

Voluntary Report – Voluntary - Public Distribution

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Report Name: Covid-19 Impact on agricultural sector in Haiti

Country: Haiti

Post: Port-au-Prince

Report Category: Agricultural Situation

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Report Highlights:

The Haitian agricultural sector continues to operate albeit with some constraints during the Covid-19 pandemic. As a result, the Haitian government has initiated several support measures to alleviate agriculture related issues for both agricultural businesses and for consumers. In addition, the government has taken several quarantine measures against the spread of Covid-19, including the restriction of small group gatherings to five people, which is expected to have an impact on agricultural production and transportation.

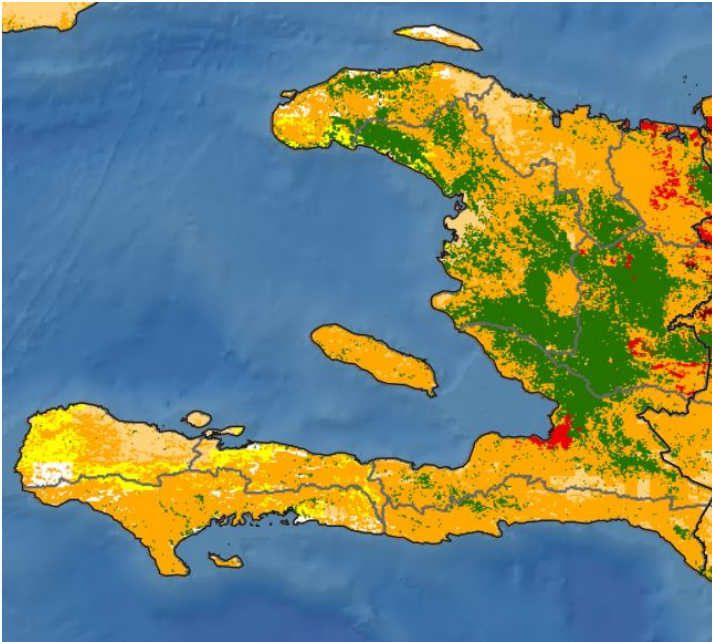
COVID-19 Outbreak Update

The pandemic of Covid-19 has been progressing in Haiti since March 19, 2020. As of May 28, there are 1,443 confirmed cases of Covid-19 and 35 deaths, with the department of West being the most affected. The pandemic is expected to impact the agricultural sector and the distribution of food.

The Government of Haiti (GoH) has extended the current state of emergency for two months, until July 19, 2020, and continues to reinforce the quarantine measures implemented to date. For instance, wearing a mask in public places is mandatory for all citizens, including employees in their workplaces. The government has ordered local authorities to punish anyone who violates this provision. All schools, universities, religious temples, international airports, and borders remain closed. Only goods are authorized to circulate across the borders. Additionally, the GoH has restricted assembly to five people both indoors and outdoors. This last measure may have an impact on agricultural activities as groups of workers, called eskwad, in rural areas generally exceed this number. This measure has also raised questions in the general population because they consider the number of people allowed to gather is too small to run major activities.

Agricultural Situation Overview

In addition to constraints from the pandemic, the agricultural sector is experiencing a severe drought around the country. Satellite images taken on April 30 highlighted some areas in the departments of North-East, Center, and West are extremely affected by the drought. No departments received rains in January and February according to data collected from USDA/GADAS. In March, some departments received limited rain, but below normal precipitation levels. For instance, the department of Artibonite received 13.31 mm of precipitation instead of the normal level of 47.38 mm. This situation may affect the availability of locally-produced food on the domestic marketplace. In addition, the Governor of the Haiti Central Bank has confirmed that Haiti is facing a lack of availability of the U.S. dollar on the market. This situation is expected to impact the exchange rate and could lead to a decrease in food imports. During the timeframe of the Covid-19 outbreak, from March 19 to May 15, the exchange rate increased from 97.73 Gourdes to 106.11 gourdes per US\$1.



Picture 1.- Map of the drought in Haiti (Source: USDA/GADAS)

The World Bank announced in the 10th edition of the International Finance Summit in April 2020 that it is planning to extend its financial support to Haiti to US\$400 million. This support will be split into three phases. In the first phase, US\$40 million will help the GoH with the response to the Covid-19 outbreak and support Haiti's budget for fiscal year 2020/21 (September/October). In the second phase, US\$117 million will fund projects to increase market access and resilience in rural areas, and increase the connectivity of regional air transport. In phase three, US\$210 million will finance a digital acceleration program (US\$60 million), a support program for small businesses (US\$75 million), and a cash transfer social protection project (US\$75 million). Additionally, US\$37 million will be redirected to projects to alleviate the impact of Covid-19 on the Haitian economy. From this last funding, US\$9.2 million will finance Haitian agricultural projects, including distribution of agricultural inputs to farmers.

The GoH signed an agreement on April 23 with USAID on a donation of \$75.5 million. This donation will support activities in several areas, including agriculture. (Details are pending.) Additionally, one company in the North-east has received post-harvest equipment from a previous donation from USAID to set up a rice milling unit, which is now operational.

The Minister of Agriculture Natural Resources and Rural Development (MARNDR) visited the Dam of Marion construction project in the department of North-East on May 9 to evaluate progress of the project. The dam is expected to store 10 million gallons of water, which will be used for irrigating agricultural land and providing electricity to the households around the dam. The inauguration of the dam was initially scheduled for March 2020; however, the Covid-19 outbreak and political turmoil have had an impact on the progress of this project. The newly scheduled date for the inauguration is set for March 2021.

MARNDR signed an agreement with seven agricultural input suppliers in the South Department for 49.2 million Gourdes (approximately US\$470,000) on May 15, 2020. Based on the terms of this agreement, seed suppliers in the South department will sell 78 tons of corn seeds, 17 tons of lima bean seeds, three tons of cowpea seeds, and five million plant cuttings of sweet potato to the GoH, which will distribute them to the farmers of the South department. While this program is not completely new, the implementation of where the seeds are purchased has changed this year due to the pandemic. This project will be co-funded by the GoH and the World Bank.

Additionally, the GoH is working on the budget for fiscal year 2020/21. MARNDR's budget is expected to reach 3 billion Gourdes (approximately US\$28 million), including budget support from the Inter-American Development Bank (1.1 billion Gourdes), World Bank (600 million Gourdes), European Union (936 million Gourdes), and International Funds for Agricultural Development (530 million Gourdes). In addition, the Government of Taiwan is donating 65 rototillers and 559 tons of rice seed.

MARNDR is working with the United Nations Food and Agriculture Organization (FAO) to alleviate the impact of Covid-19 on the agricultural sector. Haiti's Minister of Agriculture and the FAO representative in Haiti signed three agreements on May 20. Those agreements include financial support to fight the African swine fever in Latin America and the Caribbean; emergency support for areas affected by the drought and the socioeconomic crisis in the department of Nippes; and a contribution to improve food security in Belle-anse in the department of South-east.

In addition to the plowing of lands in the North, North-east, and South, the President of Haiti has requested that all farmers create farming groups of 645 hectares in order to receive government-funded solar-powered water pumps.

Market Conditions

The distribution of food is still operating under complicated circumstances. The GoH is running a food assistance program for vulnerable people and providing financial support to 1.5 million households. Each household will receive a one-time payment of 3,000 gourdes (US\$29.41). Retailers are still operating under the curfew imposed by the GoH from 8:00 PM to 5:00 AM. In order to comply with the curfew, the retailers open at 9:00 AM and close at 6:00 PM on weekdays and 7:00 PM on Saturdays. Merchants from Petion-ville open-air markets protested, because they are only permitted to operate three days per week; however, the Mayor informed everyone that this measure will be maintained. This restriction on market days has not had a significant impact on food distribution, as low-income people have other options to access food during the days when the markets are closed, such as small-scale neighborhood stores that do not abide by the government restrictions.

Prices of some local products - including La crete white rice, TCS-10 white rice, and TCS-10 yellow rice – have been decreasing. This is due to the winter harvest and the implementation of governmental food assistance programs. However, prices of other local products – including sorghum, black beans, and corn meal - have been increasing, as supplies are low. This is due to an overall decrease in local production of those products. For example, sorghum production has not yet fully recovered from the outbreak of sugarcane aphid in late 2015.

Table 1. Price survey in the open-air market Salomon in Port-au-prince

Products	Origin	Price per kilo in Gourde		Variation in percentage
		March 19	May 11	
Corn meal	Local	74	92.5	25.0
Corn meal	Import	97	92.5	-4.6
Shella Rice	Local	204	204	0.0
Shelda Rice	Local	204	204	0.0
Shelda Yellow Rice	Local	204	204	0.0
La crete white Rice	Local	176	166.67	-5.3
TCS-10 white Rice	Local	157	148.15	-5.6
TCS-10 Yellow rice	Local	157	148.15	-5.6
Rice	Import	76	82	7.9
Sorghum	Local	130	148	13.8
Black bean	Local	185	222.22	20.1
Pinto bean	Import	185	222.22	20.1

Built by Post with data from MARNDR/USAI

Attachments:

No Attachments.