

The impact of COVID-19 on informal food traders in SA

In 2020, HSRC researchers conducted a rapid assessment of the COVID-19 pandemic's impact on agriculture and the food system in South Africa. *Moyosoore Adetutu Babalola, Bongiwwe Mcata and Matume Maila* share some findings on the experiences of informal food traders, so-called bakkie traders, cooked/prepared food traders, and fruit and vegetable traders.

Early in 2020, countries the world over started to close borders and restrict trade and movement in desperate attempts to contain SARS-CoV-2, the pandemic virus, which causes the disease COVID-19. In South Africa, HSRC experts [warned](#) about the effect on the country's food systems, not only for those who needed access to affordable and nutritious food but also for informal food traders who risked losing their livelihoods.

The Food and Agriculture Organization of the United Nations in South Africa and the national Department of Agriculture, Land Reform and Rural Development contracted the HSRC to undertake specific research activities towards the first phase of an assessment of the impact of the COVID-19 pandemic on agriculture and the food system in South Africa. The study was conducted during the first wave of the pandemic, from March to October 2020. The purpose was to inform government responses to the pandemic, and to guide policies and actions to minimise disruptions to food supply chains, food trade, food demand, incomes and livelihoods, especially among poor and vulnerable segments of the population.

Disruptions to market activities

The study adopted a mixed-methods approach and used a combination of a desktop review of relevant literature

and documents, secondary data analysis, and quantitative (survey) and qualitative (key informant interviews) primary data collection. For primary data collection, a sample of 804 informal food traders' data was collected across South Africa's nine provinces.

Informal food traders are key players in South Africa's food system, operating mainly as stall owners and hawkers and supplying high-density suburbs and informal settlements. Struck by poverty and unemployment, many people turn to this sector for an income, especially in times of crisis.

The first wave of the COVID-19 pandemic and the restrictions to curb its spread in South Africa interrupted many economic activities, resulting in the limited operation of formal and informal activities. The lockdown measures, which restricted the movement of people who did not have special permits, affected the sourcing of food items sold by informal traders. While the food sector was considered essential, there was lack of clarity on whether informal traders would also receive permits, especially during the early weeks of the hard lockdown. In addition, the closure of fresh produce markets due to the high infection rate disrupted the distribution of fruit and vegetables and put a strain on informal food traders who sourced their products from those markets. The survey showed that, on average,

the number of times food items were procured per month declined by 33%. However, as the government lifted some of the lockdown regulations, informal traders were better able to acquire products from formal sources and less from other informal traders or farmers.

Reduced demand

Informal food traders were hard hit by a decrease in the number of customers, affecting the demand for the commodities sold. According to the results of the survey, 46% of informal traders experienced a huge drop in customer numbers, while 33% experienced a minor decrease. Overall, 79% of the informal traders experienced a decline in customer numbers. Moreover, the demand for perishable products sold by informal food traders was also affected, as consumers purchased products with a longer shelf life due to the movement ban, as well as fear of the virus. Furthermore, informal food traders reported that the reduction in the quantities bought by consumers per shopping trip resulted in them selling less. Over a quarter of the informal traders reported a big decline in the volumes customers bought per trip, while 40% indicated a small decline. The survey also revealed that during the first wave of the pandemic and amid the national lockdown, most informal traders (62%) experienced



Thabiso Tshepe sells fruit and vegetables at his brother's stand in the Marikana informal settlement in Phillippi East.
Photo: Masixole Feni, GroundUp

increased operating costs, with 33% reporting a steep rise. As a result, some increased the prices of their traded food items. In some instances, the price increase was mainly driven by dwindling local supplies and increasing local demand.

COVID-19 disruptions to livelihood

The numerous disruptions to the marketing activities of informal food traders resulted in many people losing their sources of livelihood. These disruptions were marked by revenue loss and food wastage due to reduced market participation. A huge proportion (71%) of informal food traders had to give away stock, while about 67% of them reported stock going to waste due to a lack of customers and failing to trade. This implied that many traders and their households became vulnerable to poverty and food insecurity, thus increasing the demand for food relief assistance.

Moreover, officials from NGOs observed an increase in the number of vulnerable individuals and households that required food relief mechanisms such as food aid, food vouchers and grants, i.e. money, since the start of the hard lockdown. The NGOs reported that these vulnerable beneficiaries were different from those whom they had normally catered for before the pandemic and lockdown. Many of the new beneficiaries were those whose livelihoods had been seriously compromised, including street vendors (informal food traders).

Conclusion and recommendations

The COVID-19 pandemic and lockdown restrictions revealed weaknesses in South Africa's agro-food system, especially for the informal food trade sector, given the vital role it plays within South African communities. Informal food traders should receive better support so that the sector can become sustainable. In this way, South

Africa's food sector could be more responsive and better able to survive future uncertainties, especially at grassroots level where the sector is dominated by informal food traders.

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Further reading:

- [Projecting the likely impact of COVID-19 on food and nutrition security in South Africa – HSRC Review, April 2020](#)
- [Tackling hunger and malnutrition: It's about coordination, empowerment and sustainability – HSRC Review, November 2020](#)
- [Food for all: The need to measure healthy eating in SA – HSRC Review, June 2019](#)

Policy brief: [Stronger policy coordination for better food and nutrition security outcomes](#)