3 April, the Government authorized the use of the unemployment insurance fund, SANED, to provide support for wage benefits – within certain limits – to private sector companies who retain their Saudi Arabian staff (SAR 9 billion [USD 2.4 billion] – 0.4 percent of GDP) and eased restrictions on expatriate labour mobility and their contractual arrangements.

- On 14 March, the Saudi Arabian Monetary Authority announced a SAR 50 billion (USD 13.3 billion) – 2.0 percent of GDP – package to support the private sector, particularly small and medium enterprises (SMEs), by providing funding to banks to allow them to defer payments on existing loans and increase lending to businesses.

- The Saudi Agricultural Development Fund announced an action plan of SAR 2 billion (USD 533 million) to support local food security and production. The Ministry of Environment, Water and Agriculture provided SAR 180 million (USD 48 million) during April as direct support for small-scale livestock owners, fish farming projects and poultry producers. The fund called on SMEs to apply for operating loans to support their production.

SYRIAN ARAB REPUBLIC

INSTITUTIONAL AND ORGANIZATIONAL MEASURES

Institutional and organizational measures

- The Government implemented a range of preventive measures imposed until at least 16 April 2020, including a curfew from 06.00 hours to 18.00 hours and a ban on travel between governorates and within governorates to and from urban and rural centres, with some exemptions, including for emergency, humanitarian and essential services. All non-essential services remained closed and public sector offices were on reduced working hours. Some popular recreation areas, such as public parks in Damascus and the corniche area of Tartous, were also closed. On 2 April 2020, a weekend curfew commenced, from 24.00 hours to 06.00 hours every Friday and Saturday.

- Some areas were subject to total lockdowns including in Mneen, Rural Damascus, and al-Sayyida Zaynab, an area of pilgrimage, also in Rural Damascus, until further notice, in addition to the Al-Tay neighbourhood in Qamishli. In addition, visits to prisons and detention facilities were suspended until further notice.
Similarly, local authorities in North and East Syria continued to implement curfew restrictions until at least 21 April, as well as closure of all non-essential public and private facilities, offices and shops. All gatherings and events were cancelled. A decree released by local authorities stated that fines would be imposed for curfew violation. In addition, judicial proceedings were suspended until at least 23 April.

Export ban

- The Government announced that some items would be banned from export (eggs, milk, cheese, legumes and sterilization items) and it imposed stricter measures to ensure retailers only sell certain specified basic goods within the official price limits.

SUDAN

CONSUMER-ORIENTED

Price control/nutrition and health policy

- The Prime Minister issued Emergency Order No. 1 for 2020 in response to the COVID-19 pandemic and stipulating that whoever perpetrates any of the following acts is considered to be committing a crime and shall be punished as appropriate: assault on medical and health personnel and/or on the cadres assisting them while carrying out their work; destruction of health, medical and isolation facilities; monopolization of food or medicines or increasing of their prices.

Food assistance/in-kind food transfers

- The Ministry of Labour and Social Development provided in-kind support to poor households, informal workers, teachers and casual workers (a total of 2,050,000 households). Each targeted household received a support package worth SDG 3,000 (USD 55) in the form of a food basket with several commodities; these include pulses (5 kg), oil (2 litres), sugar (5 kg), tea (0.45 kg), wheat or sorghum flour (7 kg), two types of soap (10 pieces) and salt (1 kg). The food basket covered the basic needs of the targeted families for three weeks (i.e. the period of restricted movement); the estimated cost is approximately SDG 6.15 billion (USD 110 million).

TUNISIA

CONSUMER-ORIENTED

Cash transfers

- On 22 March 2020, the Government introduced the following social protection measures (cash transfers) to assist vulnerable people impacted by COVID-19:
  - One-off cash transfer of TND 200 (USD 68) to 623,000 households working in the informal sector, who are not covered by any social protection programme and who are vulnerable to shocks (households registered in the social security system with a low-cost healthcare card).
  - One-off cash transfer of TND 50 (USD 17) to 260,000 households working in the informal sector – in addition to the transfer of TND 180 (USD 61) already received in March (i.e. households registered in the social security system with a free healthcare card).
  - One-off cash transfer of TND 200 (USD 68) to households including an elderly person.
  - One-off cash transfer of TND 200 (USD 68) to households fostering children without parental support.
  - One-off cash transfer of TND 200 (USD 68) to households including a disabled person.
Disposable income policy/unemployment compensation

On 22 March 2020, the Government introduced additional measures to assist workers and employers affected by COVID-19:
- Unemployment benefits for workers (contributory system) affected by partial unemployment.
- Healthcare insurance maintained for all workers, family allowance maintained and a wage premium provided to those unable to continue their business (formal sector).

Disposable income policy

On 3 April 2020, the Government introduced a pension top-up of TND 100 (USD 34) per month for 133 000 retirees with a monthly pension of less than TND 180 (USD 62).

PRODUCER-ORIENTED

Unspecified credit and finance facilities

For businesses and companies operating in the formal sector, the Government granted a three-month waiver of the employer’s contribution to the social security scheme.

CONSUMER- AND PRODUCER-ORIENTED

Public/mutual fund and contingent risk financing/general social protection measures

On 21 March 2020, the Government announced a TND 2.5 billion (USD 710 million) – 1.8 percent of GDP – emergency plan with measures including:
- cash transfers for low-income households, disabled and homeless people (TND 150 million [USD 51 million]);
- support for those on temporary unemployment because of the COVID-19 shock (TND 300 million [USD 103 million]).
- an increase of the budget allocation for health expenses as well as the creation of a TND 100 million (USD 34 million) fund for the acquisition of equipment for public hospitals.

The emergency plan also comprises a package to support the private sector, by asking banks to defer payments on existing loans and to suspend all fees for electronic payments and withdrawals.

The above package includes the postponement of payments of corporate income tax, other taxes and social contributions, VAT exemptions, VAT refund procedures and acceleration of reimbursement, and rescheduling of taxes and custom arrears in order to provide liquidity to the private sector, thus limiting layoffs and protecting the most vulnerable parts of the population especially in the informal sector.

In addition, the Government announced a set of financial measures including the creation of investment funds (TND 600 million [USD 207 million]), a state guarantee for new credits (TND 500 million [USD 172 million]) and the activation of a mechanism for the state to cover the difference between the policy rate and the effective interest rate on investment loans within a cap of 3 percent.

The national commission to combat COVID-19 allocated nearly TND 500 000 (USD 170 902) between 4 April and 18 May, for the care of people subject to mandatory health isolation in Monastir.

INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Institutional and organizational measures

The Government created a National COVID-19 Monitoring Authority, gathering senior officials from all ministries, with the aim of imposing full compliance with measures to fight the virus. The Authority is also to ensure coordination between the national committee to combat COVID-19, headed by the Presidency of the Government, and the regional committees against natural catastrophes. It is in
charge of monitoring the regularity of the supply of basic products, distributing social assistance to poor families or families without income, and referring recommendations to the national committee to adopt the necessary measures to contain the virus.

**UNITED ARAB EMIRATES**

**CONSUMER-ORIENTED**

**Price control/in-kind food transfers**
- The Government monitored and controlled the prices of food commodities and sterilization supplies, imposing fines on price manipulators.
- The Government launched an initiative to provide essential food supplies to 12 000 vulnerable families and foreign workers.

**PRODUCER-ORIENTED**

**Agriculture research and technology/ government procurement from domestic farmers**
- The Government promoted new technologies, sustainable agriculture policies, and artificial intelligence tools to develop the food industry and increase its production capacity to reach 100 000 tonnes of food within three years. It also implemented awareness programmes which focus on food consumption, in order to provide an abundance of goods and reduce waste.
- The Government promoted self-sufficiency and provided the market with the necessary food commodities. It explored ways to upgrade the United Arab Emirates’ local production capacities and provide government supply contracts.

**PRODUCER- AND INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED**

**Financial support through public banks/macroeconomic policy**
- The authorities announced approximately AED 26.5 billion (USD 7.2 billion) – 2 percent of GDP – in various fiscal measures. These include:
  - AED 16 billion (USD 4.4 billion) approved by the Federal Government to support the private sector by reducing various government fees and accelerating existing infrastructure projects;
  - AED 1.5 billion (USD 0.4 billion) for measures by the Government of Dubai to reduce government fees, provide additional water and electricity subsidies, and simplify business procedures; and
  - AED 9 billion (USD 2.5 billion) announced by the Government of Abu Dhabi as part of the ongoing “Ghadan-21” fiscal stimulus programme.
- The initiatives provided for water and electricity subsidies as well as credit guarantees and liquidity support to small and medium enterprises (SMEs).
- In addition, the Government of Abu Dhabi announced a reduction or suspension of various government fees and penalties, as well as a rebate on commercial lease payments in the tourism and hospitality sectors.
- The Central Bank of the United Arab Emirates (CBUAE) announced an AED 256 billion (USD 70 billion) – 20 percent of GDP – package of measures comprising:
  - halving of banks’ required reserve requirements from 14 percent to 7 percent;
  - zero-interest rate collateralized loans to banks (AED 50 billion [USD 16.1 billion]);
  - allowing the use of banks’ excess capital buffers (AED 50 billion [USD 16.1 billion]);
  - 15–25 percent reduction in provisioning for SME loans;
– increase of loan-to-value ratio for first-time homebuyers by 5 percentage points;
– limiting bank fees for SMEs;
– waiver of all payment service fees charged by CBUAE for six months;
– raising the limit on banks’ exposure to the real estate sector to 30 percent of risk-weighted assets, subject to adequate provisioning; and
– allowing banks to defer loan repayments to the end of 2020.

Fisheries and aquaculture measures and regulations/establishment or modification of food stock

- The Government is assisting registered merchants to safely manage their strategic stock of food commodities, and supply the necessary commodities according to the distribution plans outlined by the relevant authority.
- A fishing ban on species was temporarily lifted by the Ministry of Climate Change and Environment in order to provide an income to fishers and to supply the local market. In addition, national air carriers were mobilized to limit the impact of the crisis on supplies.

Trade facilitation

- The Government provided a flexible framework for procedures relating to the implementation of complementary standards, the clearing of food shipments using electronic health certificates and the completion of pesticide residue tests in the country.
- The Government developed a plan to diversify sources of imported basic food items in order to ease food trade activities, meet local needs and maintain the reserves of the Strategic Stock of Food Commodities. The Government coordinated with various diplomatic missions to facilitate food trade activities.

INTERNATIONAL TRADE/ECONOMY-WIDE-ORIENTED

Institutional and organizational measures

- The Government created a commission to deal with COVID-19 issues. The Ministry of Health provided medical equipment to quarantine centres in some governorates. The Government allocated limited budget resources to respond to the COVID-19 crisis.
FAPDA | FOOD AND AGRICULTURE POLICY DECISION ANALYSIS

The Food and Agriculture Policy Decision Analysis (FAPDA) is a FAO initiative that aims to promote evidence-based decision making by providing up-to-date information on national policy decisions and policy frameworks, through the FAPDA policy database.

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