



RECOVERY & ROAD AHEAD POST COVID19 AND AGRICULTURE IN SOUTH ASIA

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INTRODUCTION

The COVID-19 pandemic upended food systems across the world - supply chains were disrupted; farming was halted and; agricultural markets shut down as the disease took its course. In South Asia, massive lockdowns and the arbitrary enforcement of movement restrictions made a significant impact on employment, financial stability and food security of several million people. The severity and nature of the impact of the pandemic on food systems and the agrarian landscape has been captured in an earlier report titled 'Complete Disruption: COVID-19 and agriculture in South Asia.'

The road to recovery has been complex. Healthcare systems are still grappling with the initial shock to the system. The loss of employment, reduced income and associated risks and uncertainties continue to play a significant role for a large part of the population. According to the Hunger Watch - II report by the Right to Food Campaign (2022), sixty-six percentage of survey respondents reported a reduction in income compared to the pre-pandemic period, two years into the pandemic¹. This brief is an attempt to revisit and reassess some of the issues raised in the earlier report to better understand the situation in the region, more than two years after the pandemic.

In May 2022, thousands of Sri Lankan protestors stormed president Gotabaya Rajapaksa's residence following the country's worst economic crisis since independence. Consumer inflation had reached approximately 70.2% and severe food shortages hit even middle and higher income households to the extent that government workers were encouraged to do farm work. Sri Lanka was only one of several other South Asian countries to experience a difficult post-pandemic period. Pakistan suffered the effects of devastating floods; Nepal and India experienced major setbacks in hunger and food security and; Bangladesh contends with the challenges of climate change and a reduced share of agriculture in the GDP. The ongoing war between Russia and Ukraine has added another dimension of complexity to the situation. Russia and Ukraine together account for 25.4% of the world's wheat exports and the former is also the largest exporter of nitrogen fertilisers. The Food and Agricultural Organisation (FAO) earlier reported that the war is mostly responsible for the 17.1% rise in the prices of wheat, corn and other grains in the past year. Given the high dependence on commodities and energy imports - South Asian countries, especially smaller countries such as Nepal and Sri Lanka face continued food insecurity and disruptions in agriculture.

A looming recession and consumer inflation in the global north and south will inevitably factor into the livelihoods of producers, farmers and intermediaries in globalised agriculture markets. As countries still grapple with the economic impact of the pandemic - such as rising unemployment, reduction in per capita income and slow industrial growth - food and agriculture in South Asia have begun to face the repercussions of extreme climate events such as drought, flooding and rising temperatures. In most of the cases discussed in this paper, we see that the pandemic has exposed weaknesses already present in the system. The shift towards neoliberal solutions in agriculture warrants a critical analysis of its impact on the livelihoods of rural peasants, farm workers and small farmers. Low profitability, indebtedness and malnutrition plague the producers, who are often left out of the plans for any agrarian development. The crowding out of small producers through the corporatization of agriculture drives a wedge into any efforts to achieve food sovereignty and justice.

Climate smart agriculture and adaptation are often brought up in reports by multilateral institutions, policy documents and recommendations. The latest climate COP27 negotiations recognized that developing countries are at a disproportionate disadvantage and set aside a separate fund for 'loss and damage' to combat climate vulnerability. However, despite lack of clarity on the quantum and operationalisation of the fund, this was the singular success for the South Asia region - India's negotiation for more equitable terms for reaching climate targets were sidelined and richer nations have failed to deliver on their promise of financial support for climate adaptation. As the region bears the brunt of intense climate vulnerability, restarting regional cooperation is the way forward.



PAKISTAN

COVID-19 had an immediate impact on the agricultural producers of Pakistan due to movement restrictions and the lockdown. Harvesting of Rabi crops and the sowing of important Kharif crops such as wheat and sugarcane was interrupted. The scarcity of inputs such as seeds, fertilisers and pesticides made an impact on both large and small farmers. In terms of marketing, the arbitrary closure of agricultural markets made it difficult for farmers to sell their produce. A broken subsidy system has neglected marginalised farmers and farm workers, with intermediaries and large farmers sharing the bulk of the benefits of public procurement. In late 2020, Pakistan also saw a deadly locust attack where cotton and food crops were ravaged in a span of hours. Capricious weather, such as unseasonal rain and hail resulted in delayed harvest and yield loss. Disruption in food trade, reduced contribution of agriculture to GDP and the consequent decrease in demand had a negative spillover effect in food processing industries and food services.



The pandemic in many ways, highlighted the various issues already plaguing Pakistan's agrarian landscape. Now, the question remains as to whether agriculture in Pakistan is on the path to recovery and in particular, has it included those at the margins. In the following sections, we look at major tendencies in Pakistani food and agriculture in the post-pandemic period including the recovery plan, climate risks and the way forward.

RECOVERY & CLIMATE RISK

One of the major sources of distress in farm households is the loss of income and wages. According to an Asian Development Bank study, 1/3rd of the households in the Punjab province, which produces 57 percent of Pakistan's agricultural output, experienced continued wage and income loss in 2021. In some provinces, such as Sindh - the number of households which experienced wage loss decreased but more than 55 percent of survey respondents reported an increase in the cost of farm inputs such as the cost of seed and hiring machinery between 2020-2021.

A major non-food crop that was redeemed during the last leg of the pandemic was cotton. The supply chain disruptions in the textile industry combined with lockdowns and mobility restrictions made import of cotton unfeasible. A steep rise in international cotton prices (nearly 30 percent between July 2021 and February 2022) and shipping delays made import a non-viable option for Pakistan's textile resurgence. Pakistan's recovering textile industry began to search for local options to source cotton. As a consequence, there was greater uptake in cotton farming. Despite a slight decline in acreage, quality cotton seeds and farming practices led to an increase in cotton yield - from 15.68 maunds (unit of weight roughly equivalent to 37 kg) in 2020 to 19.62 maunds per acre in Punjab in 2021 and 30 maunds per acre in Sindh in 2021.

A multi-faceted climate crisis however, continues to haunt plans to increase acreage. In April 2022, receding river flows and water shortages threatened to shorten the Kharif sowing window. In the case of some crops such as wheat, production decreased by 2 percent in the 2021-2022 period, compared to the 2020-2021 period. Despite growth within the sector, agriculture's contribution to GDP has also declined by 1 percent in the last year with a decline in area covered by crop and subsequently, output of major crops such as wheat and cotton.

Drought and severe groundwater shortage was followed by torrential rain and calamitous floods in August 2022 with Sindh and Balochistan receiving over 500 percent more rain than a 30 year average. The reported death toll was 1700 with more than 12,000 injured with an economic damage of approximately USD 30 billion. The total loss to Pakistani agriculture was estimated around USD 3.5 billion with farmers reporting over 70% loss in crops such as cotton, sugarcane, rice and dates. As of October much of the land in Sindh and Balochistan remained under water making it impossible to begin sowing for the next harvest. Granaries carrying seeds have been destroyed, water logging has left people homeless and vulnerable to other public health risks. Although international relief came in for the floods, the government conceded that the issue was so vast that adequate support has not reached the most vulnerable people affected by the flood.

Extreme weather events have a significant impact on food security. Inflation in Pakistan reached an all time high of 36.24 percent in October 2022. According to the latest Global Hunger Index, Pakistan scored a 26.1 with a 'serious' hunger rating. Food insecurity affects women and children disproportionately in Pakistan with a persistent gender gap in both labour participation, control over income and distribution of food within a household during times of crisis.



Although the government has provided temporary relief measures to combat these issues - such as the kissan package to rejuvenate agricultural production, there are several questions about the budgeting and funding for such schemes. Pakistan's fiscal and monetary policy, like other developing countries in South Asia, is subject to the strict conditions of the International Monetary Fund (IMF) lending programmes. With the floods causing damage of close to 30 billion USD, Pakistan is facing a grave economic crisis with low foreign reserves and a weakened rupee. The constant cycle of loan payments and indebtedness through the Structural Adjustment Programs of the IMF has left the common people at a complete disadvantage - with rising inflation, higher taxes and reduced public expenditure.

It is obvious that the way forward for Pakistan is to incorporate adaptive agriculture that is cognizant of the climate vulnerability of farmers. However, a larger structural change is required to protect food and agriculture of Pakistan from market shocks:

- 1. Prioritise Climate Change in Food and Agricultural Policy:** Today, Pakistan faces the highest loss of agricultural productivity in the South Asia region due to climate change. Rising temperatures have shown to have a significant impact on rice, wheat and cotton production and policy needs to take into account adaptive and strategic agricultural plans for increasing crop yield. This includes crop diversification; increasing the number of tolerant crops and; seed and water management technology.
- 2. Expand Social Protection and Welfare:** Pakistan's spending on social protection in areas such as education, health and social assistance falls well below the regional average at 2.8, 0.7 and 0.6 percent of the GDP. The vicious cycle of economic crisis, lending and tight fiscal policies has to come to an end and structural changes need to reflect the imminent need for expanded social assistance.
- 3. Recognize and protect the rights of peasant farmers:** Any robust food and agricultural policy is obligated to take into account the rights of peasants farmers and indigenous peoples. This includes regional cooperation, capacity building, regulation of corporations and providing information on the global market to avoid food price volatility.



SRI LANKA

The real-time collapse of the Sri Lankan economy in early 2022 was accompanied by numerous headlines and analyses about the failures of organic farming. A lack of sufficient food supply which affected consumption in both rich and poor households across the country put the spotlight on the country's agrarian practices. While it may be tempting to blame the entirety of Sri Lanka's economic fallout on the failures of organic farming - the crisis is multifaceted and points to the dangers of short sighted, neoliberal policymaking and militarised development.

During the COVID-19 pandemic, Sri Lanka saw one of the most strict and arbitrary enforcement of lockdowns in the region with multiple reports on the security forces arresting civilians for flouting quarantine curfews. In some regions, people were able to access grocery stores only once a week. Movement restrictions affected agricultural input such as fertilisers and seeds to the extent that black markets emerged for agricultural inputs. The lack of proper planning and diversification in Sri Lanka's output has spelled disaster for the agrarian sector which, while contributing only 7% to the GDP, continues to employ 23% of the population. Tea export pulls the majority of weight in



Sri Lankan exports and as demand fell from countries - the push for monoculture made little sense as the island nation did not make any strategic plans to diversify manufacturing, production and other economic activities. Onlookers claimed that if the pandemic was an unprecedented disaster, the current economic and humanitarian crisis is something the Sri Lankan government has brought on itself.

As early as 2021, prices of basic food items such as sugar, rice and lentils saw a surge. At the same time, the government banned the import of various consumer items such as edible oils, spices and vinegar in order to preserve foreign exchange. The government even put in place a few food rationing measures in big retail outlets for essential commodities such as sugar. By early 2022, foreign reserves reached record lows and the country was in the midst of a serious food shortage. The UN and the FAO reported that nearly 6 million people in Sri Lanka were facing severe food insecurity. The situation in the country became so dire, that even local relief measures posed challenges. In some cases, dry rations distributed to people could not be used due to fuel shortages. The indicators for malnourishment, stunting and wasting among children are only bound

to get worse with such acute food shortage. Emergency relief measures by the World Food Programme (WFP) and other international aid are temporary measures for reaching the country's most vulnerable sections but the Sri Lankan crisis is a multi-dimensional issue that needs to be addressed in a strategic manner:

- 1. Building resilience by diversifying agriculture:** crop diversification is considered to be a useful tool to combat extreme weather events such as drought and floods occurring in the same region. There are many advantages to diversification besides making a farmer more risk averse. It improves soil health, improves efficiency of land-use and helps mitigate weed and pests. In the case of Sri Lanka, the colonial legacy of tea plantations has eroded peasant agriculture in the country for decades and the damage continues to have an impact.
- 2. Focus on climate adaptive agriculture without going to extremes:** One of the highlights of the Sri Lankan crisis was the ban on fertilisers, pesticides which led to a dramatic decrease in crop yield. This pushed up the prices of essential food grains such as rice and created an acute shortage of food. Although the Sri Lankan government has now eased laws for import of pesticides and fertilisers - several farmers are finding it difficult to bounce back.
- 3. Demilitarize and focus on land reforms:** State sponsored violence towards Tamils and muslim minorities has displaced several from their lands. Land grabbing in the North and East by the forest department has left several farmers landless. Land disputes have resulted in death threats to farmers and killing of livestock with the agrarian community facing serious violence. The focus now should be on demilitarisation and release of seized land to ensure stable and secure livelihoods.
- 4. Build a grassroots movement that supports small farmers and farm workers:** The crisis has highlighted the importance of including food sovereignty as a fundamental strategy. This includes empowering small farmers and their right to making agroecological decisions for a more resilient and inclusive path to recovery.



NEPAL

During the COVID-19 pandemic, Nepal grappled with similar issues to other South Asian countries. Lockdown delayed sowing and harvest, especially of paddy in the Terai region. Nepal is home to primarily small subsistence farmers who felt the full impact of lockdown measures such as the closure of agriculture markets and reduced wages. The agrarian community in Nepal faces two main challenges - (i) low agricultural productivity due to smaller land holdings and (ii) acute climate sensitivity. Producers of perishable commodities such as fruit and vegetables found it difficult to market their produce and this led to significant wastage and loss of income. Nepal also experienced a migrant crisis. Over 8 million Nepalis live and work in India and loss of work and uncertain border closures forced several back into the country with severe hardships along the way.

As in the case of Sri Lanka, Nepal has been reliant on foreign aid to the point that a slow restructuring of public welfare has become inevitable. The presence of foreign

financial institutions such as the Millenium Challenge Corporation (MCC) has steered neoliberal development initiatives which have done little to address the underlying issues of sustainability and productivity for subsistence farmers. The MCC like other structural adjustment programs mandate a neoliberal reforms such as privatisation and liberalisation for pushing grants for development projects. It has been cited as a threat to the sovereignty of the smaller developing countries involved due to its role in US national security and hegemony.

Before the pandemic, Nepal was doing better in most indicators of the SDGs. It has been estimated that the financial gap to reach the SDGs post the COVID-19 period is 4.96 billion USD. In addition to absolute poverty, other indicators such as malnourishment, wastage and stunting had decreased significantly. The cost of social isolation during the pandemic however was steep for Nepal. As a small country with high reliance on imports for essential commodities - Nepal's experience is a cautionary tale on the need for regional safety nets to be in place for smaller countries to fall back on.

CLIMATE RISK

In Western Nepal, people face an acute food crisis due to extreme weather fluctuations. A persistent drought, lack of fertile land and improper irrigation systems has made it difficult even for subsistence farmers to grow food for themselves. According to one study, only 4% of households in the Bajura district were able to grow food for themselves. Increasing temperatures and lack of water sources, has forced farmers to abandon water intensive crops such as paddy and also stop rearing livestock - an essential source of nutrition such as milk and meat. Average annual precipitation is said to increase by 19.7% in Nepal by the end of the 21st century which is a major cause for concern in terms of soil erosion, flooding and a disruption of sowing and harvest seasons. Rapid urbanisation along with land degradation and unsustainable agricultural practices have an exponential impact in a climate sensitive region such as the Hindu-Kush Himalayas.

Climate risk in agriculture is also heavily gendered. Nepali women, who do most of the farm work, are at a disproportionate disadvantage due to large-scale male migration away from agricultural activities. A study from the Integrated Mountain Development (ICIMOD) finds that in Nepal, women are 6.6 times more likely than men to pick up agricultural work. However, this does not preclude women from being cast in roles involving more drudgery and less leadership.



Informal agricultural trade in the borders are also unregulated by policy, making it difficult to monitor and safeguard the interests of those who are engaged in such trade, especially in terms of importing agricultural inputs. It is important for these policies to be structured especially given the volatile nature of trade during the pandemic. Certain crops such as cereals, are expected to give lesser yield and the subsequent impact it has on livestock farming and farm labour will affect Nepali agriculture in a significant manner.

Although food security improved post pandemic, one of the major continuing effects of COVID-19 was loss of employment and income in households. In October 2021, 33.2 percent of households reported a reduction in income and 5.4 percent job loss - 60 percent more than what was observed in December 2020. In this report by relief web, one can see that the secondary impact of COVID-19 outweighs the primary medical impact of the disease in countries such as Nepal, where medical casualties and illness was only reported by 13.5% of the population as compared to other impacts such as job and income loss.

THE WAY FORWARD

There is a need for regional institutions to strengthen cooperation. The over-reliance on foreign financial institutions, particularly loans to mitigate climate change is a big challenge for Nepal given that there is no return on investment in climate adaptation. The recent World Bank 'climate loan' has come under fire by activists in Nepal for the same reasons. Nepal needs to come together with neighbouring countries to form a regional alliance that especially aims at protecting and combating climate change in the mountains.

1. Strong policies for informal trade between borders :

Nepal and India share porous borders with each other where informal trade is the norm. Farmers trade in seeds,

fertilisers and machinery. Despite existing subsidies from the Nepali government, farmers prefer to bring these in from India where non-subsidized prices are equal or cheaper than the cost in Nepal. While informal trade may reduce the cost of inputs for farmers, there are downsides. Informal trading can jeopardise the farmers by putting them under greater scrutiny. Steps to formalise the existing open border policy between Nepal and India can include setting up mini-customs offices and making documentation process easier.

- 2. Regional Cooperation for Climate Adaptation and Disaster Preparedness:** Regional institutions such as the SAARC need to prioritise an action plan for information and resource sharing for mitigating climate crisis in the region. There has been little dialogue between member countries as part of SAARC proceedings since the 2016 summit. Pollution and glacial melts are transboundary. Given the shared mountains and rivers of the Hindu-Kush region of the Himalayas - Nepal needs to play an active role in charting a course for shared and cost-effective climate adaptation.

- 3. Gender Sensitive Agricultural Policy:** Given the large male out-migrant population, most small-holder farming is done by Nepali women and they remain a very vulnerable group. Although Nepalese governments have made attempts at gender mainstreaming in their policies - such as gender responsive budgeting, women farmers are under-represented in decision making and lack substantive political power. More efforts need to be directed towards translating gender sensitive policy making to the ground realities of women farmers including those belonging to backward castes and religious minorities.





BANGLADESH

In Bangladesh, a significant impact of the pandemic was on fisheries and perishable commodities such as fruits and vegetables. Several indicators such as crop yield, productivity and infrastructure were showing signs of improvement in pre-pandemic Bangladesh, but the impact of COVID-19 on its value chains, farm labour and food security have exposed some of the most persistent problems in the system. Shortage of labour, disruptions in input supply and the coincidence of natural disasters such as cyclones has long term implications for the agriculture sector's recovery in the country.

Bangladesh is perhaps the most vulnerable to climate change in South Asia, with nearly 2.5% of the population said to be displaced due to climate disasters. Large scale internal migration and extreme climate events threaten to shrink agriculture's share in the GDP by a third. Despite some progress on climate adaptation and mitigation of human casualties, the agrarian community in Bangladesh will bear the brunt of rising sea levels and increased temperatures.

Agricultural productivity alone is not an indicator of food security. In most areas, harvest and yield saw a return to pre-pandemic levels; however, the reduction in house-

hold income and purchasing power meant that overall consumption of food was reduced, especially in marginalised farm households. During the pandemic, nutrition was compromised, with people eating only rice or bread without the usual protein such as fish and meat. Food accessibility - despite provisions for a Public Food Distribution System (PFDS) and Vulnerable Group Feeding (VGF) is rife with issues such as corruption and illegal storage of food.

According to the Global Report on Food Crises 2022, Rohingya refugees in Bangladesh's Cox Bazaar faced acute crisis with 84 percent of the surveyed refugees and host communities facing moderate-severe food insecurity. Conflict and economic shocks have created a ripple of issues for Bangladesh, which imports 10.7 percent of its food from Russia and 4.5 percent from Ukraine. High cost of import and decrease in demand for Bangladeshi exports particularly in garments, in western countries is likely to increase unemployment and reduce trade.

ADAPTATION & RESILIENCE

Rising sea levels and flood risk; salinity and; the decline of soil quality are some of the most pressing challenges for food and agriculture in Bangladesh. Although the Bangladeshi government constructed several embankments as part of the Coastal Embankment Project (CEP) in the 1960s, most of these sustain damage from cyclones or have been damaged on purpose for coastal farming such as shrimp farming. Several small farmers face not only crop loss due to flooding but have to go through constant displacement - moving from one village to another to avoid inundation. In other areas of the country, drought and soil with low organic matter and high salinity has affected crop yield to a considerable extent.

Another major concern for Bangladeshi farmers is the garment manufacturing industry. Toxic waste water has damaged the soil and water required for irrigation, with several farmers in the Gazipur district complaining of rotting crops due to the high level of heavy metal, plastic and industrial pollution along the Balu, Dhaleshwari, Buriganga, Shitalakshya river.

Gender disparities such as unequal access to land and high dropout rates of school girls still prevail in the country. While progressive policies abound, their implementation has been weak and the prevalence of patriarchal norms has made it difficult for women with lesser awareness to participate in programs for bridging the gender gap. As in the

case of Nepal and other South Asian countries, decision making, ownership of land and local knowledge about seeds and farming techniques need to be scaled up to build a more inclusive farming ecosystem for women - who are more vulnerable to climate change.

Bangladesh received 4.5 Billion USD from the IMF as part of a relief package to combat rising food and energy prices - especially post the pandemic as a result of the current Russia-Ukraine conflict. One of the conditions of the IMF has been to reduce agricultural subsidies on fertilisers but the Government of Bangladesh has rejected it in a bid to safeguard food production and keep price hikes at bay. The trajectory of the 'economic miracle to IMF bailout' has been a cause of alarm for many but given the otherwise steady performance of Bangladesh's economy - severe austerity measures as in the case of other countries are probably not going to be imposed.

THE WAY FORWARD

Going forward, Bangladesh needs to play its strengths and combat climate vulnerability through adaptation and mitigation:

- 1. Re-strategise coastal embankments:** Bangladesh needs to prioritise flooding and rising sea levels in its environmental policies but take into account the issues with existing embankment projects. Planting mangroves and speeding up afforestation should be part of all efforts to repair all 5000 kms of the embankment. Regulate shrimp aquaculture along the embankments to prevent human damage to the same.
- 2. Adaptation to Salinity:** Physical and institutional adaptations to high salinity can play an important role in reducing crop and ecosystem damage. These measures may include proper monitoring and treatment of waste-water in local freshwater bodies such as rivers, storage of freshwater and embankments that reduce salt-water intrusion.
- 3. Prioritise public expenditure in agriculture:** Although several new legal and policy developments have taken place, Bangladesh needs to develop the infrastructure for proper implementation, monitoring and assessment in order to track implementation. For instance, despite rolling out gender-inclusive agricultural extension services, participation of women in training events reported low figures. Therefore, policy making needs to be better translated into policy implementation.



INDIA

In India, the onset of the pandemic was accompanied by a proposal to make major structural changes to agriculture with the introduction of three controversial farm laws. Countrywide protests and strikes have since ensured the rollback of these laws - which threatened to dismantle the state regulated Agricultural Produce Marketing Committee and increase the hand of corporations in farming. The farm laws were a cause of major concern, not only because of the dire situation of farmers across India during the pandemic but also because of the way in which these were introduced - lack of proper consultation and democratic process.

The Indian agriculture industry grew by 3.4% during the pandemic despite economic fallout in other sectors. However, farmers were hard hit by the shocks in the supply chain. The costs of inputs such as seeds, fertilisers and urea increased due to lack of reserves. Similarly, diesel and the cost of hiring machine equipment increased. As wage



rates increased - large farmers in states such as Punjab and Haryana responded by mechanising sowing and harvesting. Small farmers however, were at a disadvantage as hiring equipment proved costly. Restrictions on mobility also affected farmers who rely on migrant workers for farm labour. In some cases however, as migrants returned to their villages there was an increase in labour supply for farm work which in turn reduced wages.

Indian farmers across states took to a historic protest against the introduction of the three farm laws between September 2020 to December 2021. Among the demands of the farmers were the repeal of the farm laws, guarantee of MSP and income security for farmers. The protests also reinvigorated several debates on the status of agriculture and was a timely reminder of the true prowess of the Indian peasantry.

However, the post-pandemic situation has not been rosy - with multiple events such as the Russia-Ukraine conflict clashing with wheat export aspirations. The government's wheat export policy came at a time when crops had failed due to a heat-wave across major wheat producing states such as Punjab, Haryana and Uttar Pradesh. Low procurement left farmers with little cushion for production losses while traders used the opportunity to make a steady profit in the international market.

As prices skyrocketed and threatened domestic food security, the government banned wheat exports. These capricious export policies combined with an international shortage of wheat, has spiked domestic retail wheat prices by 22 percent in the past year. A similar situation in production and export decisions for rice - of which India is the biggest exporter, has also affected prices. Improper planning and inadequate procurement is going to have an impact especially on the poorest sections of the country who are predominantly grain dependent.

SMALL FARMERS & CLIMATE RISK

No one in India is more vulnerable to climate variation than small peasants and indigenous peoples. Most farmers in India perceive a rise in temperature, variation in rainfall patterns but climate adaptation in farms is incremental. While the largest emissions from the sector come from industrial agriculture, small farmers are disproportionately impacted. Be it drought or rainfall - weather forecasts and predictions may have improved but farmers are ill equipped to turn any such information into climate adaptive decisions.

What is more striking, in the case of small farmers in India and elsewhere, is their non-inclusion in food value chains and the absence of comprehensive food security policies that take into consideration the role of private industrial capital, ICT and other actors in the food system. Despite the rise in agricultural production during the pandemic, there was considerable wastage, lack of access to markets and reduction in income. As labour costs increased with migrant workers unable to travel for harvest seasons - small farmers had to rely on family labour and reduced efficiency and productivity.

In a study on farmer producer organisations by Neti, Govil and Rao report that the majority of the 6,926 FPOs in India are under-capitalised. Given that small farmers contribute to these FPOs from their meagre savings to pool capital and integrate into larger businesses - improper utilisation of funds and low paid-up capital is a serious issue. A more proactive approach to monitoring and policy-making is required to ensure that efforts to integrate small farmers into the value chain are productive.

Significant changes in weather patterns, especially rainfall variability will continue to be the norm across the subcontinent. Although the National Action Plan for Climate Change (NAPCC) makes provisions for adaptation in agriculture through water use management; biodiversity conservation



and the protection of ecosystems - implementation is sluggish and incremental. The onus of sustainable and climate friendly agriculture should not be on the small producer alone, the government should tighten regulation of industrial farming; subsidise and provide drought/ flood resistant inputs for production and; safeguard and improve marketing channels for small farmers.

THE WAY FORWARD

Agriculture is one of the oldest and most prominent economic sectors in the country. Faced with new challenges, there is a need to develop novel techniques and serious effort in terms of policy implementation and as one of the largest economies in South Asia, lead the way in cooperation efforts.

- 1. Include small farmers in the food value chain:** Small farmers in India account for about 86.2% of Indian farmers but their land usage is only about 47.3% of crop area². Most of these farmers rely on the APMC (Agriculture Produce Marketing Committees) and long established trading relationships to market their produce. They are extremely sensitive to market risks such as high transaction costs and low bargaining power. The government must prioritise strengthening the existing infrastructure of marketing channels and increase procurement and fair auctions.
- 2. Food policy must account for changing shifts in the system:** Food security and agricultural policies in India need to account for a range of new actors in the ecosystem. These include FDI retail chains, multinational corporations and ICT based technology startups in the food ecosystem. Given the lack of coherent food security policies (rife with contradictions between pro-corporate stances and welfarist policies), there needs to be a critical evaluation of agri-business arrangements and their regulation in India.
- 3. Increase public expenditure on climate resilient agriculture:** According to a study by R. Ramakumar, the share of public expenditure on agriculture is low compared to the size of the sector. He also states that the expenditure on agriculture as a share of total expenditure is falling. Expenditure on sustainability barring an increase during the 2014-2015 budgetary speech has sunk to just over 500 Crores in absolute spending with only a small amount of net-sown area under alternative farming. In order to make climate adaptation inclusive and accessible - public spending needs to be expanded.

CONCLUDING REMARKS

South Asia is home to several agrarian communities, most of whom are vulnerable to the risks of climate change, poverty and under-nutrition. Although the situation is seemingly 'back to normal', the reality is far from this. The COVID-19 pandemic has disrupted supply chains, cropping patterns and agricultural marketing. Combined with extreme weather events, the trajectory for peasants, small farmers and indigenous people looks grim in the absence of a serious effort by nations in the region to come together and rethink existing food systems.

One of the common threads across South Asian nations such as Bangladesh, Pakistan and Sri Lanka is lending from international financial and multilateral institutions such as the IMF and MCC. Pakistan itself has borrowed from the IMF a total of twenty two times. IMF conditionalities place a focus on austerity, neoliberal economic policies and a straitjacket solution for all its borrowers. In the context of developing countries, this has pushed several economies to experience low economic growth and productivity while incurring greater debt. There needs to be a concerted strategy to develop alternatives for crisis and emergency funding.

Climate change needs to be at the top of the list for the region, with a population of more than 1.9 billion people vulnerable to drought, flood and erratic rainfall and different sources of pollution. Although regional initiatives such as the South Asian Cooperative Environment Programme (SACEP) exist, regional cooperation needs to be revitalised to negotiate for better fund allocation for sustainability initiatives at the COP28 next year.

As countries like Sri Lanka and Pakistan tackle severe economic and environmental crises, the time is ripe for transformative change in terms of climate adaptation. This can begin with a systematic assessment of regional capacity; sharing of information and empowering small farmers in the process. Institutions that highlight vulnerable geographies - such as the Hindu-Kush Mountain ranges, small islands need to be formed in order to facilitate better negotiation, planning and policymaking which takes into consideration their vulnerable position in the context of global climate change.

ENDNOTES

- 1 <https://phmovement.org/wp-content/uploads/2022/09/Feb-23-Hunger-Watch-Press-Hand-outs-1.pdf>
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FOCUS ON THE GLOBAL SOUTH

Focus on the Global South is an Asia-based regional think tank that conducts research and policy analysis on the political economy of trade and development, democracy and people's alternatives. It works in national, regional and international coalitions with people's movements and civil society organisations and has offices in New Delhi, Manila, Phnom Penh and Bangkok.



ROSA LUXEMBURG STIFTUNG (RLS)

The Rosa Luxemburg Stiftung (RLS) is a Germany-based foundation working in South Asia as in other parts of the world on the subjects of critical social analysis and civic education. It promotes a sovereign, socialist, secular and democratic social order, and aims to present alternative approaches to society and decision-makers. Research organisations, groups for self-emancipation and social activists are supported in their initiatives to develop models which have the potential to deliver greater social and economic justice.

This paper discusses the repercussions of the COVID-19 pandemic on food systems in South Asia to highlight the aftermath of the disruptions to supply chains, farming and agricultural markets. It examines the situation over two years into the pandemic with a focus on countries such as Pakistan, Sri Lanka, Bangladesh, Nepal and India. The ongoing challenges in the road to recovery such as loss of employment, climate change and inequality point to several pre-existing gaps in the system. As a region, South Asia has a diverse agrarian landscape but there is significant overlap among countries in challenges such as income and gender inequality; climate risk and vulnerability. Band-aid solutions to the food crisis during the pandemic are inadequate and policymakers should treat this moment as an opportunity to critically examine the role of international financial institutions, multinational corporations and trading regimes in the global food systems governance. This calls for a concerted effort to improve regional cooperation. A resilient future for the region, depends on the equitable management of resources, knowledge sharing and a strong grassroots led movement across neighbouring countries.

