

2023

Global food security in turbulent times

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Prices for grains, fertilizer and energy (updated October 2023)

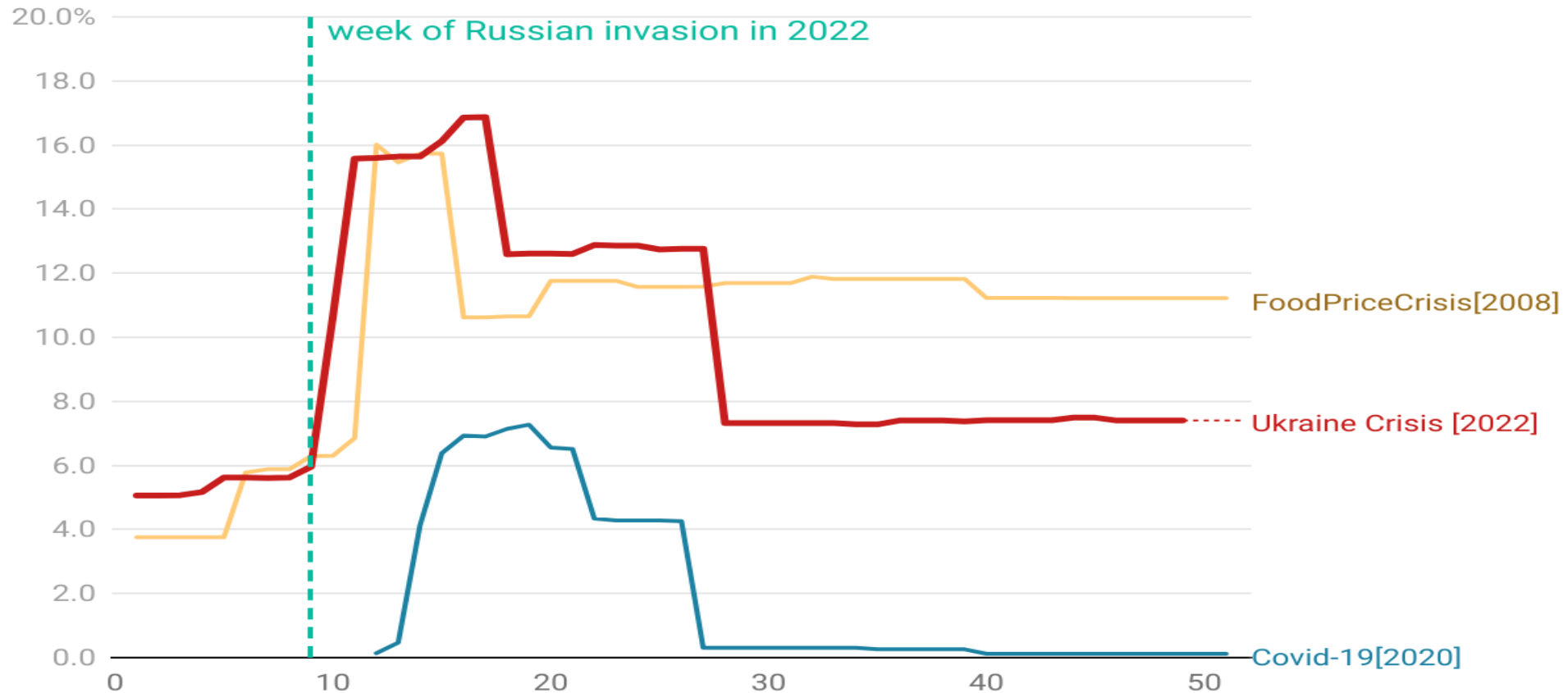
Index based on constant USD prices. Base 100 = Average 2010-2020

— Energy — Fertilizers — Grains



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

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



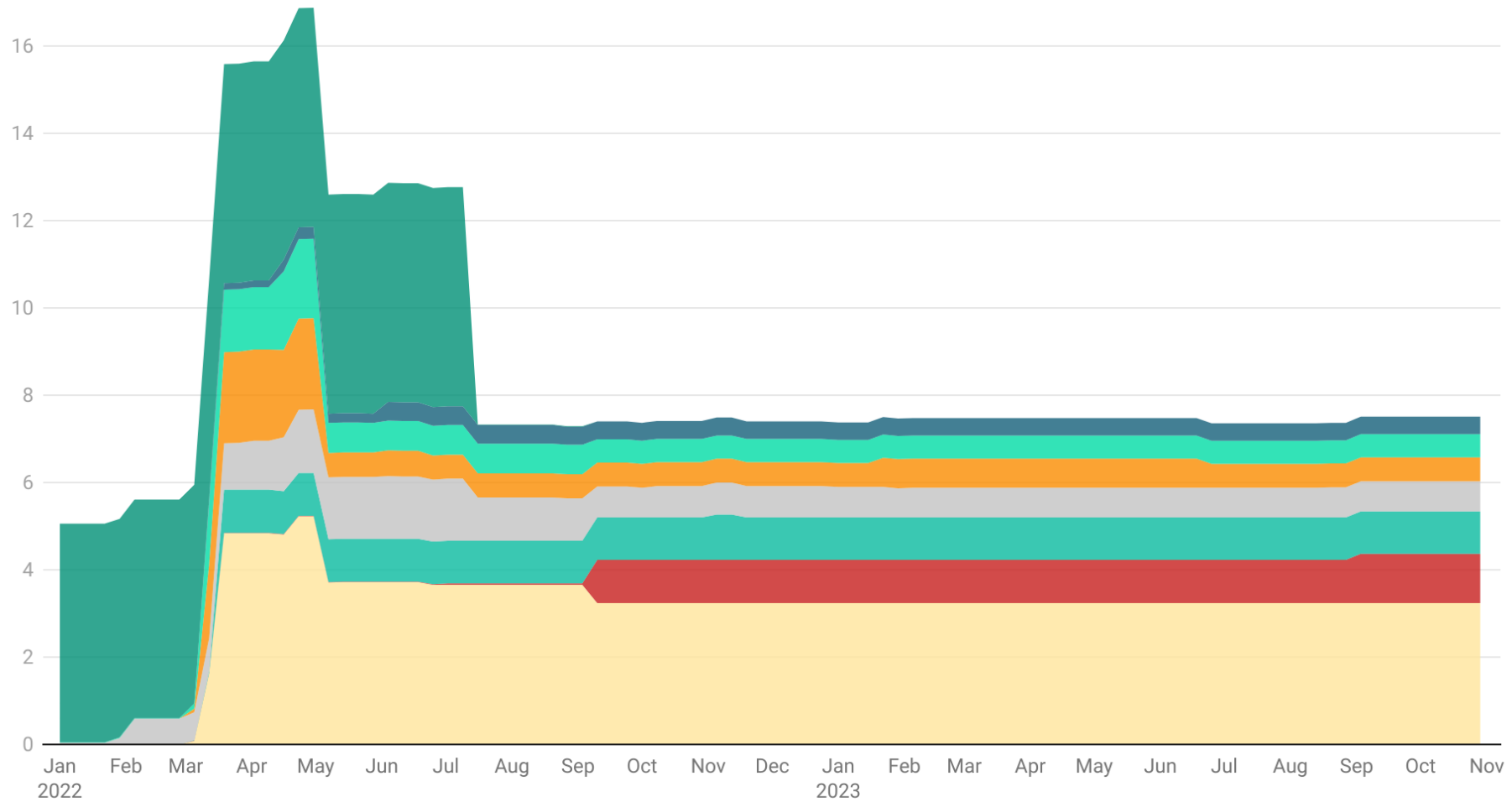
X-axis shows the week of the year. 1= first week of the year.

Chart: David Laborde • Source: IFPRI

Role of export restrictions since 2022

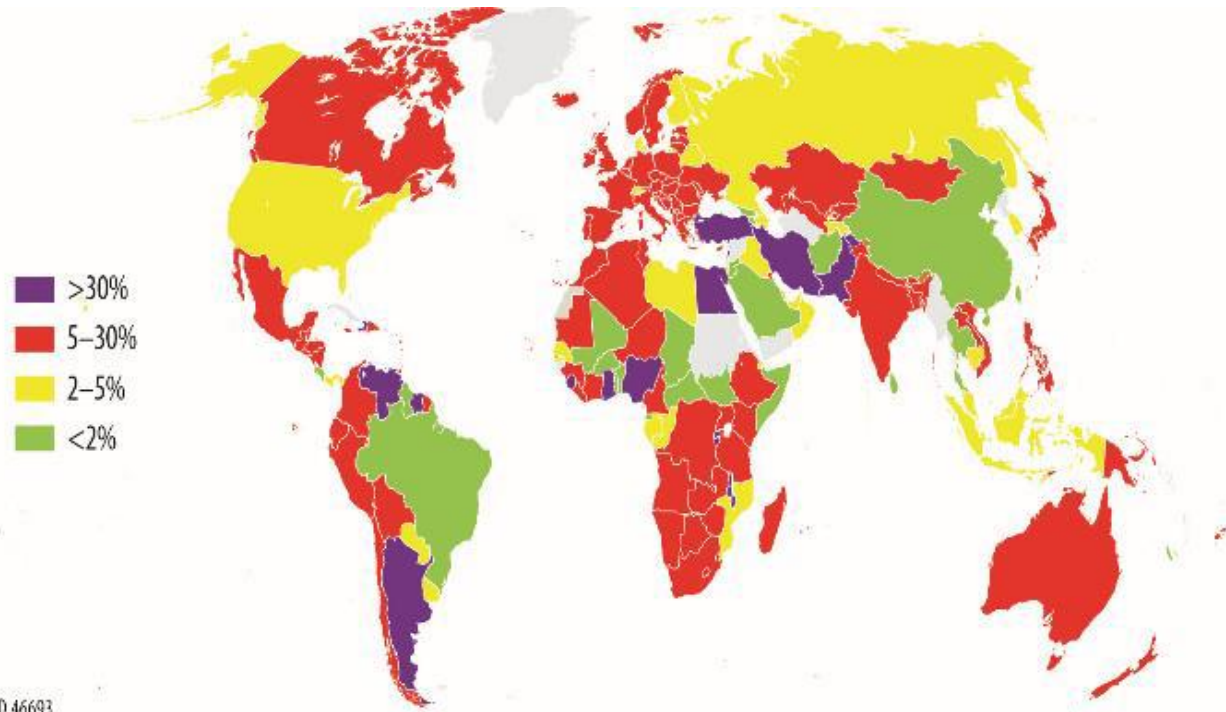
Percent of global food and feed exports (calorie basis)

■ Corn
 ■ Others
 ■ Palm oil
 ■ Rice
 ■ Soybean oil
 ■ Sugar
 ■ Sunflower oil
 ■ Wheat

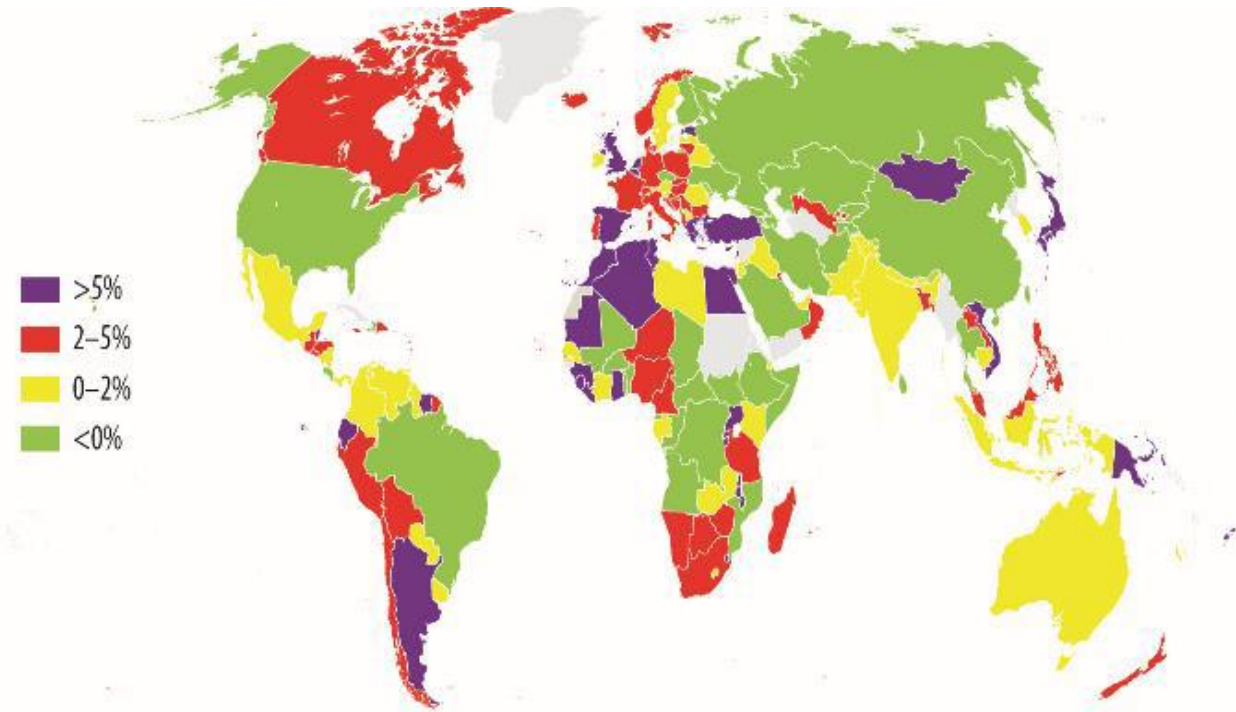




Nominal Food Inflation



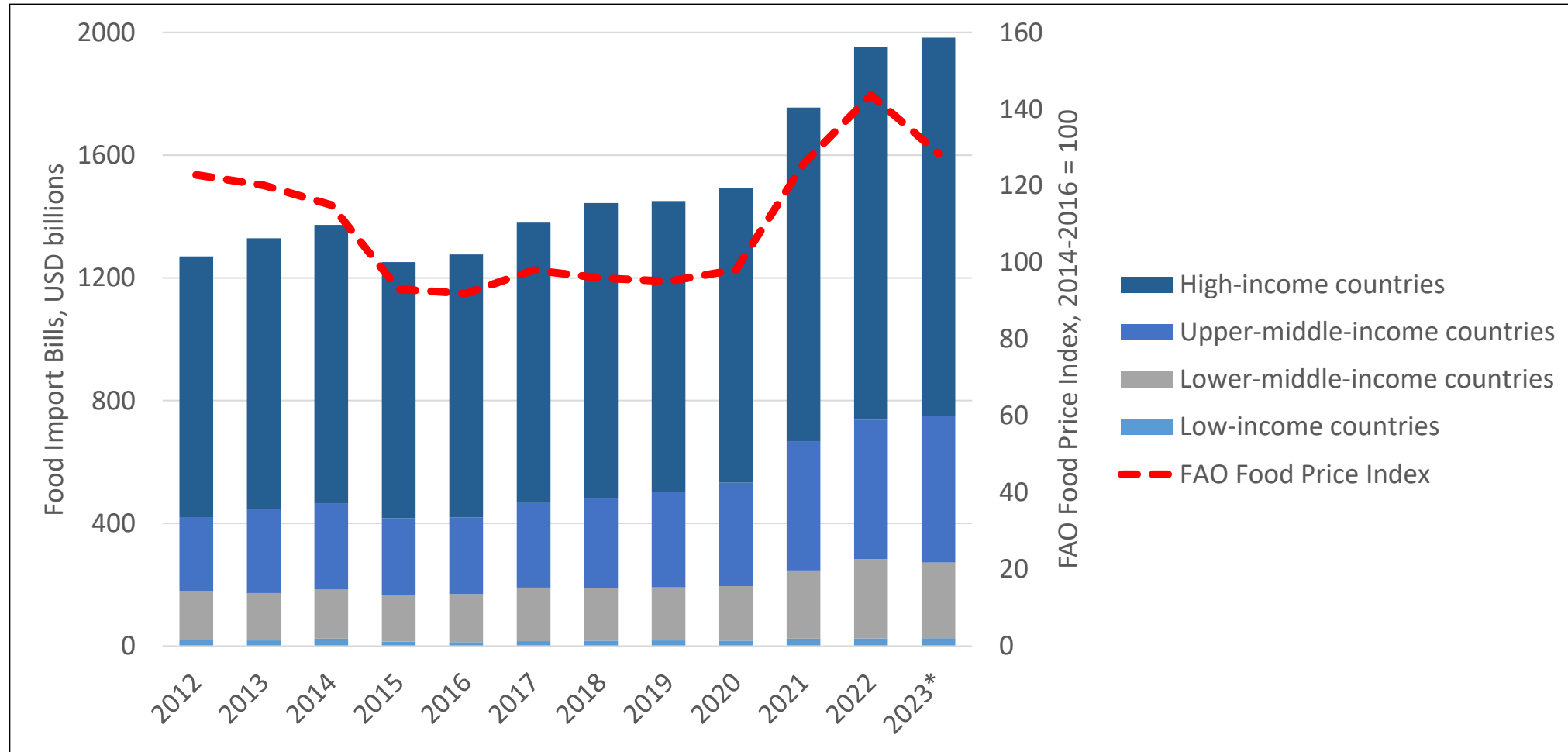
Food Inflation in Real Terms



Source: International Monetary Fund, Haver Analytics, and Trading Economics.

Note: Food inflation for each country is based on the latest month from June 2023 to September 2023 for which the food component of the Consumer Price Index (CPI) and overall CPI data are available. Real food inflation is defined as food inflation minus overall inflation.

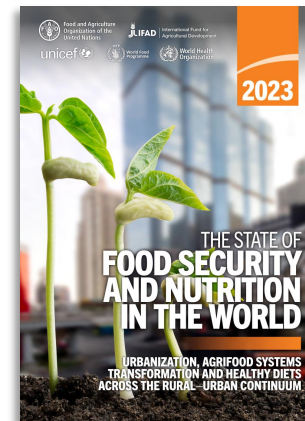
Food Import Bill by Country Income Groups US\$ billions



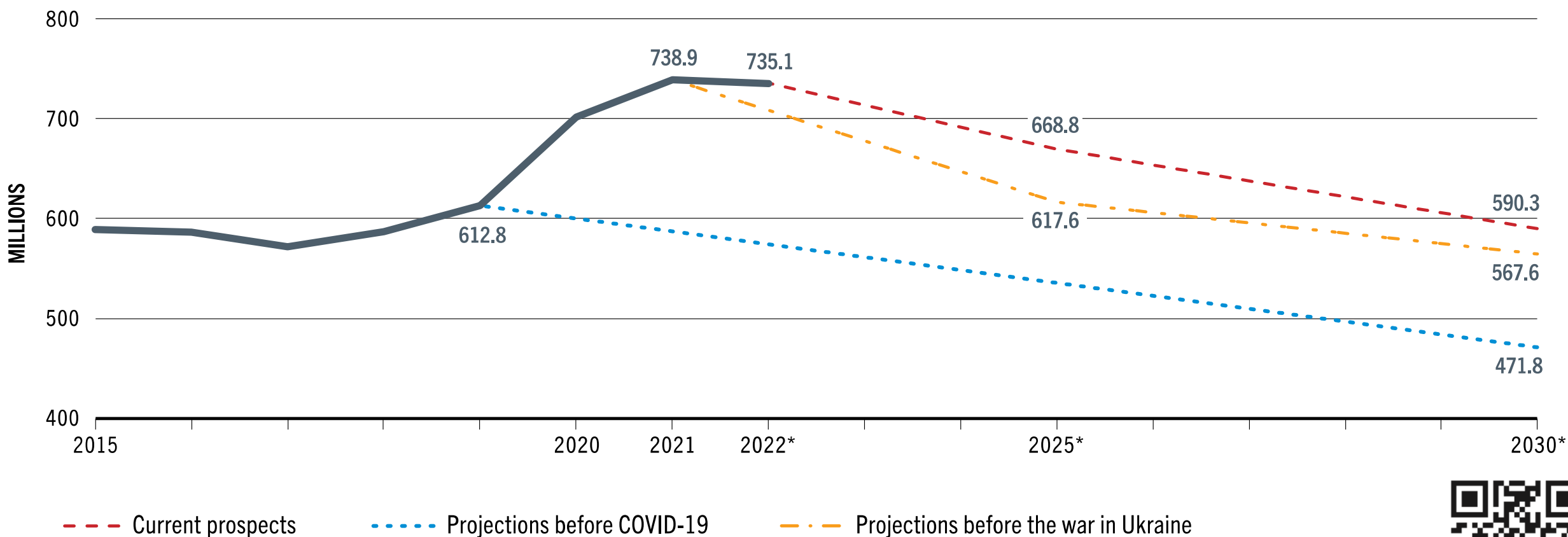
* Preliminary forecasts

Source: FAO, Trade Data Monitor (TDM), FAO calculations

Projections show 119 million more people facing hunger in 2030 compared to a scenario in which the pandemic had not occurred, and around 23 million more than in a scenario where 2022 events had not happened



PROJECTIONS OF THE GLOBAL NUMBER OF UNDERNOURISHED PEOPLE



NOTES: * Projected values. The 2020, 2021 and 2022 values are based on the middle of the projected ranges.
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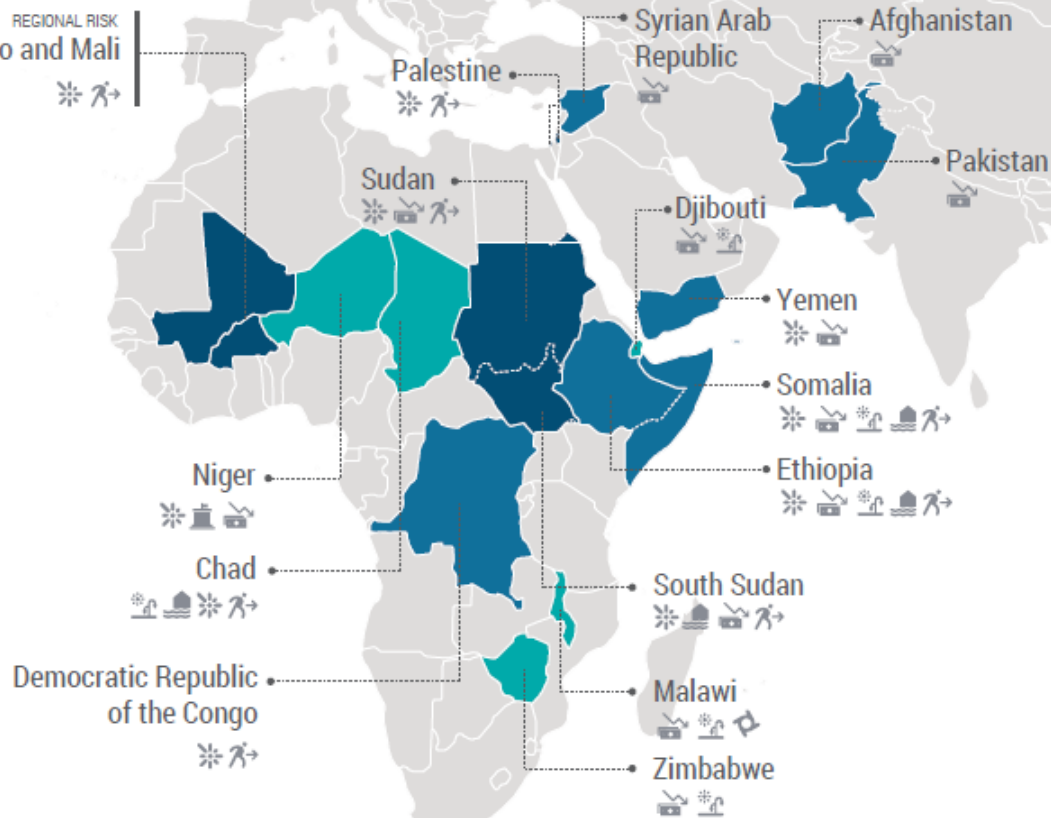
Early warning hunger hotspots

November 2023 to April 2024

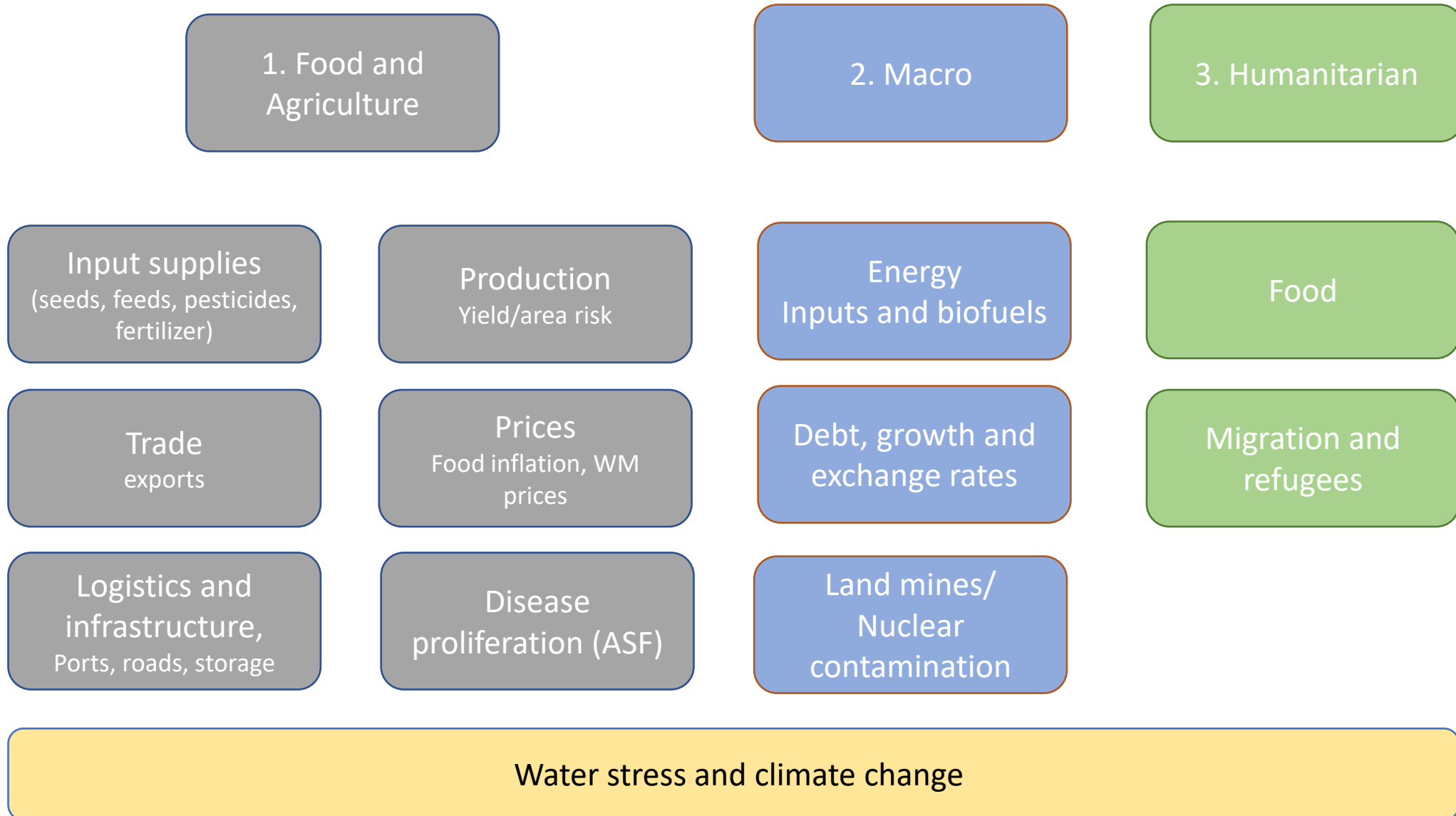
Key drivers and aggravating factors

Conflict/insecurity
 Displacement
 Dry conditions
 Economic shocks

Flood
 Political instability/unrest
 Tropical cyclone

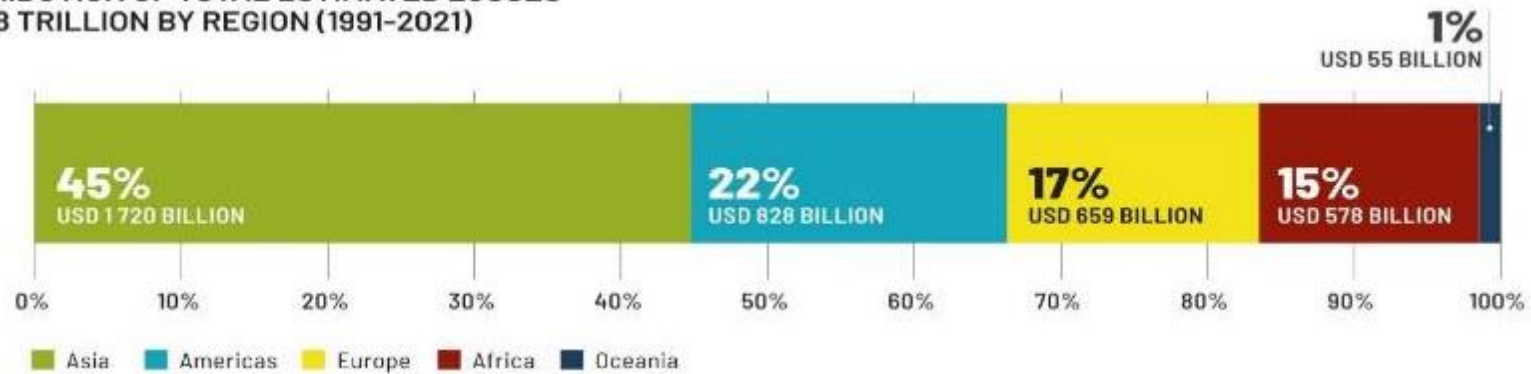


The basic risks/uncertainties for the agrifood systems

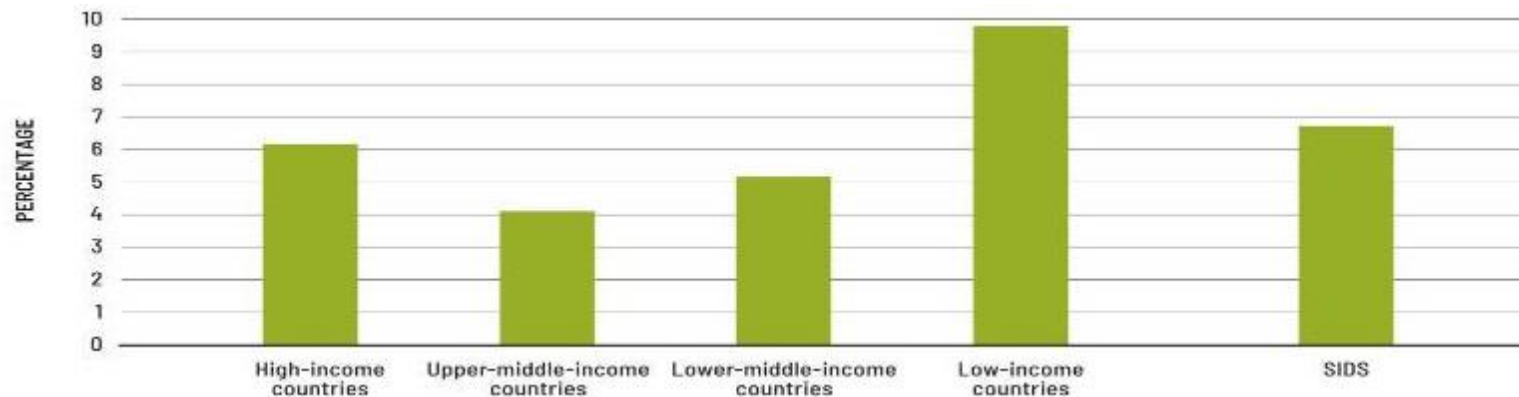


Losses around the world because of disasters: Relative to agricultural GDP losses are high in Africa, SIDS and low-income countries

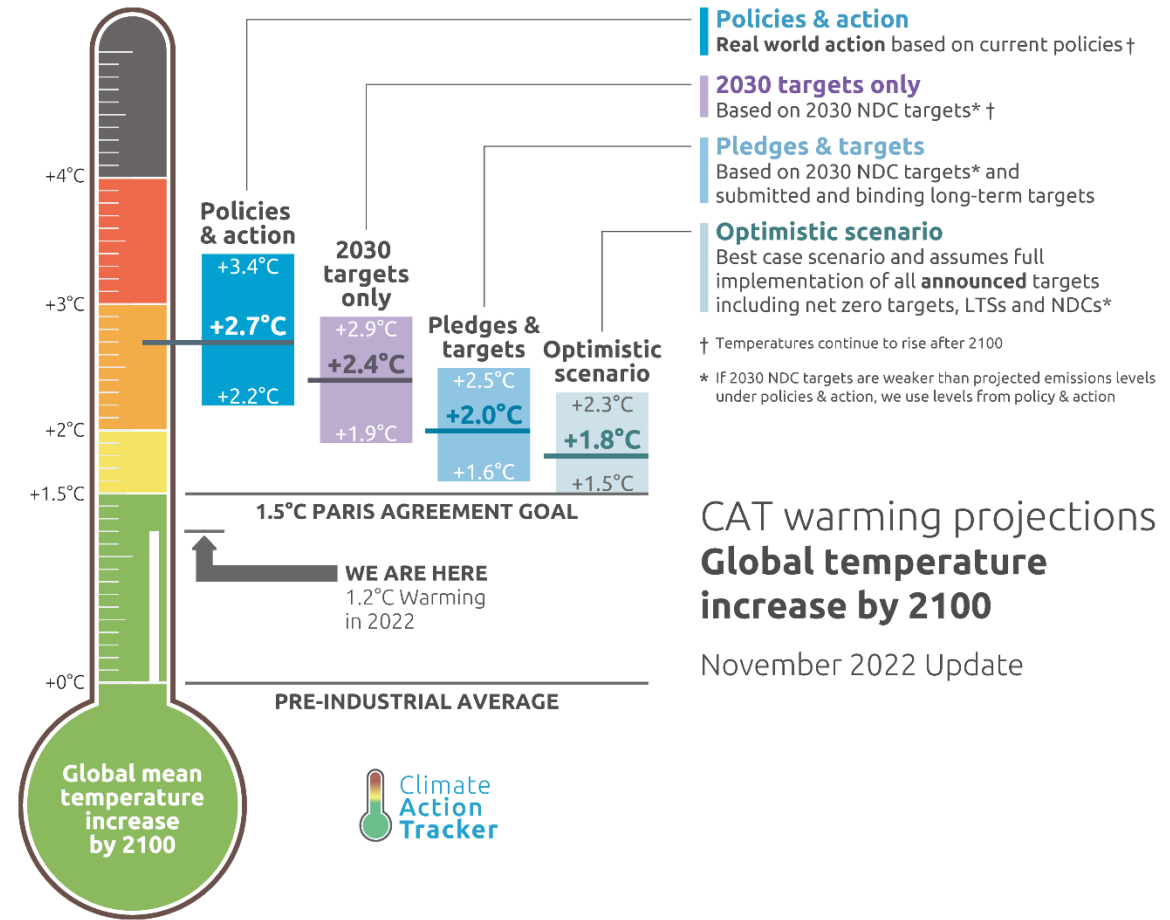
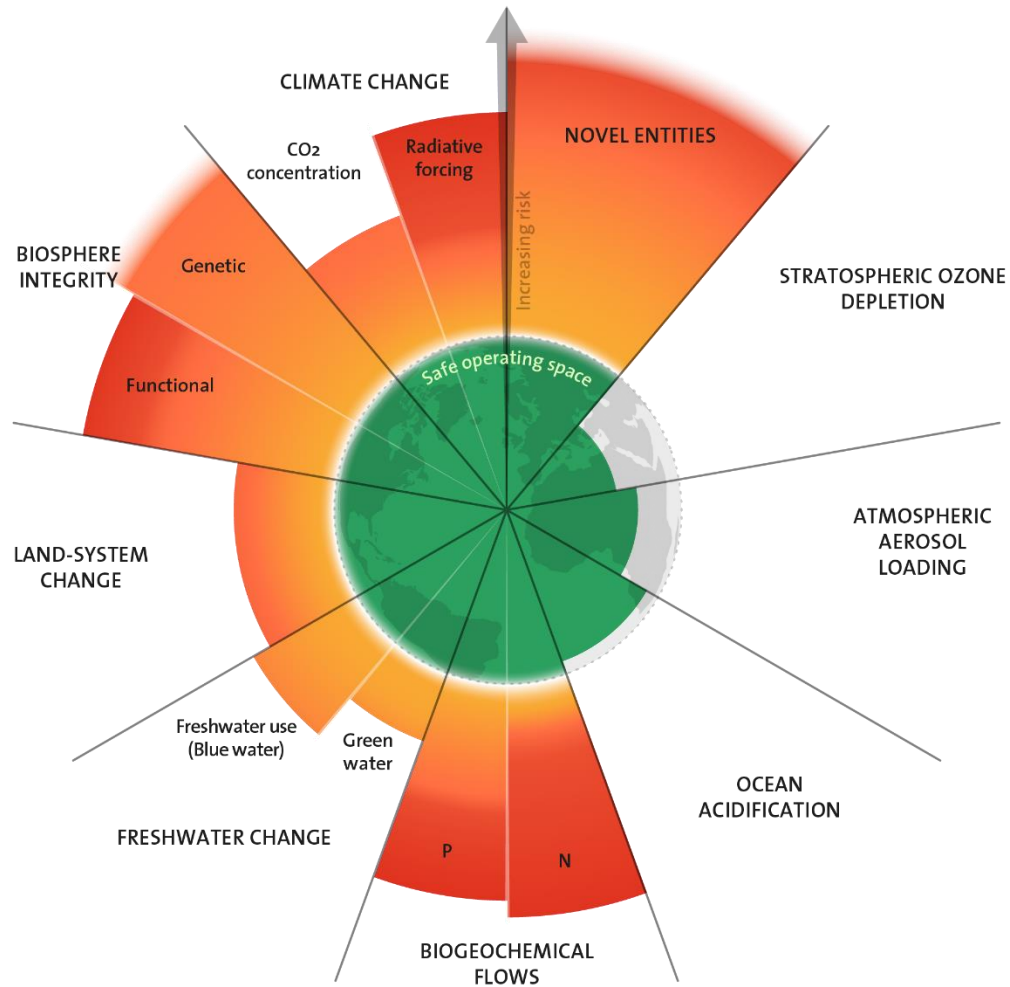
DISTRIBUTION OF TOTAL ESTIMATED LOSSES
OF 3.8 TRILLION BY REGION (1991-2021)



TOTAL AGRICULTURAL LOSSES AS A SHARE OF AGRICULTURAL
GROSS DOMESTIC PRODUCT BY SUBREGION (1991-2021)



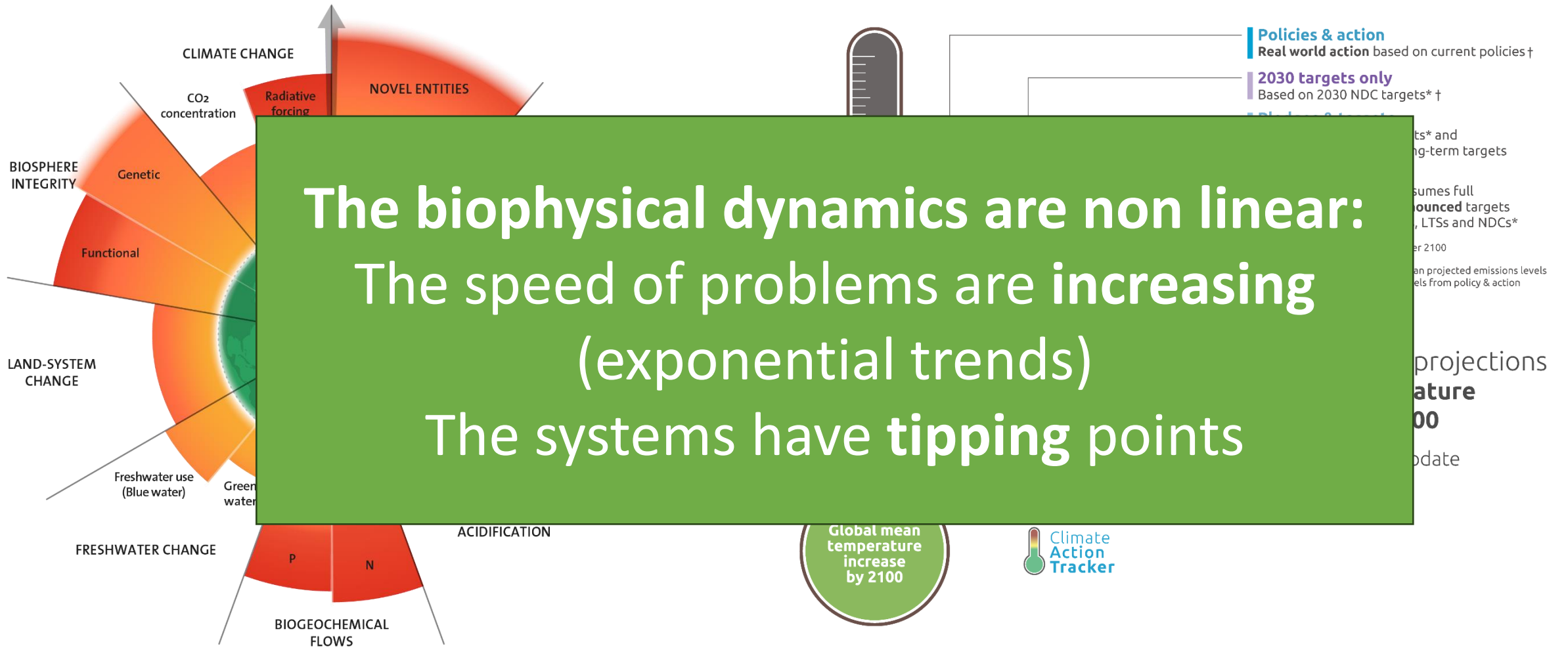
Planetary Limits in 2023



CAT warming projections
Global temperature increase by 2100

November 2022 Update

Planetary Limits in 2023



Agrifood systems exert pressures on the environment

Climate Change

31% of GHGs emissions sources from agri-food systems



Biodiversity loss

80% of threatened terrestrial species are in danger due to land use change driven by agriculture



Water scarcity

70% of fresh water withdrawal is used by agriculture

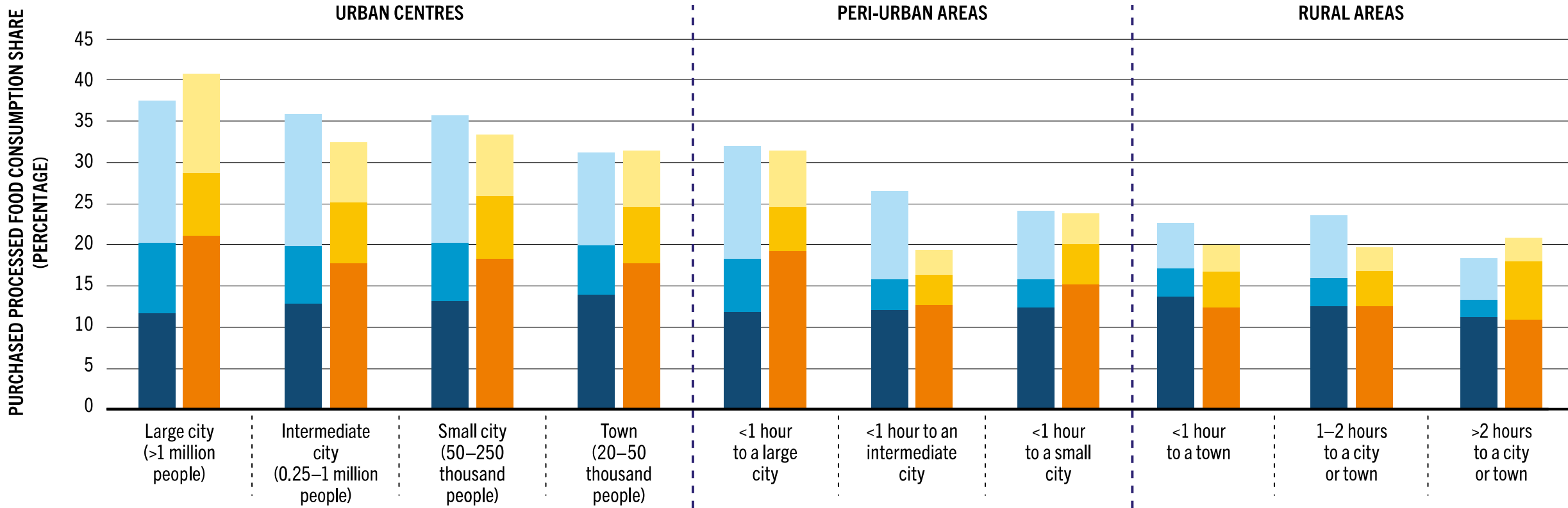


Pollution

80 % of marine pollution comes from the land



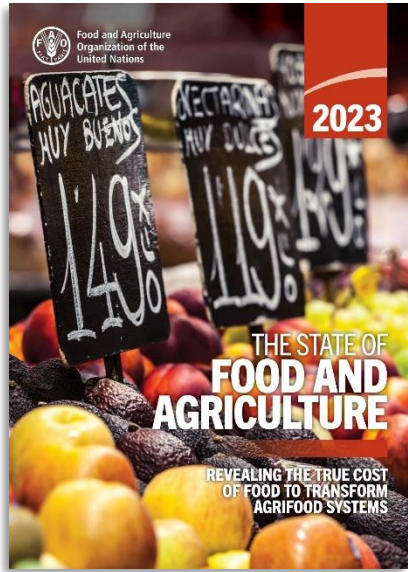
While the diffusion of processed foods, including highly processed foods, is already advanced in Asia and Latin America, it is spreading quickly in Africa



RURAL–URBAN CONTINUUM (URCA)

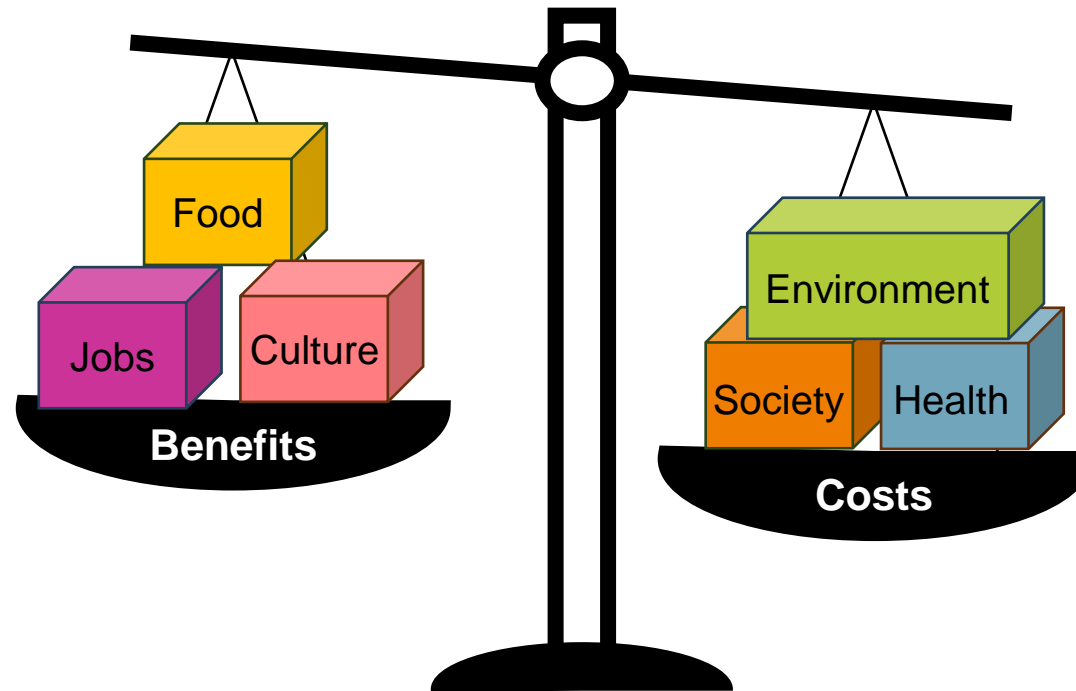
High-food-budget countries: Low processed foods, Highly processed foods, Food away from home
 Low-food-budget countries: Low processed foods, Highly processed foods, Food away from home





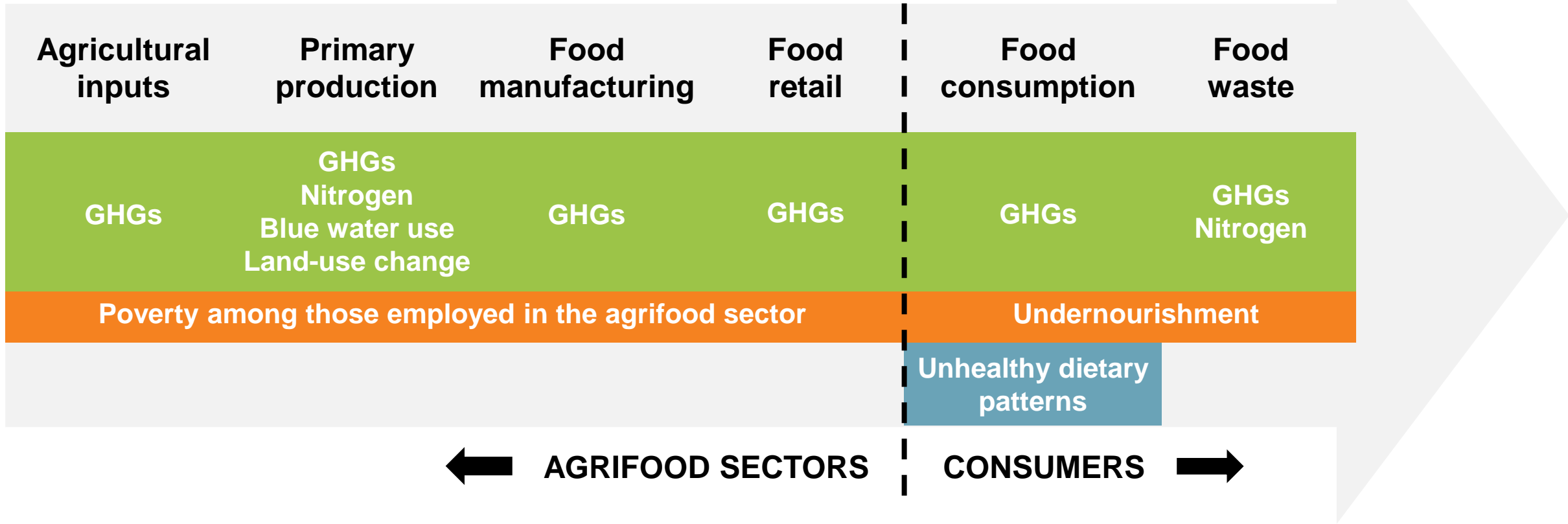
The value of agrifood systems is not in doubt

But while agrifood systems benefit us greatly, they also generate significant **hidden costs affecting all countries**

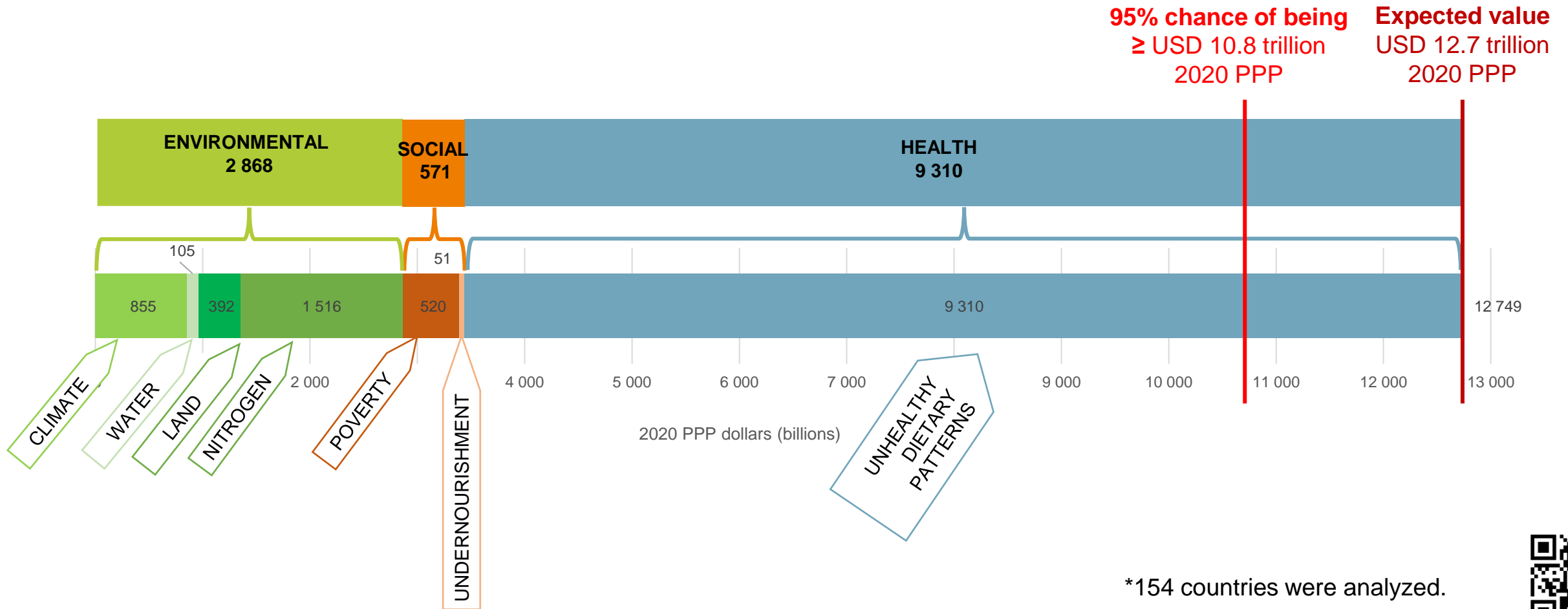


Using true cost accounting to quantify hidden costs for 154 countries

AGRIFOOD VALUE CHAIN

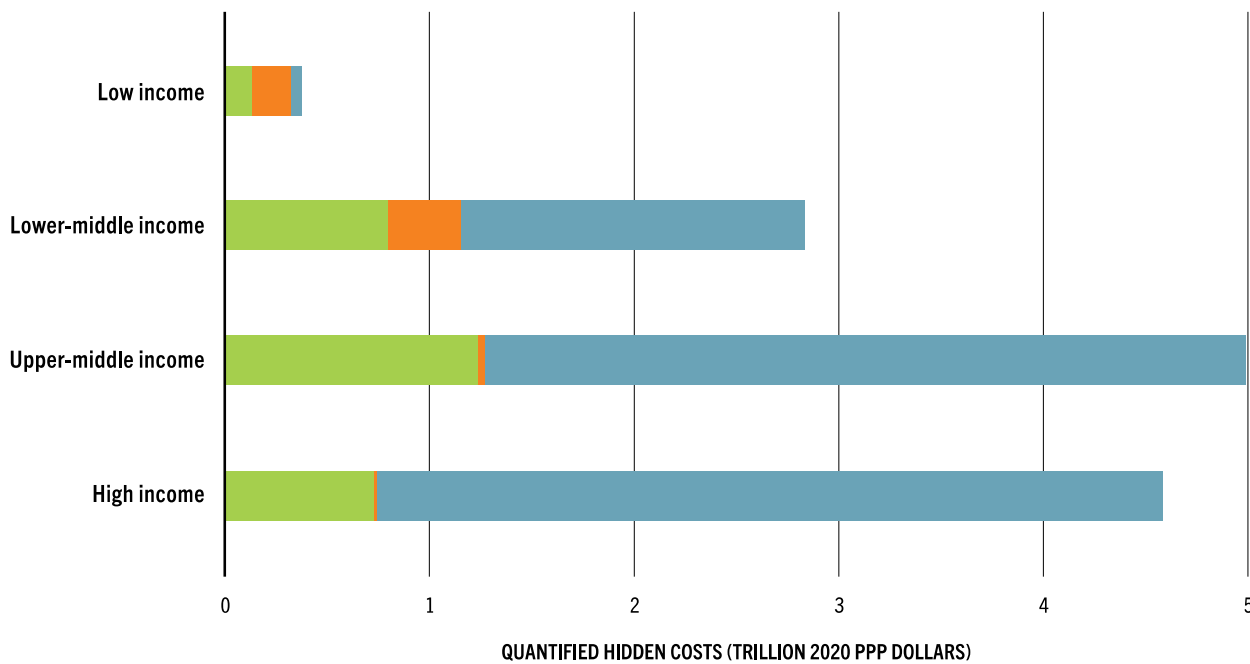


Global agrifood systems generate over USD 10 trillion in hidden costs

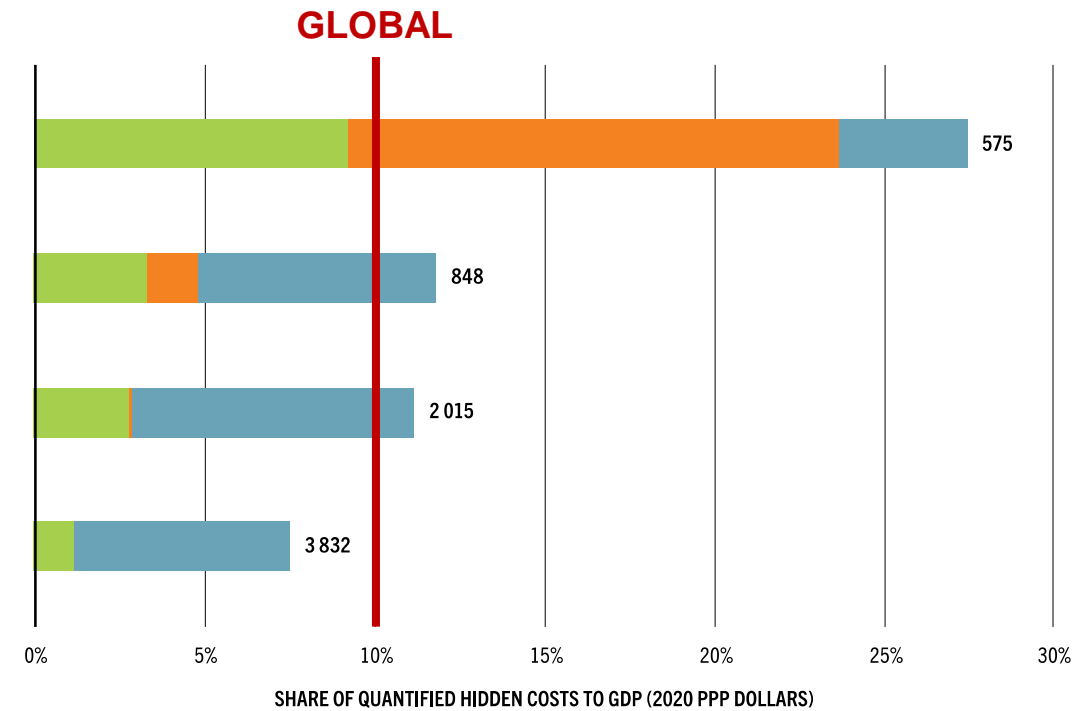


Hidden costs of agrifood systems differ substantially by income group

Total quantified hidden costs of agrifood systems by income group



Share of hidden costs to GDP (costs per capita on the right-hand side)

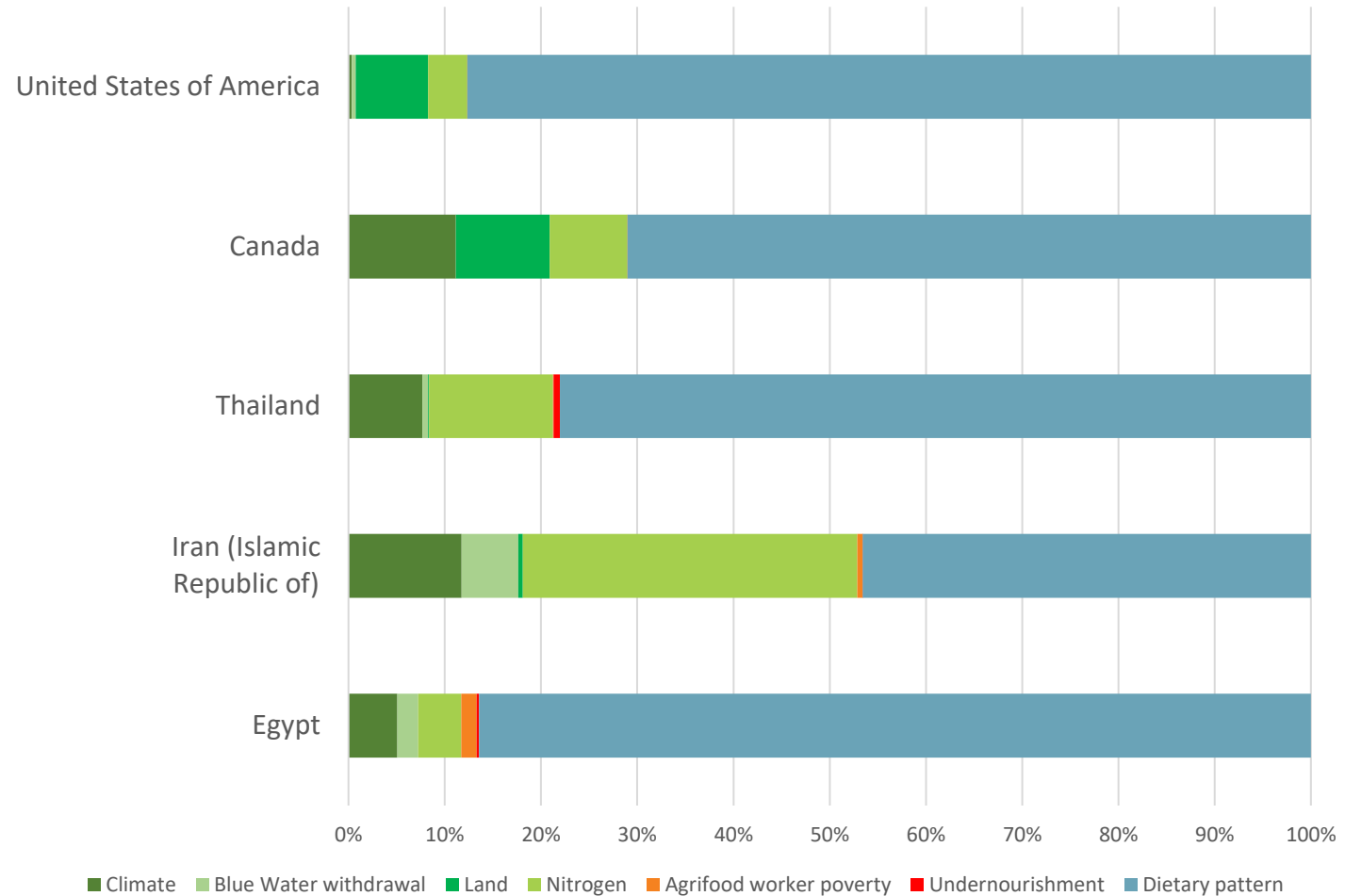


Environmental Social Health



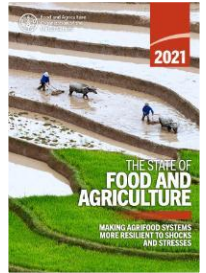
Hidden costs of agrifood systems differ substantially between countries

Different countries different drivers
5 countries with hidden costs representing 8% of their GDP



WHAT NEEDS TO BE DONE?

Transform our agrifood systems with greater resilience to make them sustainable and inclusive while ensuring healthy diets are affordable. It requires building early warning systems, absorption capacity and recovery mechanisms.



Integrate humanitarian, development and peacebuilding policies



Protect households and value chains during economic slowdown



Scale up climate resilience across agrifood systems



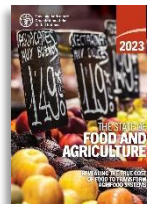
Address the specific challenges associated with water management



Focus on value chains contributing to healthy diets



Realign public expenditures to assure access to healthy diets in a sustainable systems



Better policies, and investments in more sustainable agrifood systems, can reduce hidden costs without increasing families' expenditure on food