



BACKGROUND/NOTE

As a response to the spread of the novel coronavirus (COVID-19) around the world, the Government of Nepal (GoN) ordered a national lockdown from the 24th of March, urging people to stay at home and closing schools while restricting the operation of businesses and markets. The lockdown has since been extended through May 7th.

While the restrictions on movement and activity in Nepal may be exacerbating food security issues across the country, they are steps designed to slow the spread of COVID-19, and to mitigate potentially devastating economic and social effects in Nepal, and reflect measures taken by most countries.

MACRO-SITUATION

Maize sowing is in progress, though there are reports of Fall Army Worn infestation in newly germinated maize crop in Khotang, Okhaldhunga, Udayapur and Dhankuta. Wheat harvesting is completed in about 80-90% of areas, especially in Terai and mid-hills. Localized hailstorms and strong wind have affected winter crops, vegetables and fruits in some parts of Provinces-1, 2, Bagmati, Gandaki, Karnali and Sudurpaschim.

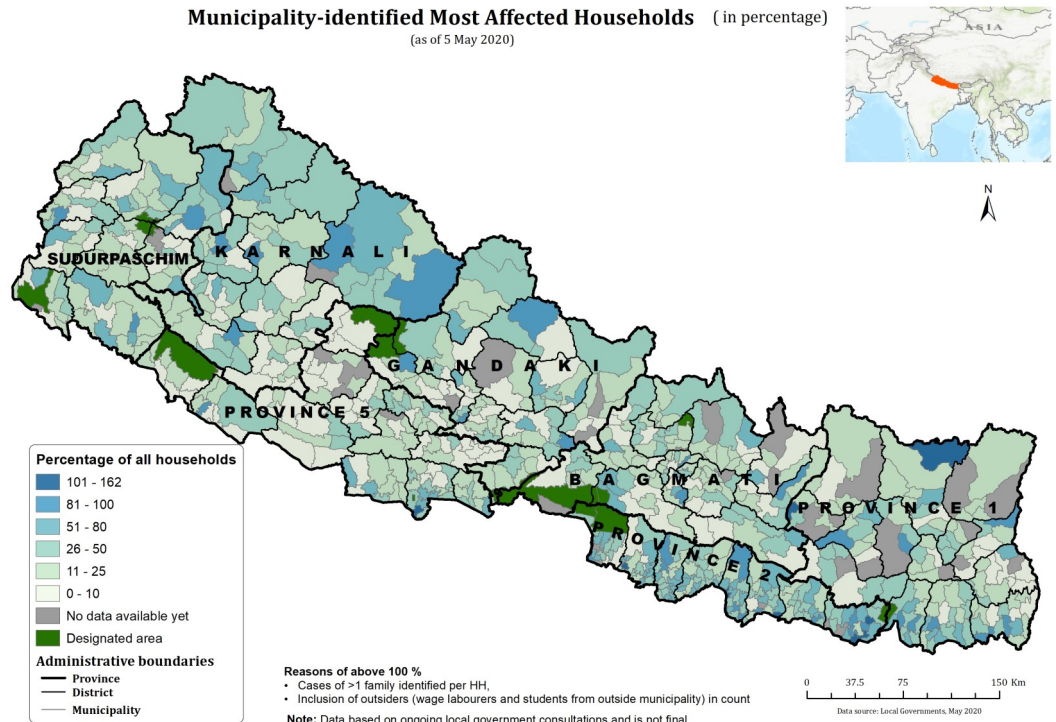
The Food Management and Trading Company (FMTC) has [19,686 Mt of rice](#) in stock as of 24 April, and has called for bids for [the further supply of 10,000 Mt of rice](#). Private sector traders have 102,570 Mt rice and 20 large scale Rice Industries have 61,054 mt of paddy in their stock. A total of [82,101 Mt of food goods](#) were imported since the lockdown as of April 22nd.

The FMTC is planning to open fair price shops in some food insecure districts to provide essential food items to the poor and vulnerable people due to COVID. This will help to stabilize prices of essential food commodities and also help to provide foods to poor and food insecure people in low and fair prices than markets

INDUSTRY/MANUFACTURING

A [vast majority](#) of industries are closed in the country, apart from factories manufacturing essential commodities, which in many instances are themselves operating under capacity according to one 19 April report.

Extended until May 7th, the lockdown is having an effect on business across the country. The Federation of Nepalese Chambers of Com-



merce and Industries has proposed to the Ministry of Industry, Commerce and Supplies to resume business operations in different zones considering the level of impact of the COVID-19 crisis on businesses. Firms have begun to resume operations in certain parts of the country, though decreased demand continues to affect firm production choices: out of 73 industries in Pokhara Industrial Estate, 27 are in operation, at an estimated 8 to 50 percent of capacity, citing [lowered demand and difficulties in production and distribution](#) as barriers.

It is estimated that the tourism industry has incurred losses of around [NPR 160 billion](#) from business closure. The government plans on [supporting the tourism industry](#), at least in part by mobilizing tourism industry workers to clean hiking trails and by encouraging civil servants' patronage of tourism services.

MARKETS

Prices of the basic food commodities monitored in 15 major markets across the country increased marginally compared to the first week of March and April 2020. A notable rise was however recorded for vegetable and fruit prices in some hilly districts across the country (from the [NeKSAP Market Survey Update 2](#)).

Due to the COVID-19 crisis, demand for commodities in markets across Nepal is low and declining, as reported by a majority of interviewed traders. Food availability in markets was considered to be insuffi-

cient by 53 percent of traders. Similarly, 48 percent of traders in the assessed districts found the availability of non-food commodities to be inadequate. In line with the reduction in supply and transportation, more than half of traders have stated that demand for labour was low. (NeKSAP Markey Survey Update 2).

The Government of Nepal has taken measures to facilitate the transportation of goods from farmers to markets in several provinces. Anecdotal evidence from the last week of April suggests that vegetable prices in some provinces stabilized, likely due to the Government measures and the ongoing harvest. Continued efforts toward ensuring distribution systems are functioning properly under the COVID-19 measures are recommended to safeguard adequate availability of food and essential commodities in markets. Likewise, assistance to farmers with the sale and transportation of their produce to markets is recommended to facilitate supply of goods and protect these vulnerable livelihoods.

BY-PROVINCE UPDATES

In consultation with respective Palikas, WFP field staff have been tracking the ongoing identification of 'most affected households' and distribution of relief package. The map shown indicates the progress of this exercise as of 5 May.

'Most affected households' based on Mo-

Nepal COVID-19 Food Security & Vulnerability Update 3



FAGA criteria are: wage labours working in informal sectors, like in construction work, agriculture, transport services, porters in tourism and other sector, garment industry, small trader, baby caretaker and deprived people with no caretakers (old age, disabled, pregnant, orphan, and people taking refuge in old age homes, monastery, church, temple, etc). Palikas have adapted the criteria in their local contexts.

The distribution of relief package is not always consistent. Province-1 has provided relief package sufficient to last for approximately 7-15 days; Province-2 for 7-10 days; Bagmati Province for 10-12 days; Gandaki Province for 8-12 days; Province-5 for 8-10 days; Karnali and Sudurpaschim Provinces for 10-15 days.

Limited vegetable items are available in the markets, prices have increased by 30-60% on average in all mid-hill districts since the lockdown. Birendranagar Palika in Surket district restricted the movement of fruit, vegetable and dairy products from even the Palikas of Surkhet district from 8 April, which could result in a shortage of these items in the market.

PROVINCE-1

113 out of 137 Palikas have identified 327,736 'most affected' households; about 90% of them have received a relief package for 7-15 days: 15-25 kg of rice, 1-2 kg of lentil, 1-2 litre of oil, 1kg of salt, and 2 pcs of soap cake. The Provincial government has decided to avail a relief fund to

the local governments ranging from NPR 0.5—2.0 million to support the provision of relief packages to the most affected households.

The price of cereal food has increased by 5-10% compared to the pre-lockdown period. Vegetable prices are decreasing, approaching a rate closer to normal. However there are still instances of farmers being unable to supply their products to market including: loads of vegetables reported left in the fields in Sunsari, Morang, Dhankuta and Ilam districts. Wheat harvesting is almost complete, with normal production expected this year. Maize is sown in about 70-75% of areas. Reports of Fall Army Worm infestation in maize crop in Khotang, Udayapur, Okhaldhunga and Dhankuta districts according to respective Agriculture Knowledge Centres (AKC).

PROVINCE-2

131 out of 136 Palikas in the province have identified 568,574 households as the 'most affected'; about 80% of them have received relief package for 7-10 days: rice-15 to 25 kg, lentils-1 to 3 kg, potato: 2 to 4 kg, oil-1 to 2 litres, salt-1 to 2 kg, soap cake-2-4 pcs. The Provincial government has allocated NPR 160 million for a second-phase relief distribution to the most affected households identified by Palikas earlier. The District Office of Cottage and Small Industries is assigned to procure the contents of relief packages and distribute to the identified

households.

Hailstorm and strong winds on the 17th of April caused losses of, on average, vegetables (~55%), fruits (33%), maize (30%), and wheat (30%) in Sarlahi, Rautahat, Bara and Parsa districts (AKC data).

BAGMATI PROVINCE

114 out of 119 Palikas have identified 369,500 households as the most affected, about 85% of which have received some form of relief package for 10-12 days: rice-4 kg/pers, pulse-1 kg/3 pers, 2 kg/4 pers, 3 kg/7 pers and above, oil-0.5 liter/3 pers, and salt-1 kg/family, soap cake -1 pc/family.

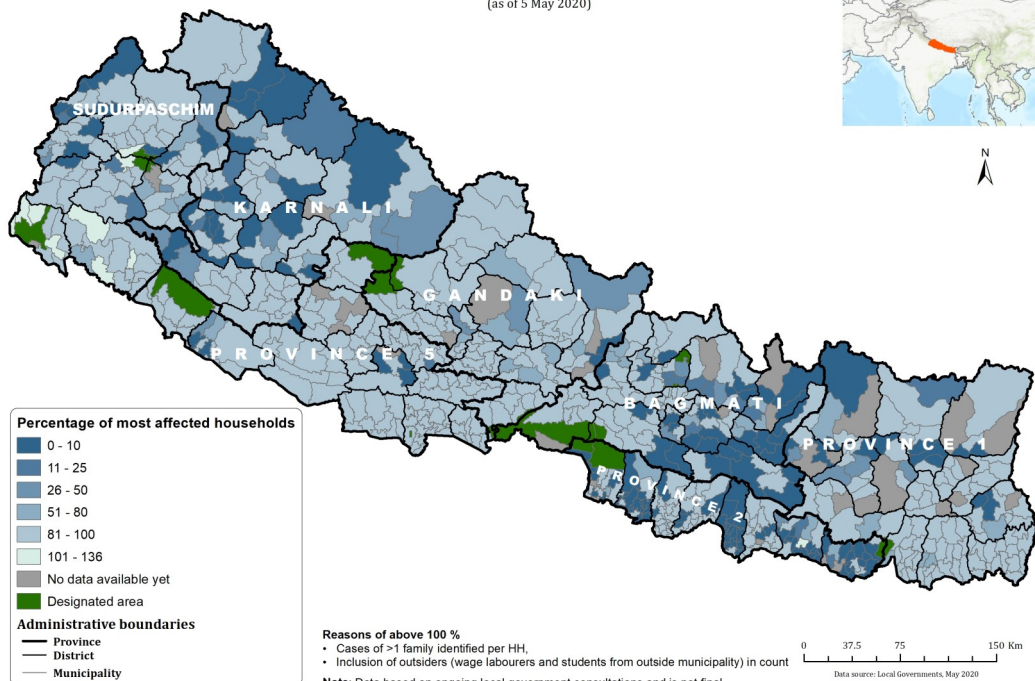
The farm gate price of poultry has come down to NPR 125-140/kg from lockdown highs of 190-220/kg. Market consumption of poultry, meanwhile, has decreased by more than 73% and 68% in Chitwan and Makwanpur districts respectively compared to the pre-lockdown period (according to the Poultry Association). The Provincial Ministry of Land Management, Agriculture and Cooperatives (MoLMAC) has established the Agri-Product Marriage Bureau (AMB) in order to facilitate linkages between farmers and traders. In addition, three-wheelers in Hetauda are collecting vegetables from the farmers and selling them on their own; some 50-60 drivers are earning around NPR 3,000-4,000/day through these activities. Some district administrations, like Chitwan and Makwanpur are preparing to resume essential businesses, industries, construction works and monsoon preparedness activities following COVID preventative measures.

GANDAKI PROVINCE

83 out of 85 Palikas have identified 111,475 'most affected' households; about 95% of them have received a relief package for 8-12 days.

Palikas of Tanahu district have banned the import of vegetables and fruit from outside reportedly in a bid to both support local producers from outside competition and slow the possible spread of the virus. Some 52 farmers of Madhyabindu Palika, Nawalpur district had been earning around NPR 25 million collectively from the sale of tomatoes in a season; however, the farm gate price of tomatoes has declined by more than 65% during the lockdown; even so, they are

Municipality Assisted Households (in percentage)
(as of 5 May 2020)





reporting difficulties in selling their product. Wheat harvesting is completed in 80% of areas, though hailstorms (14-21 April) have damaged winter crops by an estimated NPR 43.42 million in 13 Palikas of Baglung and Parbat districts. (AKC)

PROVINCE-5

106 out of 109 Palikas have identified 183,969 households as 'most affected'; more than 90% of them have received relief support for 8-10 days: 5-40 kg of rice, 0.5 to 2 kg of lentil, 0.5 to 1.5 ltr of oil, 1 kg of salt, 1-2 kg of sugar, 1-2 pcs of soap cakes.

MoLMAC has managed some 44 'Agriculture Ambulances' to support farmers in supplying agriculture products to markets. Some Palikas (Kapilvastu and Palpa) have already made use of this service. Wheat harvesting and maize sowing is completed in 80-90% and 50-70% of areas respectively. Local clubs in Butwal Sub-metropolitan-1 have been supporting wage labourers from outside the area by providing food to some 1,300 of them and arranging transportation for them to return to their homes.

KARNALI PROVINCE

77 out of 79 Palikas identified 93,096 'most affected' households; about 70% have received relief packages for 10-15 days: 20 to 30 kg of rice, 1 to 2 kg of lentil, 1 kg of salt, 1 to 2 ltr of oil, and 1-2 kg of sugar. Barekot Palika, Jajarkot and Tribeni Palika, Rukum-west distributed locally produced maize instead of rice. Poor households in Humla, Dolpa and Mugu districts are depending on FMTC-provided rice due to the short supply of food to the local markets. The FMTC in Surkhet has a reported stock of 820 Mt of rice (as of 05 May). There is shortage of salt in most Palikas in Humla district, and Sarkegad Palika distributed 4 kg salt to all households in the Palika.

Dolpa district's District Disaster Management Committee decided not to allow *Yarchagumba* collection this year given the COVID-related situation. As *Yarchagumba* collection is an important source of income to many households, this is anticipated to affect households' food security in Dolpa, Rukum-West, Jajarkot and Jumla districts.

The provincial government is facilitating the supply of agricultural products and ensuring the functioning of markets, as well as making key inputs (seeds, fertilizers and tools) available to farmers for agri-

cultural activities. The MoLMAC is operating an emergency transportation service to help farmers bring their products to the markets. The price of local tomatoes increased by 100-120% after the province imposed restrictions on outside imports on the 22nd of April. There was also a shortage of fruits and vegetables in the markets reported across all districts.

SUDURPASCHIM PROVINCE

All 88 Palikas have completed the household identification process and recorded 127,348 households as 'most affected'; more than 90% of them have received relief assistance for 10-15 days: 10 to 30 kg of rice, 2 to 3 kg of pulse, 1 to 2 ltr of oil, 1 to 2 kg of salt, 1-2 pcs of soap cakes. The provincial government has transferred fund amounting to NPR 1-2 million to each Palika. Local governments are reviewing the list of most affected households and preparing to procure food for relief packages.

Wheat harvesting is completed in Kailali and Kanchanpur districts. The provincial government is coordinating with farmers and traders to facilitate agribusiness activities, including within markets and related to the supply of food. The MoLMAC is taking steps to ensure the supply of seeds and fertilizer to farmers in need by mobilizing AKCs. In Kailali district, some 40 commercial banana farmers estimate to have lost approx. NPR 30 million during the one-month period of the lockdown. Similar losses due to market access issues have been reported in poultry and vegetable farms.

ABOUT AND CONTACT

This series of food security and vulnerability update reports has been prepared by the Nepal Food Security Monitoring System to track Nepal's food security situation as the novel coronavirus, COVID-19 and its secondary economic impacts become felt in Nepal.

The Ministry of Agriculture and Livestock Development (MoALD) is coordinating with governments at all spheres and development partners and facilitating the process to continue agriculture activities during the lockdown period. The MoALD is also working on 2020/21 budget and plan, focusing on responding to the impact of COVID-19 on food security, agriculture and livestock.

Globally, WFP is working to monitor how food insecure and vulnerable populations and the world's poorest may be affected by the virus, ancillary stoppages in economic activity and trade, and a downturn in the world economy.

WFP Nepal's Evidence, Policy and Innovation Unit works to support national food security monitoring systems and track food insecurity across the country, through household surveys, market monitoring and close consultation with the government and other partners country-wide.

Ram Krishna Regmi, MoALD Senior Statistician

rkregmi@yahoo.com

Pushpa Shrestha, WFP VAM Officer

pushpa.shrestha@wfp.org

+977 9851-000562

Sridhar Thapa, WFP VAM Officer

sridhar.thapa@wfp.org

+977 9841-940948

Moctar Aboubacar, WFP Head of Evidence, Policy and Innovation

moctar.aboubacar@wfp.org



World Food Programme



नेपाल खाद्य सुरक्षा अनुगमन प्रणाली
Nepal Khadhyo Suraksha Anugaman Pranali (NeKSAP)
Nepal Food Security Monitoring System