



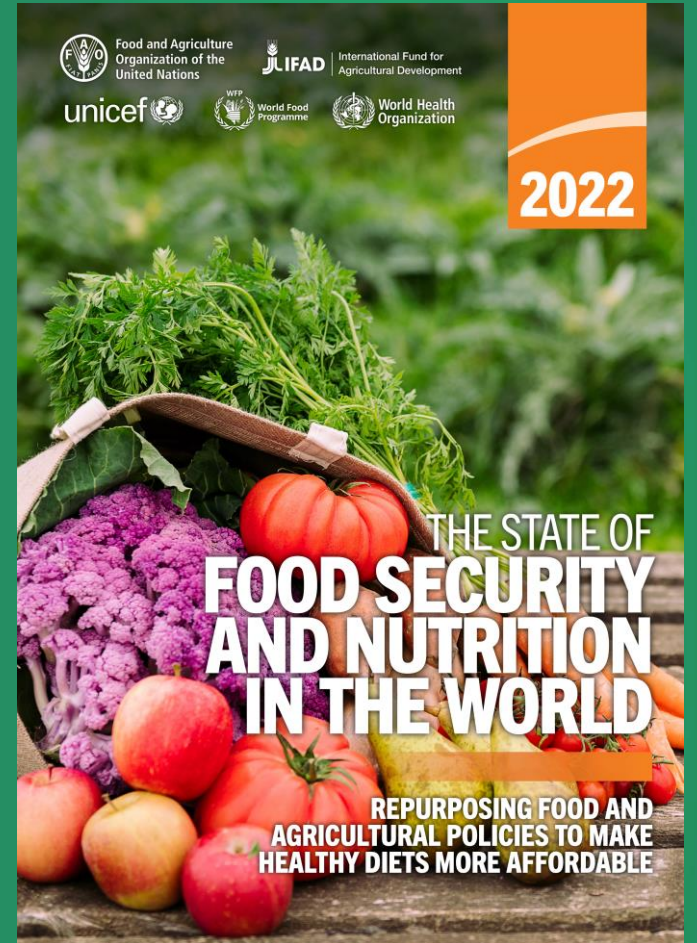
CFS 50

10-13 October 2022

THE STATE OF FOOD SECURITY AND NUTRITION IN THE WORLD

**REPURPOSING FOOD AND
AGRICULTURAL POLICIES TO MAKE
HEALTHY DIETS MORE AFFORDABLE**

Rome, Italy | 10 October 2022



For more information, visit:
www.fao.org/cfs/plenary/cfs50

We are not on track to ending hunger, food insecurity and malnutrition – major drivers and underlying factors Are challenging us

COVID-19
pandemic



Economic
slowdowns and
downturns



Climate variability
and extremes



Conflict/ War



Cost and
affordability
of healthy diets



UNDERLYING CAUSES OF POVERTY & INEQUALITY



World hunger rose further in 2021 following a sharp increase the previous year

Between 702 and 828 million people faced hunger in 2021 – 150 million more people since 2019 before the outbreak of the COVID-19 pandemic, considering the middle of the projected range.

Inequalities widened by the COVID-19 pandemic heighten the challenge of ending hunger

Updated projections indicate that more than 670 million people may still be hungry in 2030 – far from the Zero Hunger target.

Around 2.3 billion people in the world lacked access to adequate food in 2021

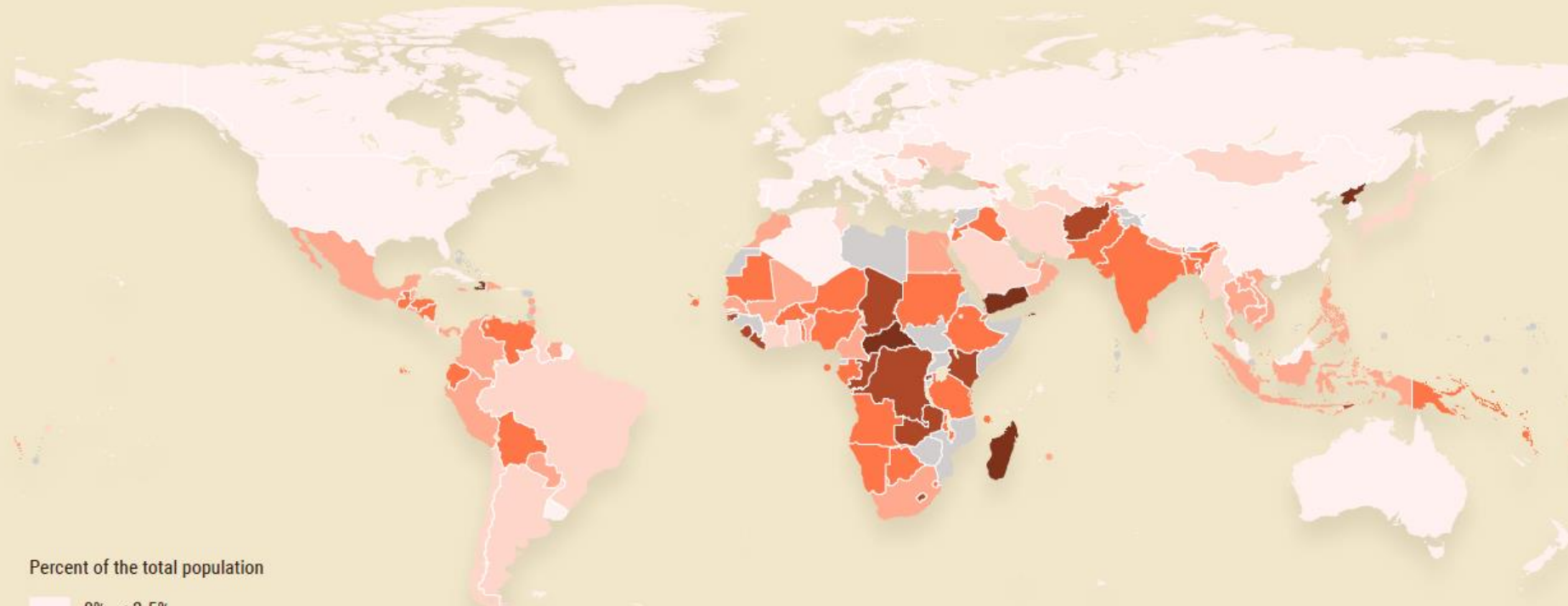
Moderate or severe food insecurity remained stable at the global level, whereas severe food insecurity increased globally and in every region.

The world is not on track to achieve global nutrition targets

Progress has been made on child stunting and exclusive breastfeeding, but we are moving in the wrong direction on adult obesity and anaemia in women.

Almost 3.1 billion people could not afford a healthy diet in 2020

112 million more people were unable to afford a healthy diet in 2020 than in 2019, reflecting the inflation in consumer food prices.



Percent of the total population

- 0% - < 2.5%
- 2.5% - 4.9%
- 5% - 9.9%
- 10% - 24.9%
- 25% - 39.9%
- 40% - 60%
- No data

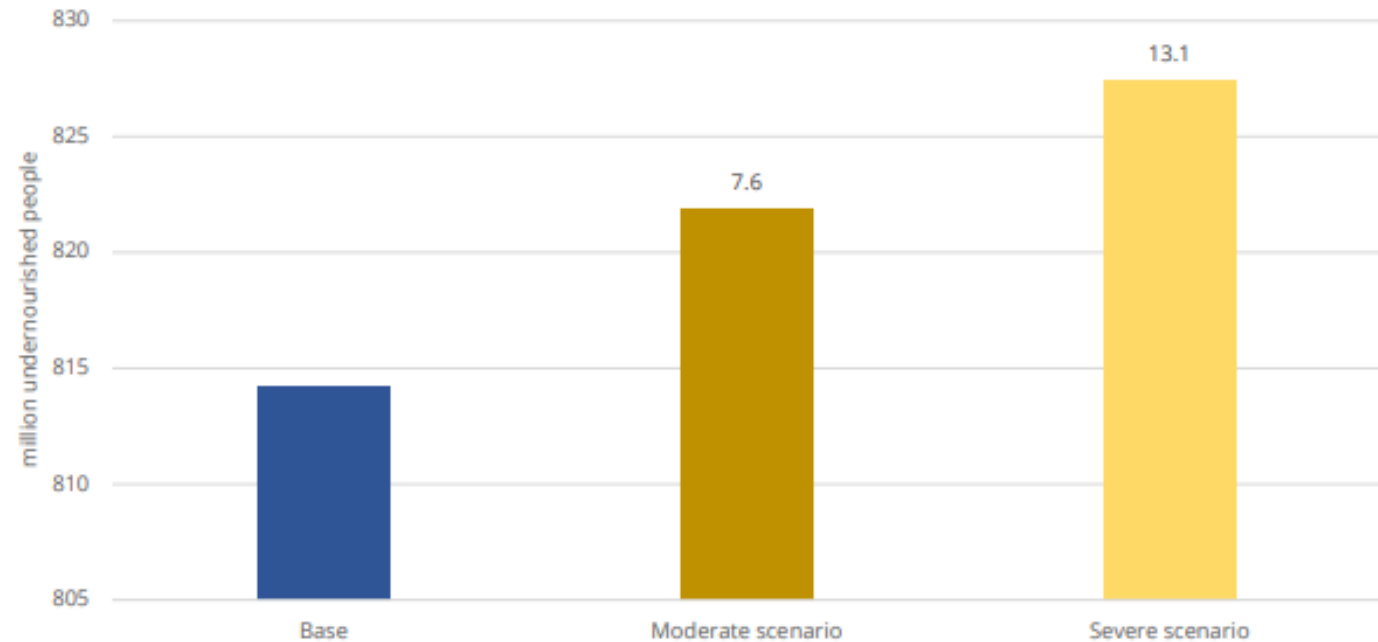
Source: FAO, IFAD, UNICEF, WFP and WHO. 2022. *The State of Food Security and Nutrition in the World 2022. Repurposing food and agricultural policies to make healthy diets more affordable.* Data are available on FAOSTAT (<https://www.fao.org/faostat/en/#data/FS>)

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Final boundary between the Republic of Sudan and the Republic of South Sudan has not yet been determined. Dotted line represents approximately the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan. The final status of Jammu and Kashmir has not yet been agreed upon by the parties.

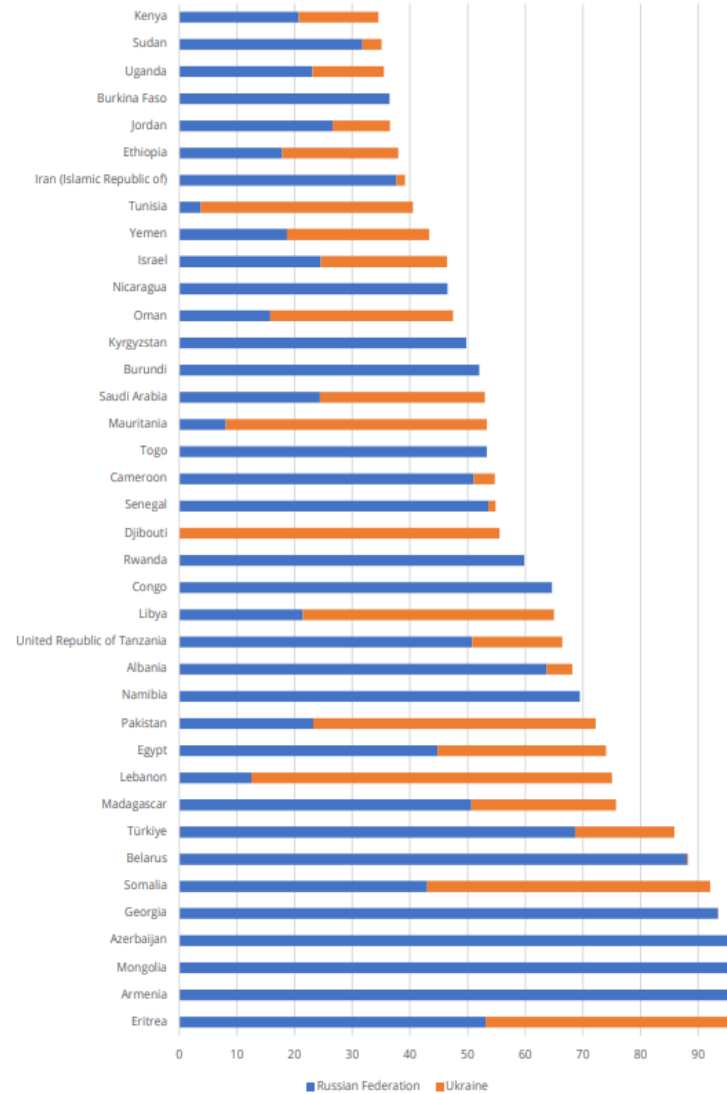
The continuing war in Ukraine is threatening further rises in global hunger and food insecurity in 2022/2023

Simulated scenario of potential increase in global undernourishment in 2022/23 due to the ongoing war in Ukraine

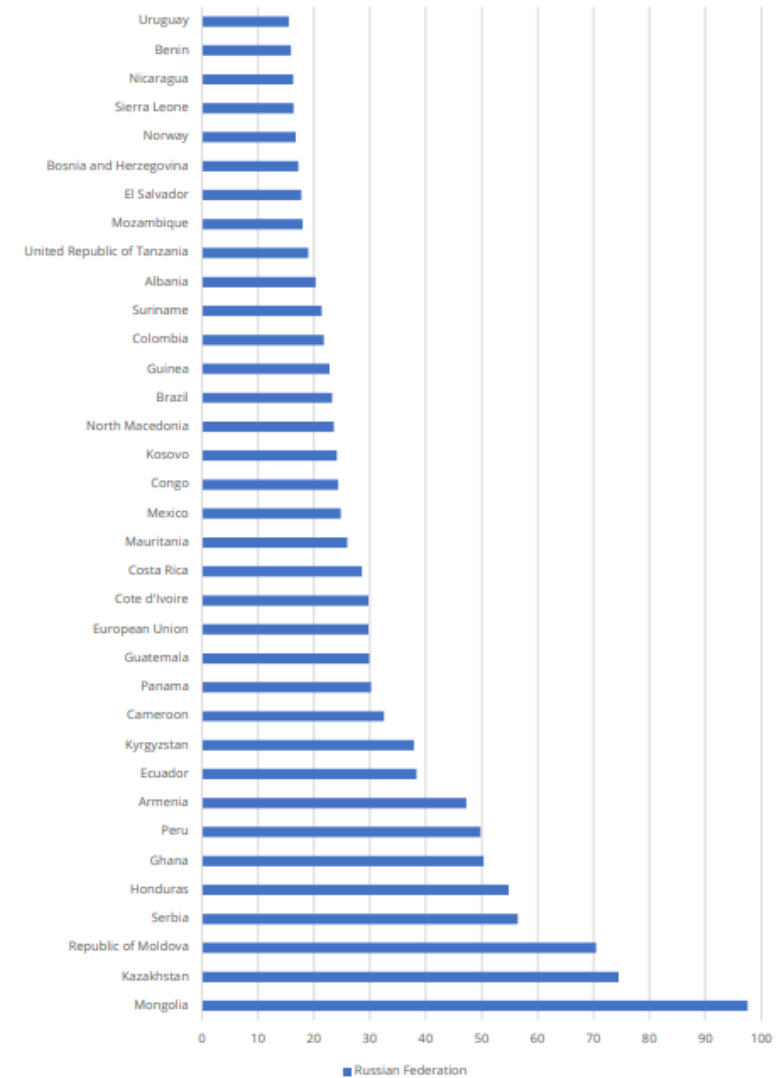


- Risks emanating from the war in Ukraine are significant
- Many countries are highly dependent on imported foodstuffs and fertilizers from the Russian Federation and Ukraine

Wheat import dependency, net importers, 2021 (%)



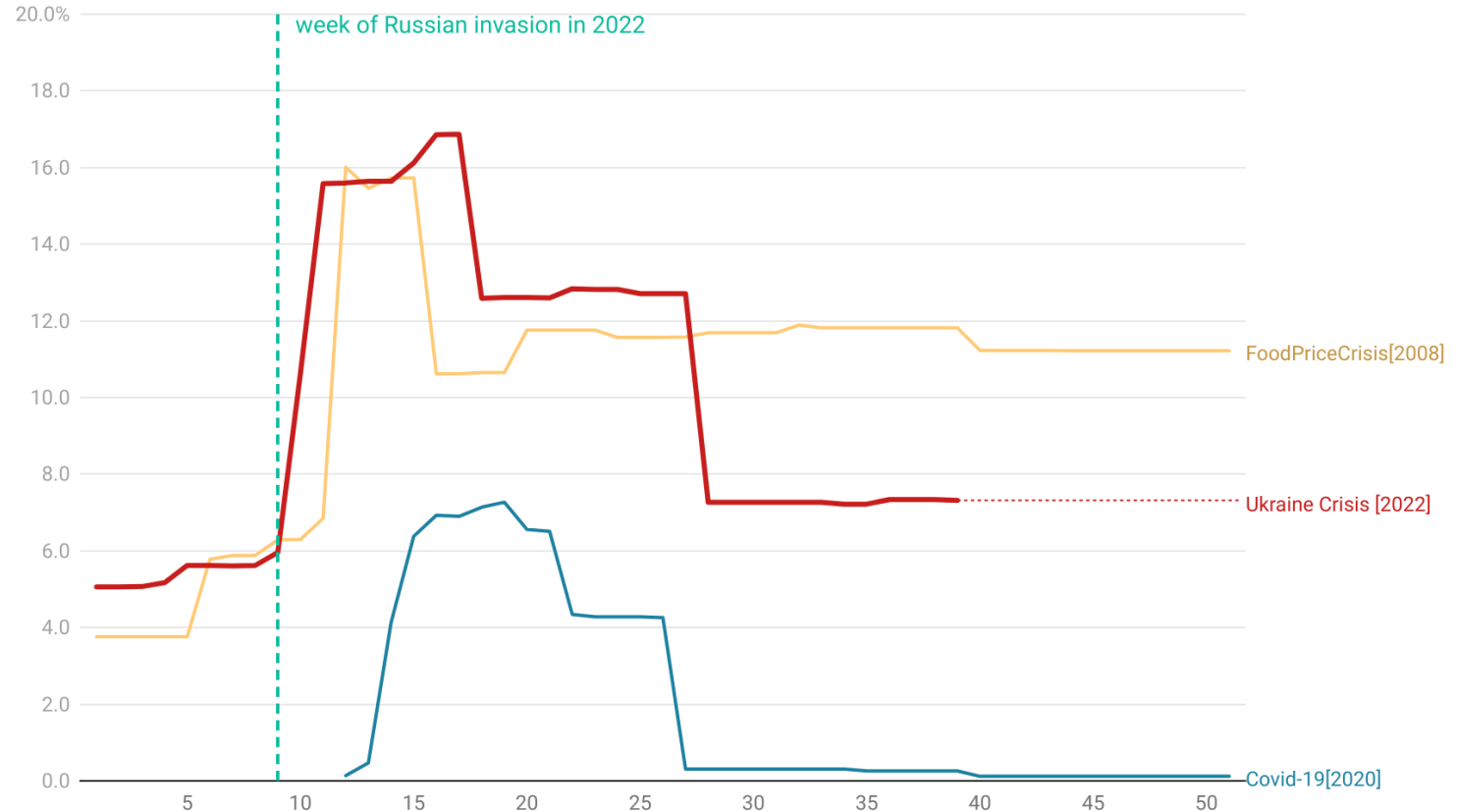
Fertilizer Import Dependency, net importers, 2021 (%)



- Several export restrictions in input and output markets were put in place
- Essential to keep trade open

Evolution of the share of global trade, in calories, impacted by export restrictions

Daily update. Includes food, feed and other uses of food products.



X-axis shows the week of the year. 1= first week of the year.

Chart: David Laborde • Source: IFPRI

Food and feed export restrictions in 2022 broken down by product

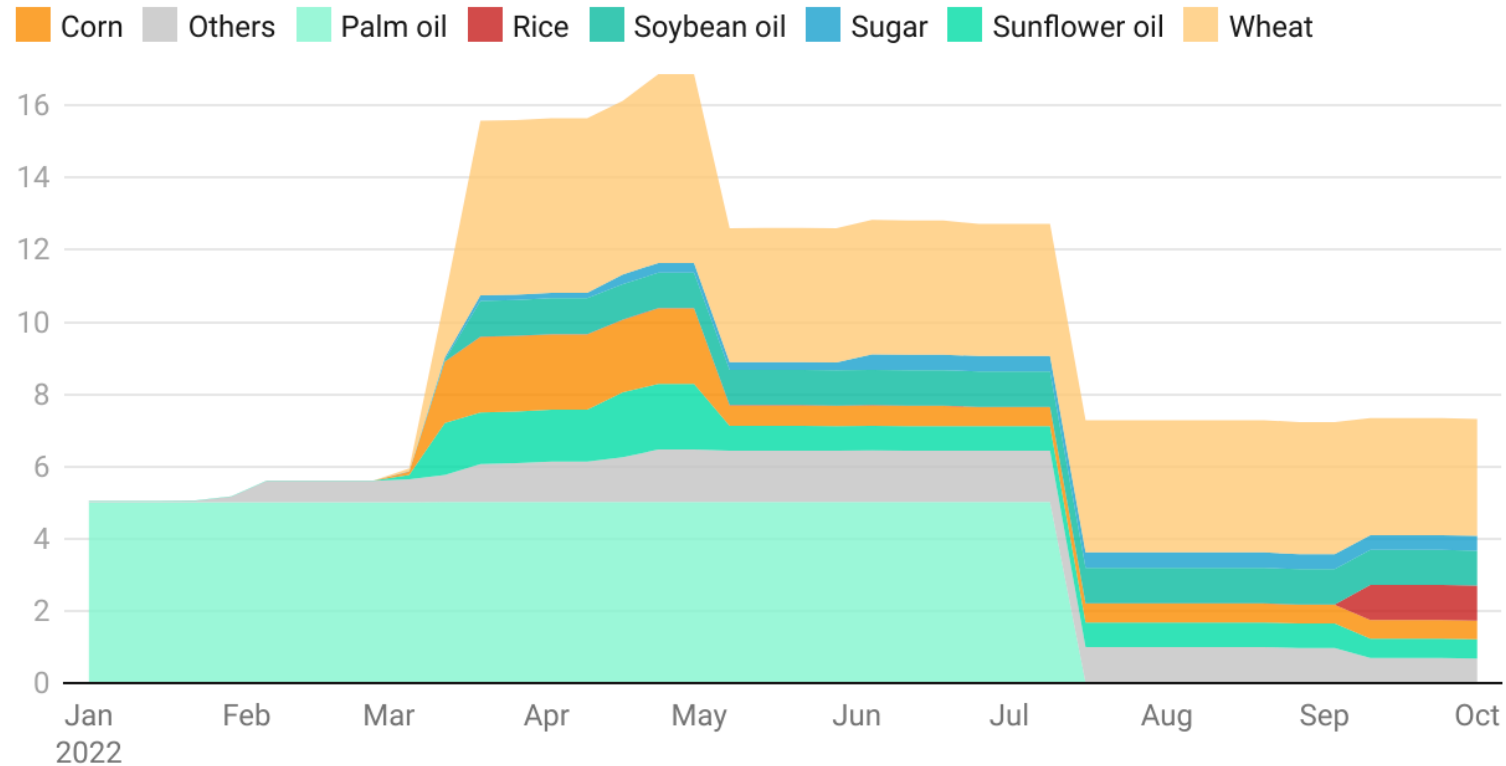
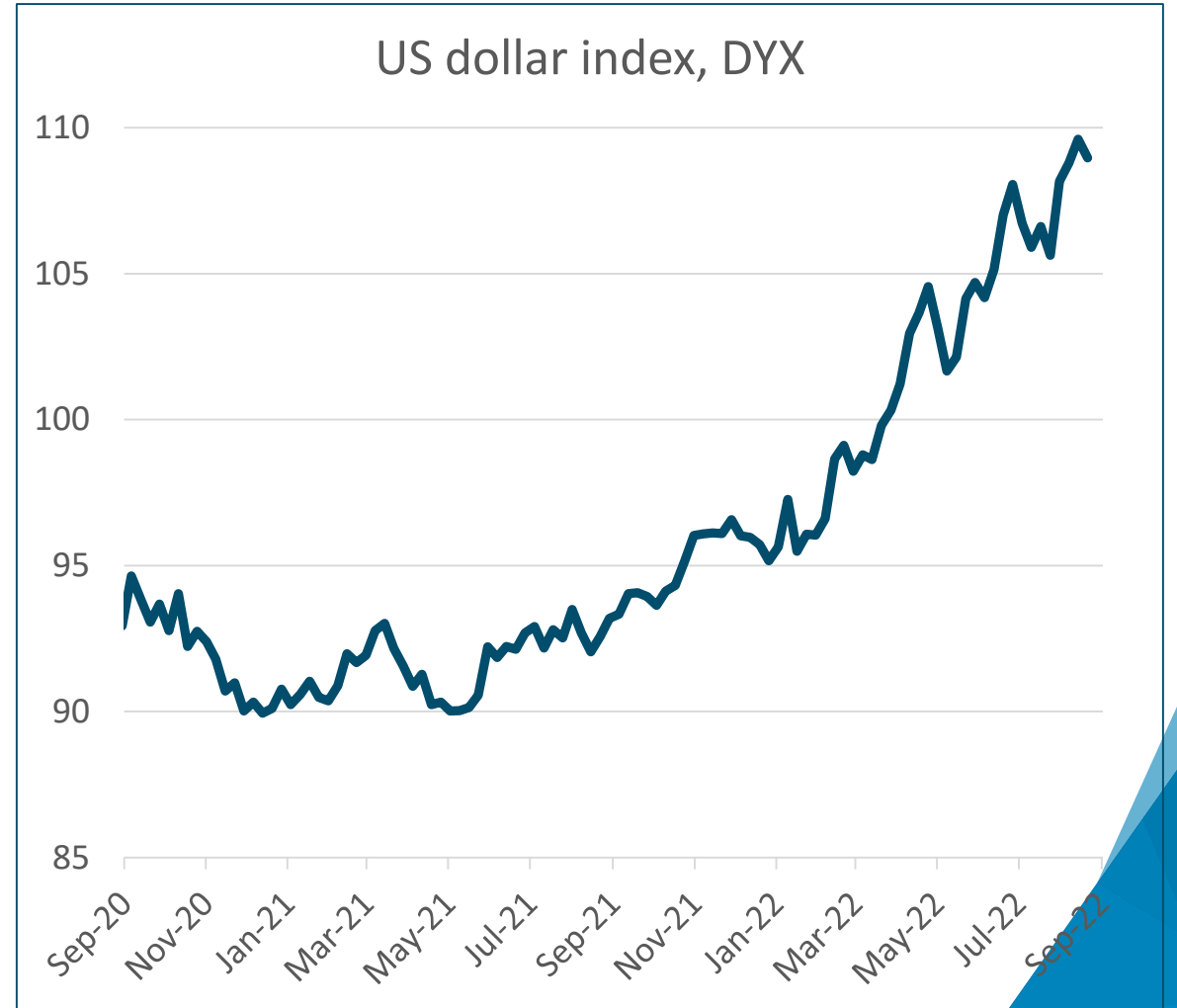
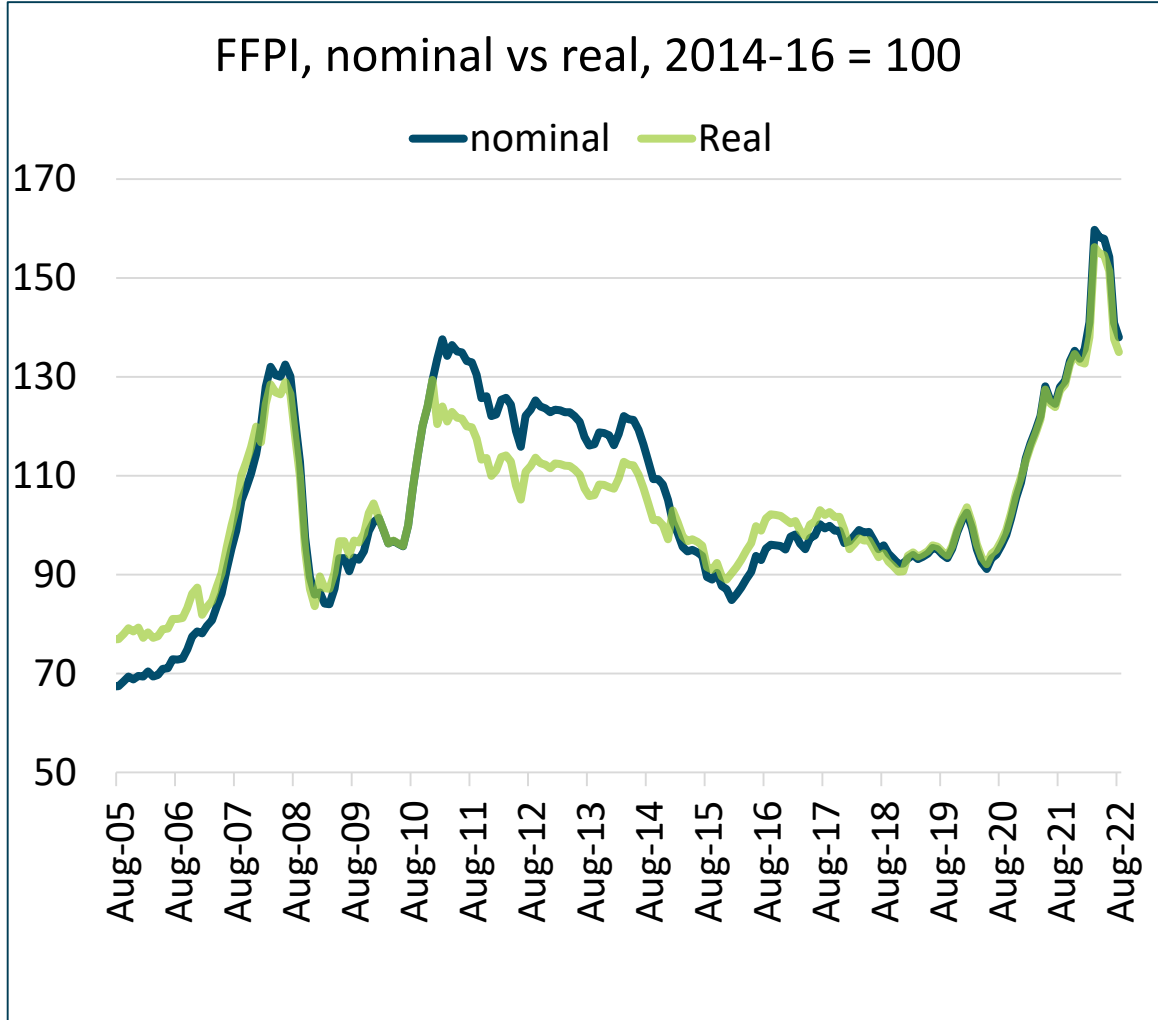
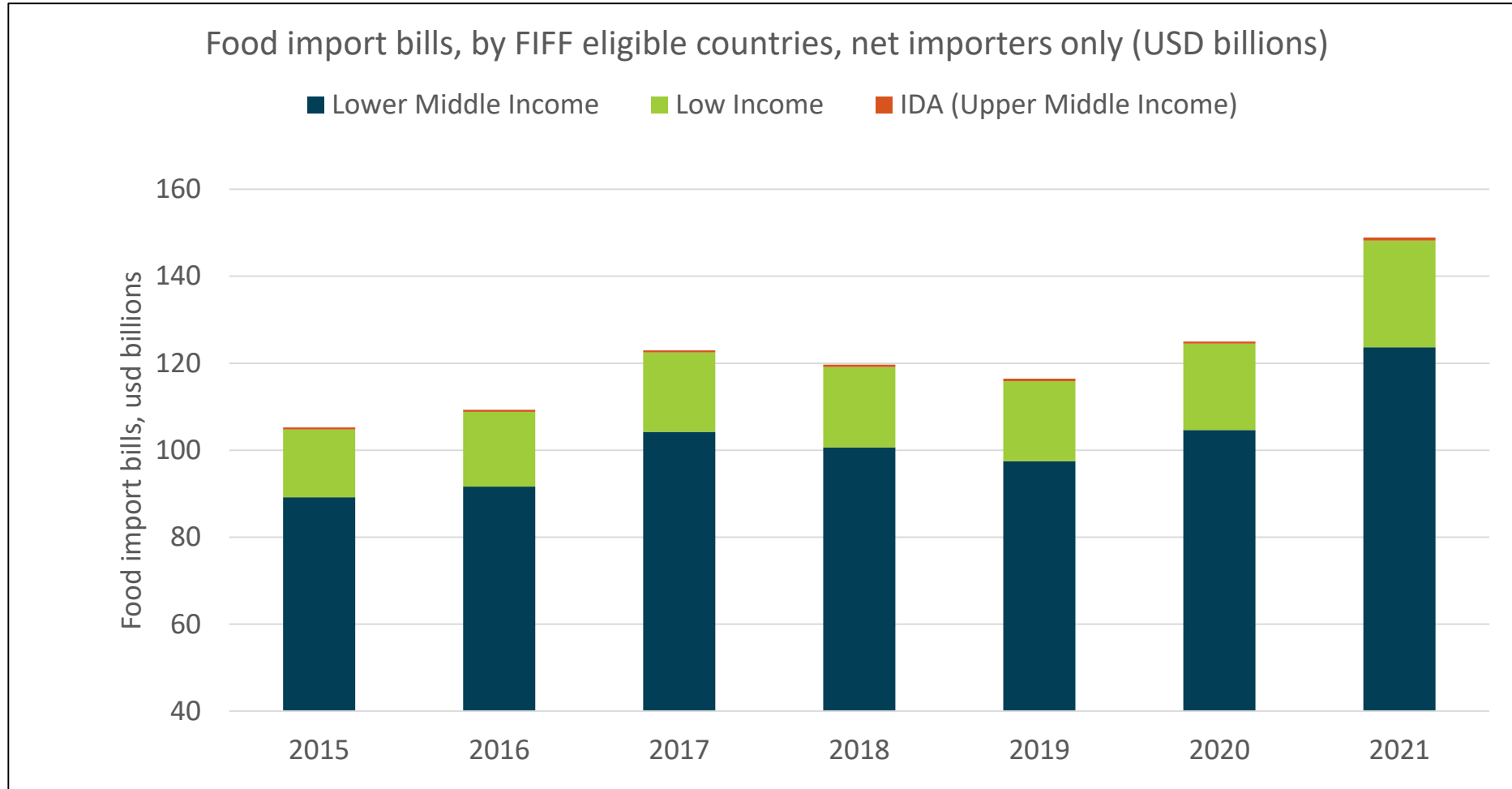


Chart: David Laborde

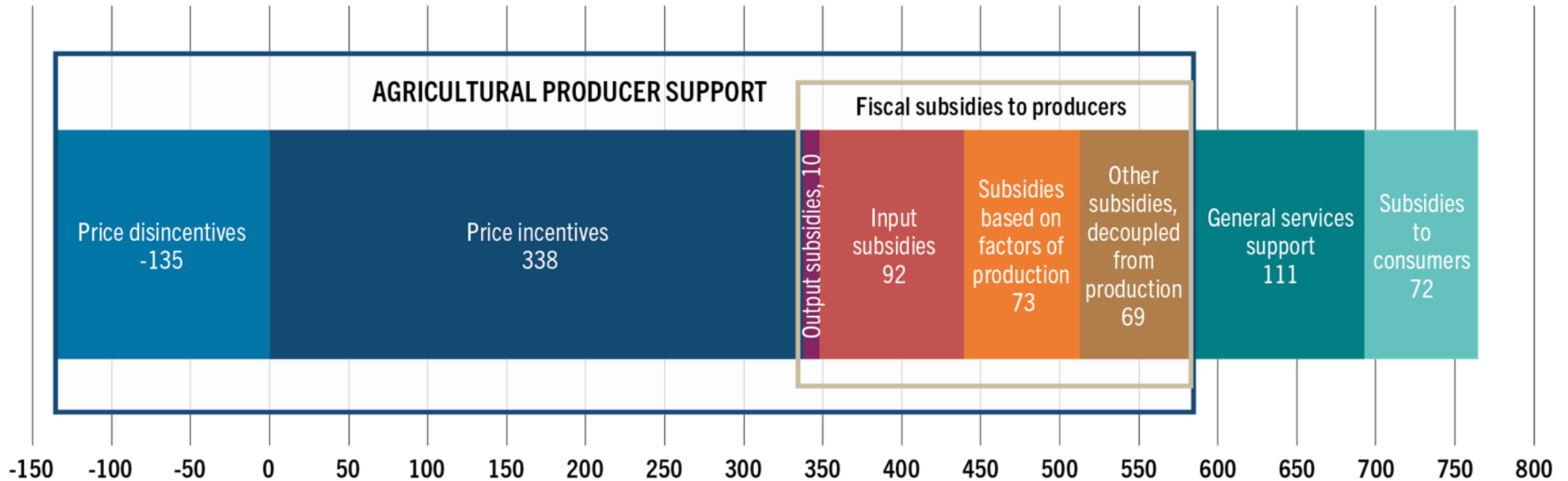
Soaring food prices and a firming US dollar plague many vulnerable food importers



2021: soaring FIBs for LICs and LMICs



Given the setbacks in hunger, food security and nutrition it is important to rethink the allocation of public spending to food and agriculture



Policy support to food and agriculture differs across country income group (as a share of value of production, average 2013–2018)

Country income group	Price incentives	Fiscal support (public expenditure)		
		Subsidies to producers	General services	Consumer subsidies
High-income countries	9.5%	12.6%	3.9%	4.6%
Upper-middle-income countries	10.8%	4.9%	3.0%	0.2%
Lower-middle-income countries	-7.6%	4.1%	2.5%	2.6%
Low-income countries	-9.5%	0.6%	2.3%	0.6%

Current policy support needs to be better targeted to reduce the cost of nutritious foods

- Fiscal subsidies have significantly contributed to growing production and reducing the prices of staple cereals, beef and milk – positively impacted food security and farm incomes.
 - But also encouraged monocultures, ceased the farming of certain nutritious products.
- Border measures (i.e. trade policies) – some target important policy objectives including food safety.
 - But governments could do more to reduce trade barriers for nutritious foods.
- Market price controls such as minimum or administered prices to consumers (in LIC and MIC) target staple commodities, as well as sugar – help ensure farm incomes and low prices.
 - But contribute to imbalance diets.

Public policy support can be better targeted to reduce the cost of healthy diets and improve the affordability of health diets

THREE SCENARIOS	POSSIBLE TRADE-OFFS					AFFORDABILITY OF HEALTHY DIETS
	GHG EMISSIONS	AGRICULTURAL PRODUCTION	FARM INCOME	EXTREME POVERTY	PREVALENCE OF UNDERNOURISHMENT	
FISCAL SUBSIDIES TO CONSUMERS	↓	↓	↓	↓	↓	↑
FISCAL SUBSIDIES TO PRODUCERS	↑	↑	↓	↓	↓	↑
PRICE INCENTIVES	↓	↓	↓	↓	↓	↑

Orange indicates trade-offs and negative outcomes / Green indicates positive outcomes. The larger the arrow the bigger the impact.

Recommendations for policymakers in repurposing policies

- Commitments and flexibilities under World Trade Organization (WTO) rules.
- Repurposing may not be fully equitable for farmers.
- To avoid the trade-offs it may be necessary to step up new fiscal subsidies to consumers.
- Care is needed where agriculture is still key to the economy and job generation
- International development finance will be needed for lower income countries.
- Repurposing current public support to food and agriculture will not be enough alone.
- Complementing agrifood systems policies are needed to promote healthy food environments and empowering consumers to choose healthy diets must be promoted
- Strong institutions as well as engaging and incentivizing stakeholders from the public sector, the private sector and international organizations will also be key.



Efforts towards reaching SDG 2 targets are proving insufficient in the face of a more challenging and uncertain context.

Governments need to rethink how they can reallocate their existing public budgets to make healthy diets more affordable, with sustainability and leaving no one behind.