

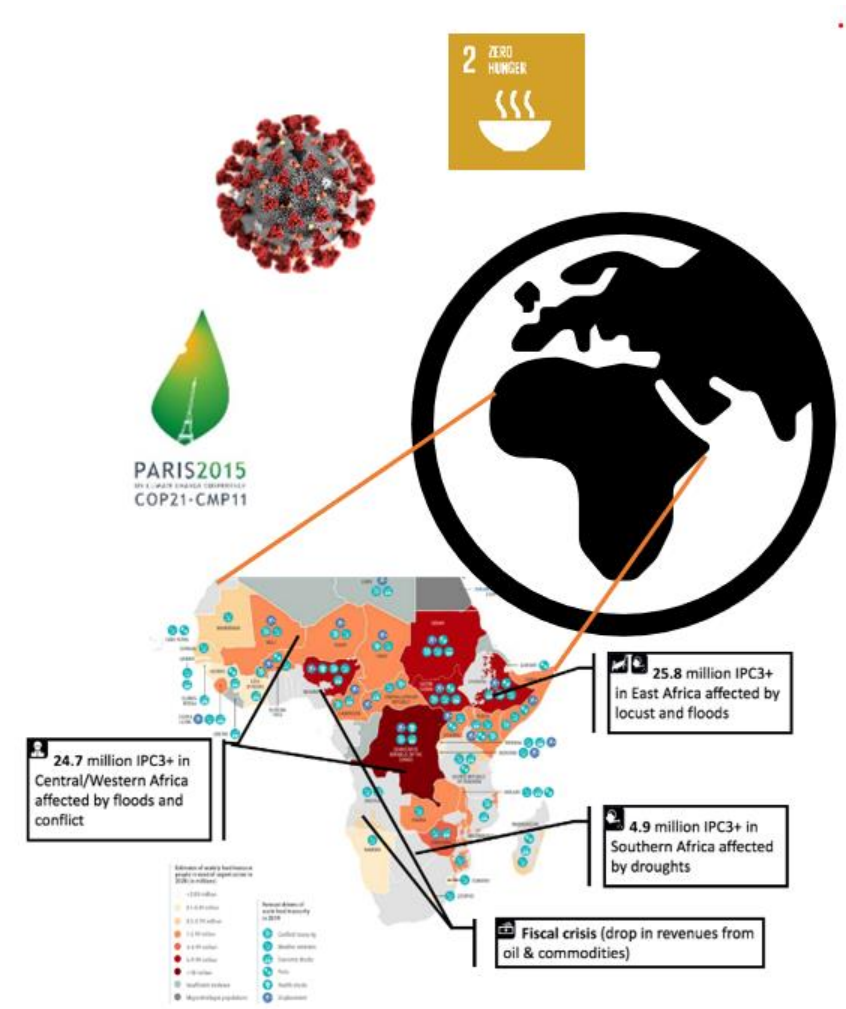
# COVID-19 and the Food System

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Resources Foundation (RNRF) Roundtable  
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# Many challenges facing the global food system in 2020

- COVID-19 is taking place in the context of other, ongoing crises, e.g. the locust, several large-scale extreme weather events, conflicts, and 79.5 m displaced people worldwide (end 2019, UNHCR).
- An emerging global food security crisis in the midst of huge structural challenges.
- Commitment to end hunger and malnutrition by 2030, from about 690 m people hungry in 2019 and some 2 bn are estimated to be malnourished (WFP/WHO).
- Food system is under pressure to support nearly 10 bn people by 2050 (UN, 2019)
- Commitments to reduce emissions under the Paris Agreement, agriculture and land is key.
- COVID-19's has further revealed that we have a food system that no longer is fit for purpose.



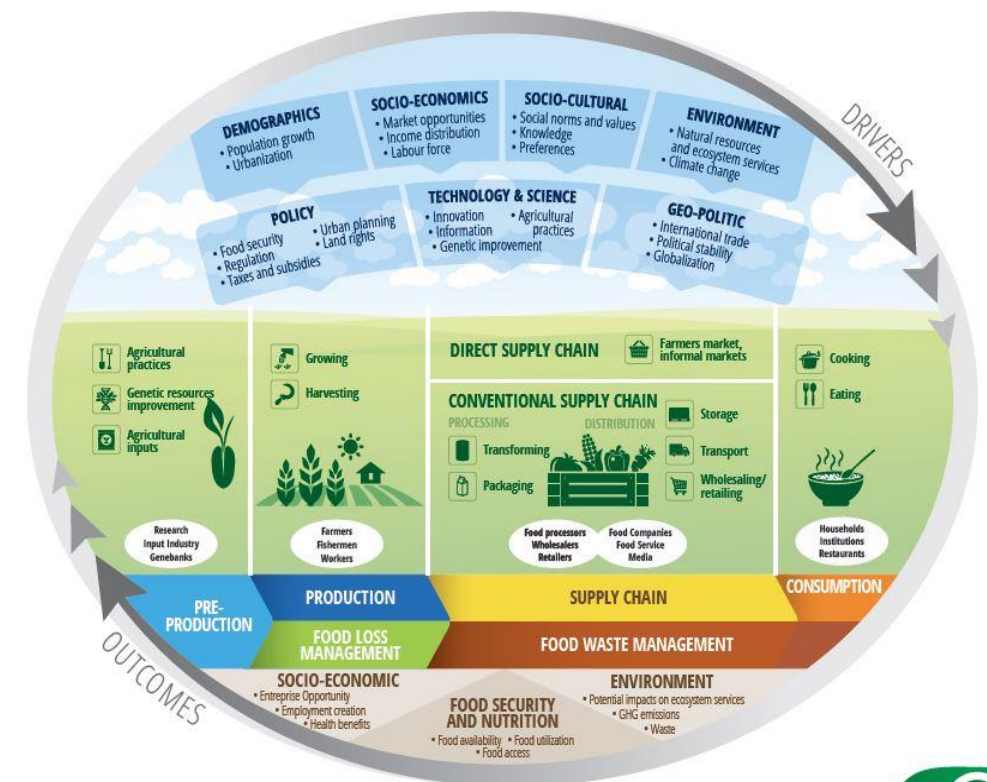
# How has COVID-19 affected the food system?

## On the supply side:

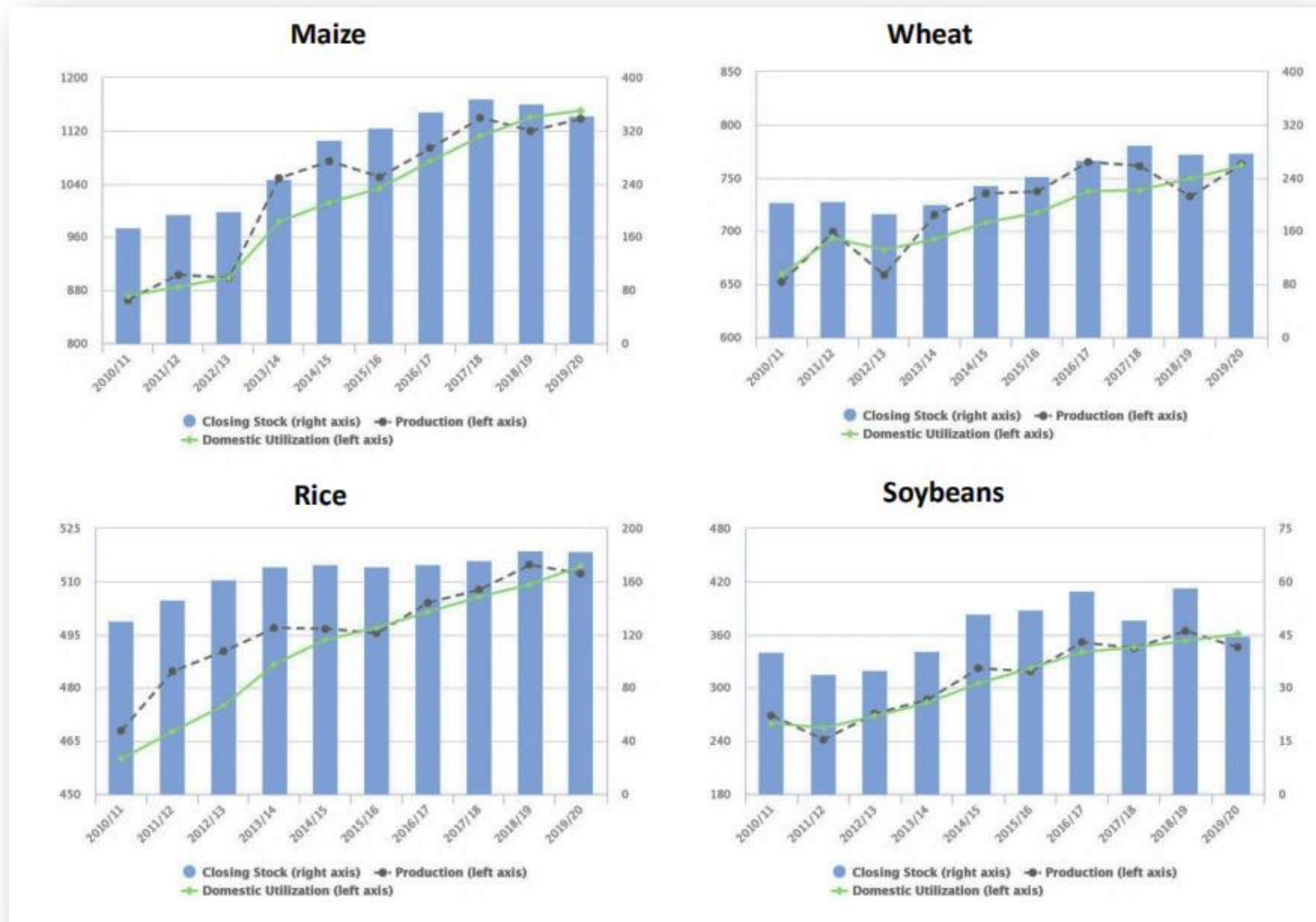
- Agricultural labor shortages on farms in both low and high-income countries.
- Interrupted market access for farmers came with lockdowns.
- Food processing industry was deemed essential but has in some cases been a source of spread among workers.
- Trade has remained relatively stable.
- Retailers indicate problems with certification bodies for standards (quality, environment, labor).
- Inputs markets are of concern for next planting season but early production data is positive.
- Signs of return labor to rural areas – unclear what the impacts will be on land pressure.

## THE FOOD SYSTEM

DRIVERS · ACTIVITIES · ACTORS · OUTCOMES

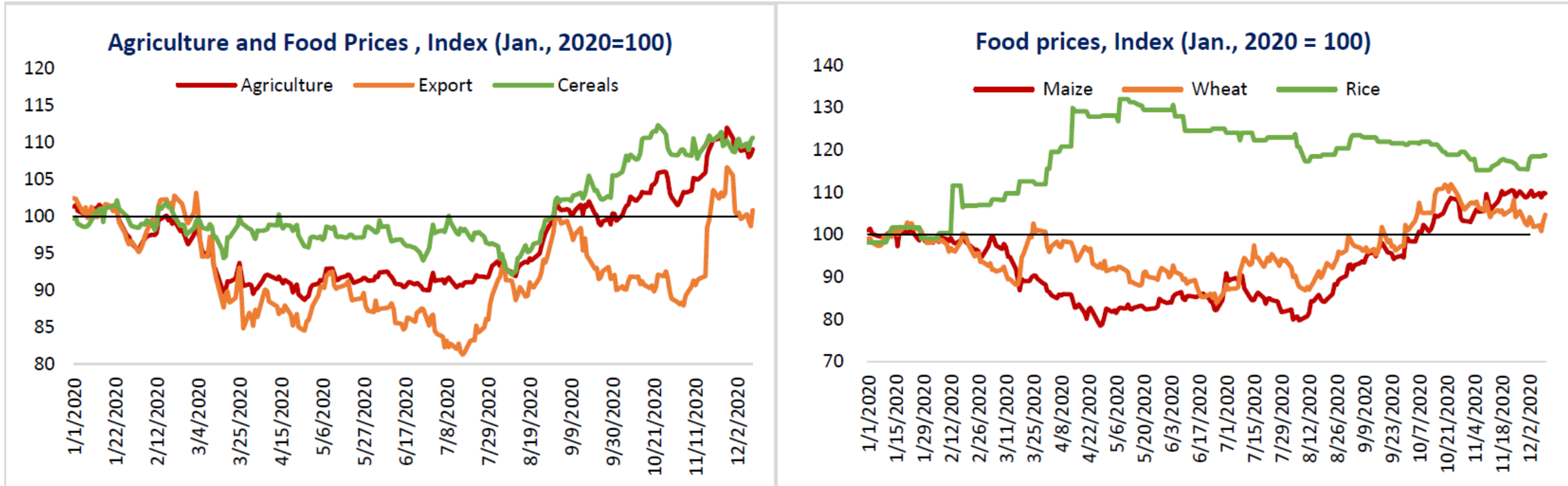


# Global cereal stocks were high in 2020



# Global food prices have remained stable...

## Trends in agriculture and cereals prices (nominal indices):

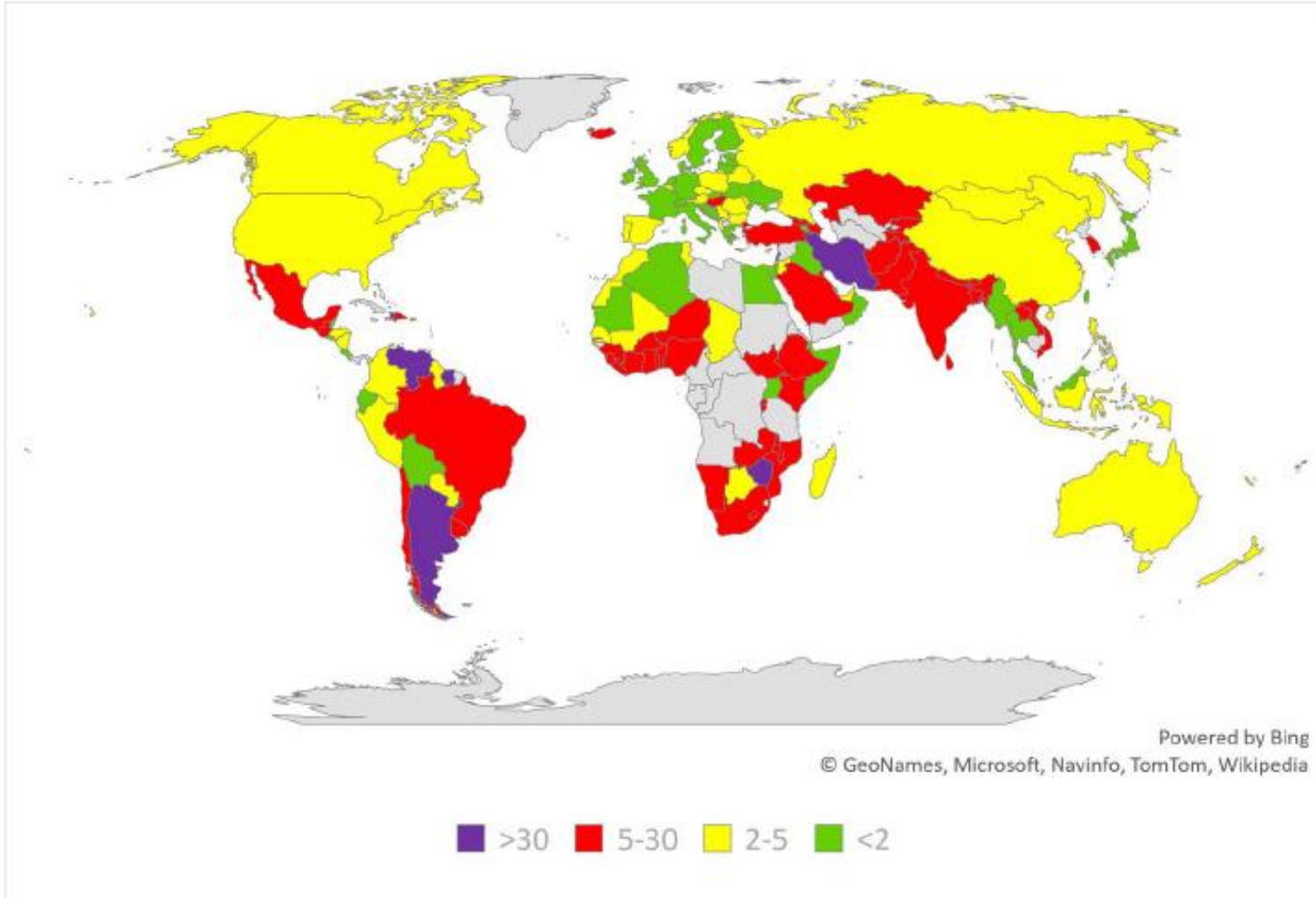


Source: World Bank Commodity Price Data.

Note: Daily prices from Jan 1 to Dec 10, 2020. The export index includes cocoa, coffee, and cotton; cereals include rice, wheat, and maize.

...but food inflation is high around the world.

## Food inflation, map and the 10 countries with highest inflation:



COUNTRY	FOOD INFLATION (% YOY)
VENEZUELA	1692
ZIMBABWE	472
LEBANON	441
IRAN	56.7
SURINAME	56.3
ARGENTINA	40.8
HAITI	31.1
ETHIOPIA	22.0
TURKEY	21.1
LIBERIA	17.8

*Source:* IMF, food component of CPI index.  
*Note:* Food price inflation for each country is on information available for the latest month from July to November 2020

# COVID-19 has impacted the availability and access to food for the most vulnerable

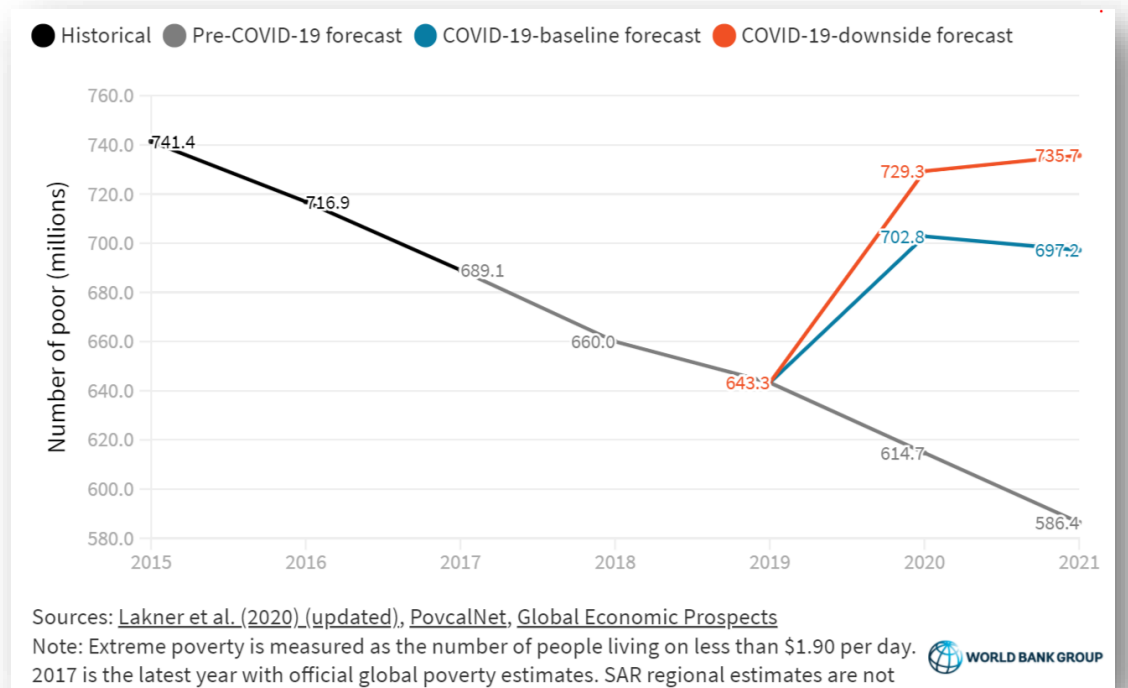
- Food prices have increased locally.
- Losses in incomes, livelihoods, and remittances has decreased purchasing power.
- Interrupted supply chains have decreased availability of especially fresh produce and animal-sourced food, e.g. in urban areas.
- Lockdowns included fresh markets in a few places which cut off access to food for poor consumers.
- School lunch programs have been interrupted.
- Long-term chronic malnutrition has increased the vulnerability to COVID-19, e.g. obesity and diabetes.



# Food insecurity, malnutrition, and poverty are on the rise

- Increased food insecurity: estimated that between 83-132 m people to fall into acute food insecurity as a result of the pandemic, doubling pre-pandemic levels of 135 m people (WFP).
- 6.7 m more children may be wasted in 2020 (UNICEF/The Lancet), in addition to pre-pandemic level of 47 m children.
- Exact impacts on child stunting are not clear but reduction in nutrition and health services combined with increased poverty are likely to affect small children's nutrition status for some time.
- Job losses have been high in the food sector, in production, logistics, and services.
- Extreme poverty expected to rise for the first time in 20 years with 88-115 m new poor, mainly in South Asia and SSA. The informal sector, manufacturing and construction being the main drivers.

## Poverty is expected to increase sharply





# The World Bank's Response to COVID-19

- The World Bank has made available up to US\$ 160 billion in financing for COVID-19 response through June 2021, of which over \$50 billion is IDA resources on grant and highly concessional terms.
- Emergency support operations in over 100 countries
- The World Bank Group's crisis response comprises three stages – relief, restructuring and resilient recovery under four main areas:
  - Saving lives
  - **Protecting poor and vulnerable people**
  - **Ensuring sustainable business growth and job creation**
  - **Strengthening policies, institutions, and investments**
- Between April and October, US\$ 3.3 billion of IDA funding was approved to countries for the purpose of social protection, agriculture, and food support programs; over US\$ 3.5 billion to be approved in the next 6 months.
- Supporting GOVs with analytics and policy advice.

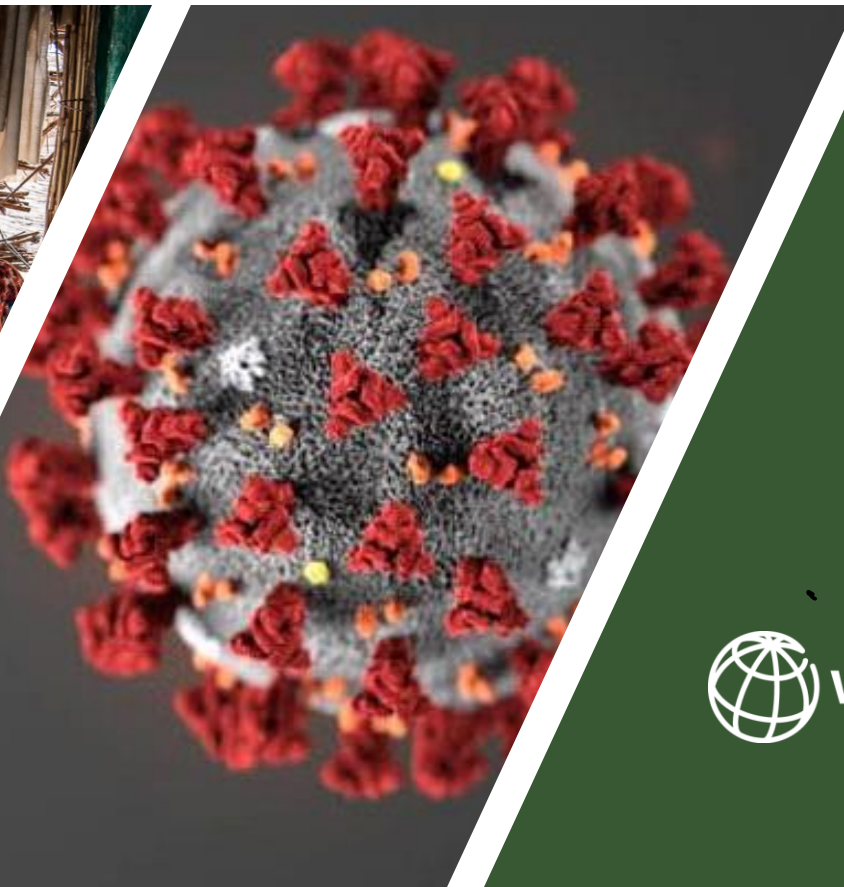
# Our food system post COVID-19

- COVID-19 has shed a light on what is not functioning in our food system.
- Highlighted inequalities – the already vulnerable have been those most affected.
- Building back better – necessary investment to tackle current challenges and to prepare for the next big disruption.
- Timing – now or later?
- Business as usual among Governments?



Need for better data!

Your thoughts?



# Thank You!

