



# Impact of COVID-19 on food systems

## Indonesia

Country overview July 2020



### Land use

Land area: 1.9 million km<sup>2</sup>  
 31.5% agricultural land  
 9.7% GDP from agriculture  
 and fish (2018)



### Population

273 million people  
 45% rural  
 Adjusted income per capita  
 US\$2,990



### COVID-19 and health

First recorded case: 2 March 2020  
 At 31 July 2020:  
 106,336 acknowledged cases;  
 5,058 recorded deaths\*  
 Present in 34 provinces:  
 hotspots in Jakarta, East Java,  
 South Sulawesi, North Sumatra



### Local response to COVID-19

Semi-lockdown; ban on  
 large gatherings  
 National government stabilising  
 prices, providing social  
 assistance and training  
 Provincial governments implemented  
 movement restrictions; later eased  
 for food products  
 Programs for ongoing access to  
 agri-inputs and credit



### Agriculture and fisheries

Top staples: rice, fish, livestock,  
 poultry, bananas  
 Highly diverse food and social systems  
 Agriculture is the lead sector  
 in 20 of 34 provinces  
 One of the largest exporters  
 of tree crops globally  
 Fish critical for employment and food;  
 many fisheries overexploited



### Key risk multipliers

Agricultural pests and diseases  
 Climate risks, including  
 changing rainfall patterns  
 Issues of nutrition insecurity and  
 food access in many communities

Assessment approach: Recent food security and stunting mapping indicated patterns of vulnerability and undernutrition. As a result, the assessment focused on five contexts: rice and vegetable production in Java; fisheries; estate crops in Sumatra and Kalimantan; dryland agriculture in East Nusa Tenggara; and Papuan provinces.

\* The assessment reports 34,316 acknowledged cases and 1,959 recorded deaths at 11 June 2020, reflecting the situation at the time of core aspects of the research.

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### Key findings



#### Smallholders

Horticulture, cash crops, informal workers, returning migrants, fishers and women highly vulnerable

Households with diversified livelihoods are less vulnerable than those with specialised livelihoods

Farmers unable to sell perishable products at market

Limited availability of agri-inputs

Coping strategies include village networks, traditional agriculture and selling assets



#### Supply chains

Low producer margins and high consumer prices from fragmented chains

Reduced demand for estate crops and fish products

Small and medium-sized enterprises (SMEs) lack access to finances and reserves

Advantages for e-platforms and some traders



#### Governance

Rice prices and supply stabilised in most areas

National social protection system already established

Supplementary programs established for local needs

Input subsidies, rural credit program and support for markets



#### Community

Households losing on-farm and off-farm incomes

Impacts on women's workload, income and mobility

Changes in food consumption; cheaper, less nutritious foods



#### Employment

Informal and formal job losses

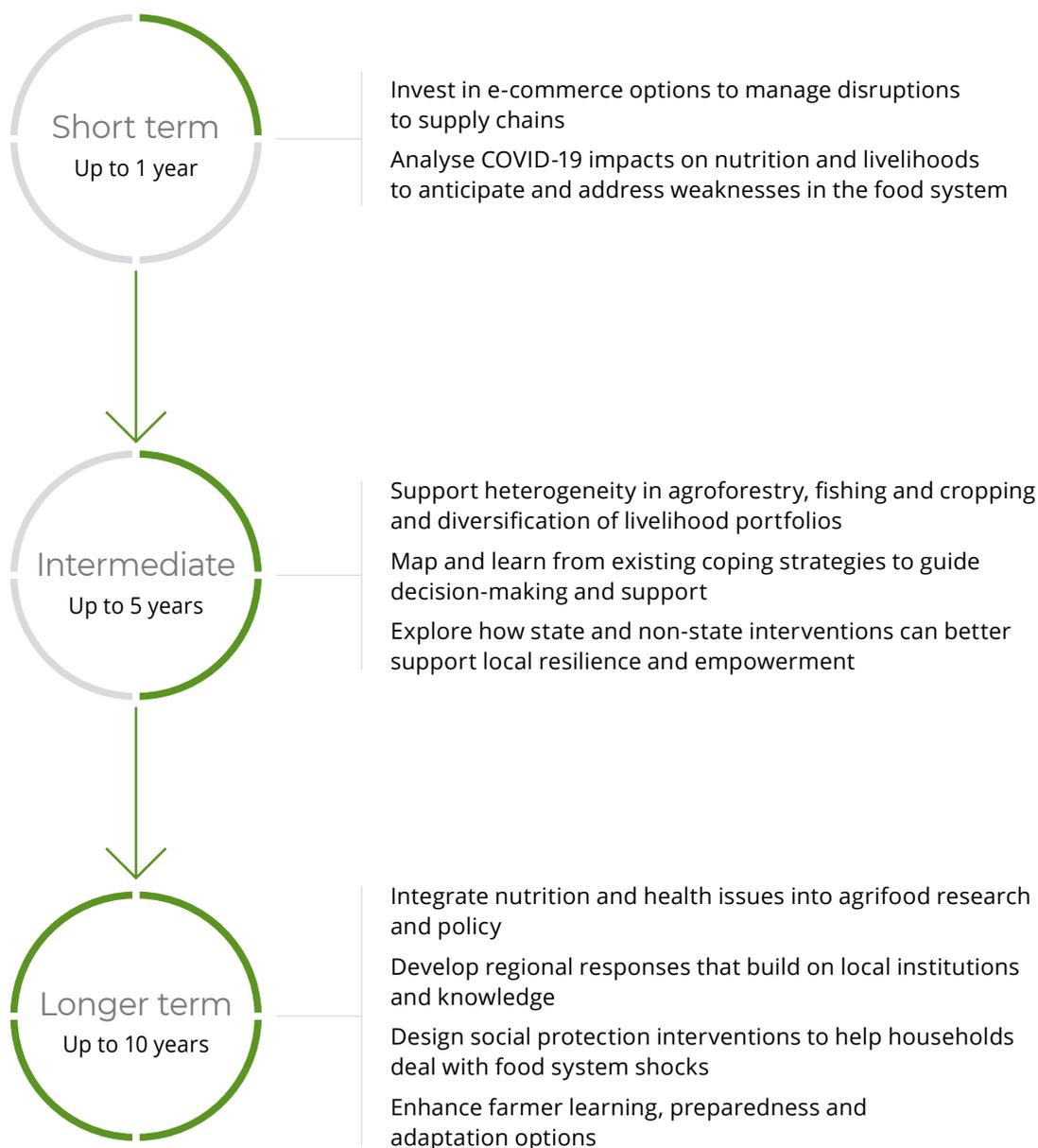
Distribution and agri-processing SMEs are vulnerable

Reduced remittances from overseas and urban workers

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### Suggested opportunities for action



Short-term opportunities include resource mobilisation and pivoting existing activities towards COVID-19 responses (up to 1 year). Intermediate-term opportunities include addressing gaps in knowledge, redressing negative impacts and/or boosting aspects of recovery or resilience (up to 5 years). Longer-term opportunities include research and development to address systemic challenges and options for transformational change (up to 10 years).

Visit [www.aciar.gov.au/covid19-assessment-stage2](http://www.aciar.gov.au/covid19-assessment-stage2) to learn more about the impacts of COVID-19 on food systems in Indonesia and the Indo-Pacific region



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