



Boosting smallholder resilience for recovery Boosting the resilience of smallholders for COVID-19 recovery

The issue

COVID-19 will result in the worst recession globally in a century and in particular for the Latin America and the Caribbean. It will have dramatic socio-economic and environmental consequences, with a projected increase of 28 million people in extreme poverty (reaching a total of 96 million or 14.9 percent of the region's total population) and 45 million people in poverty (for a total of 230 million or 35.6 percent).¹ After decades of significant reduction, in recent years hunger has been on the rise in Latin America and the Caribbean, with 187 million food-insecure people and 47.7 million undernourished people in 2019.² FAO estimates that an additional up to 20 million people could fall into food insecurity because of the COVID-19 crisis in the region.³

Before the COVID-19 outbreak in the region, 40 percent of the population was not covered by any type of social protection.⁴ The closure of schools and the suspension of the school feeding are also impacting the most vulnerable families and also reduce the incomes of smallholder farmers who participate in the school feeding supply chain.

The COVID-19 crisis has highlighted the critical need to boost the resilience of smallholders against multiple interconnected, cascading and mutually aggravating risks (pandemics, climate change and extreme events, plant pests and animal diseases, and socioeconomic crises). Comprehensive multi-risk management approaches across the food and agriculture systems are therefore necessary to improve livelihoods resilience, including stepping in early to take action, to mitigate the impact of disasters as well as the cost of emergency response and reconstruction.

The countries of the **Central America Dry Corridor – Honduras, Guatemala, El Salvador** – are among those experiencing major food crises in Latin America and the Caribbean, and are thus most vulnerable to COVID-19 and other interconnected threats. According to recent data collected until February 2020, more than 600,000 people were food insecure in El Salvador. The last projected Integrated Phase Classification (IPC) analysis (April–July 2020), carried out in Guatemala before the COVID-19 pandemic outbreak, foresaw 1.32 million people (19 percent of the analysed population) in IPC Phase 3 (crisis) or above.

¹ United Nations. 2020. Policy Brief: The Impact of COVID-19 in Latin America and the Caribbean. Washington, D.C.

² FAO, IFAD, UNICEF, WFP and WHO. 2019. *The State of Food Security and Nutrition in the World 2019: Safeguarding against economic slowdowns and downturns*. Rome, FAO.

³ Berdegué, Julio. Globo Economía, CNN En español. "Cómo evitar que la pobreza se dispare en América Latina". https://www.youtube.com/watch?v=hZgjaR_TgoA

⁴ Winder Rossi, N. y Faret, P. 2019. *Garantías mínimas de protección social para el desarrollo incluyente de la economía rural en América Latina y el Caribe. 2030 - Alimentación, agricultura y desarrollo rural en América Latina y el Caribe*, No. 22. Santiago de Chile. FAO. 41 p.

Budget

USD 60 million

Time frame

2020–2024

SDGs



Related FAO policy briefs

- ▶ [ECLAC-FAO. COVID-19 Report: Preventing the COVID-19 crisis from becoming a food crisis: Urgent measures against hunger in Latin America and the Caribbean](#)
- ▶ [FAO & ECLAC. 2020. Food systems and COVID-19 in Latin America and the Caribbean: Increasing the resilience of the food system and agricultural livelihoods to COVID-19](#)



In Honduras, 1.65 million people (32 percent of the analysed population) were in need of urgent action (IPC Phase 3 or above), according to the last IPC analysis carried out in July 2020. Declining remittances and movement restrictions are likely to result in increasing negative coping strategies, which are likely to affect the food security and nutrition situation.

Caribbean Small Island Developing States (SIDS) are also particularly vulnerable due to their high dependence on tourism and food imports and are disproportionately affected by natural hazards – notably the hurricane season⁵ - and external shocks. Smallholder farmers and producers have experienced reduced markets due to the closure of many hotels and restaurants linked to the global collapse of the tourism industry.

In the Andean countries, especially Ecuador, Peru and the Plurinational State of Bolivia, there is a marked duality of agricultural systems⁶, with a large presence of peasant and indigenous family agriculture.⁷ Due to its geography, connectivity is limited, which represents a risk for the food supply chain and a challenge to connect family farmers to the markets. Venezuelan migrant populations in Ecuador and Peru are also facing serious situations of food insecurity, further aggravated by the COVID-19 pandemic.

The action

To avoid repeated or increased vulnerabilities in Latin America and the Caribbean, the approach to this crisis needs to be based on the principle of building back better, with strong emphasis on multiple hazards and systemic risk management across the whole food value chain. Sustainable, innovative, inclusive, efficient, low-carbon and resilient agriculture and food production across the food system must be a cornerstone of action in the coming years.

FAO's actions are aligned with [FAO's Regional Initiative on Sustainable and Resilient Agriculture](#), and take into account [the urgent measures outlined by FAO-Economic Commission for Latin America and the Caribbean \(ECLAC\) to prevent the health crisis from transforming into a food crisis](#).

⁵ 1 June to 30 November for the Caribbean and 15 May to 30 November for the Northeast Pacific/Central America.

⁶ Combination of large commercial farms and small farms.

⁷ ECLAC-FAO. 2019. *COVID-19 Report: Preventing the COVID-19 crisis from becoming a food crisis: Urgent measures against hunger in Latin America and the Caribbean*.

To safeguard food security and ensure access to food by the most vulnerable households, FAO will promote interventions that combine cash transfers with productive assets, inputs and/or technical training and extension services to enhance the livelihoods and productive capacities of poor and vulnerable households, while enabling them to meet their immediate needs. These combined interventions can have powerful impact, including improving households' agricultural production, income generation, asset ownership, economic empowerment, as well as dietary diversity and food security. Key actions will include increased access to liquidity, credit and finance for groups at risk.

From the **transformative economic recovery** approach, agriculture and food production-based livelihoods will be enhanced through innovative approaches for food processing, storage, supply, distribution and marketing, with focus in products from family farming and small-scale fisheries. This will include support in the design of sectorial policies in public and private purchases for social and productive programs and enhanced connections from farmers to markets and consumers, taking a territorial approach based on rural-urban linkages. Efforts will focus on granting rural areas, small producers, and artisanal fisheries more access to new climate-adapted technologies and sustainable practices, which can deliver economic multipliers and positive climate impact (eg. natural capital investment for ecosystem resilience and regeneration, restoration of carbon-rich habitats).

FAO will continue working on **strengthening governance capacities, especially with local institutions** in priority countries for the management of multiple hazards and systemic risks, as well as complex emergencies affecting and threatening the entire food system. It includes the support of the multi-risk Early Warning Early Action systems to inform anticipatory actions to protect livelihoods and food security.

Expected results

- 1 Vulnerable populations with agriculture- and food-based livelihoods recover from the effects of COVID-19 and are more resilient to future crisis and the impacts of multiple hazards.
- 2 Smallholders, micro and small enterprises have improved access to local markets and consumers, as well as access to finance and processing capacity, leading to livelihood diversification opportunities.
- 3 Governments at all levels strengthen institutional capacities for multi-risk governance and multi-risk monitoring to drive informed early warning and anticipatory actions.



Partnerships

National emergency management organisations/institutions; Ministries of Agriculture, Health and Environment; National Meteorology and Hydrology Services; National Disaster Management Agencies; National Social Protection Systems/Ministries of Welfare and Social Development; United Nations (UN) agencies (International Fund for Agricultural Development, World Food Programme, United Nations Development Programme, Pan American Health Organization); private sector; regional bodies such as CDEMA, Caribbean Community (CARICOM), CIMH, CAC, CAS, SICA and IICA; international financial institutions such as the IDB, CDB and World Bank.

Programme links

The programme is closely aligned with national priorities, plans and investments of priority countries, as well as with FAO's Regional Initiative on Sustainable and Resilient Agriculture and other sub-regional programmes such as the Resilient Environment and Agricultural Caribbean Habitats project and the Mesoamerica without Hunger initiative. It connects with FAO's components of the Global Humanitarian Response Plan for COVID-19 and FAO's COVID-19 Response and Early Warning Early Action programmes in Latin America and the Caribbean. It is also in line with the CARICOM COVID-19 Agri-Food Risk Management Framework. It will contribute to feed and enhance national socio-economic response and recovery plans and strategies from the UN system, regional bodies and national governments.

Country focus

Central America: El Salvador, Guatemala, Honduras, Nicaragua.

Caribbean SIDS.

Andean countries: Plurinational State of Bolivia, Ecuador and Peru.

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