Climate, trade, and food security

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1. Climate change

1. Changing temperature and precipitation patterns
2. More frequent, intense and long-lasting extreme weather events
3. Low-latitude regions especially at risk
4. Food system wide impacts - agricultural yields will decline both for plants and animals; pest and disease patterns will evolve as ecological conditions change.
Food security: rising undernutrition

The number and prevalence of hungry people in the world, 2000-2021
Some Numbers

• FAO data indicates that between 702 and 828 million people faced hunger in 2021 – 150 million more people since 2019.
• Over a third lived in Africa in 2019-21 (256.1 million, out of 702.7 million: 36%). The figure in 2004-2006 was 193.2 million.
• Undernourished people represent on average around 19% of the continent's population - meaning Africa has a higher prevalence of undernourishment than any other world region.
• Updated projections from FAO indicate that more than 670 million people may still face hunger in 2030 meaning that the Zero Hunger target cannot be fulfilled.
• Around 2.3 billion people lacked access to adequate food in 2021.
The drivers of food insecurity

1. The COVID-19 pandemic;
2. Conflicts;
3. Climate-related shocks; and
4. Economic downturns.
Food prices have fallen from record peaks
Demand growth is outstripping supply growth

Sub-Saharan Africa:
• projected population growth rates exceed projected growth in agricultural and fish production
• Per capita productivity has fallen since 2015

North Africa and the Middle East
• Output growth is projected to match growth in production

Trade will remain important in meeting Africa’s demand growth
Africa’s double challenge

1. How to boost agricultural productivity sustainably, to help raise rural incomes as well as meet rising demand?

2. How to ensure adequate access to affordable food, including in urban areas?
Boosting agricultural productivity sustainably

1. WTO rules allow countries to support agricultural productivity growth

2. They also place limits on support that can lead to unfair competition

3. African countries are making use of the flexibilities under WTO rules
The challenge of reforming farm subsidies

1. Support provided by other WTO Members undermines the competitiveness of African producers’ exports:
   - e.g. cotton

2. Import competing sectors also affected:
   - e.g. wheat, rice, soybeans, sugar, poultry
The impact of food export restrictions

1. Context: changing dietary patterns
2. Ukraine war: food prices again high and volatile
3. WTO negotiations ongoing
4. Improve transparency – e.g. advance notice?
Agricultural tariffs relatively low
But: LDC exports remain low
Aid for trade disbursements (agriculture)

Value of Aid for Trade Gross Disbursements for Agriculture in USD billions from 2011-2020

Year

Value of Aid for Trade Gross Disbursements for Agriculture in USD billions from 2011-2020

310: III.1. Agriculture, Forestry, Fishing, Total
311: III.1.a. Agriculture, Total
MC12 outcomes:

1. Food security declaration
2. Food aid decision

And:

3. SPS declaration
Other initiatives to shore up FS

• United Nations Crisis Response Group
• Global Alliance for Food Security
• Support for the Black Sea initiative brokered by the UN Secretary-General with the assistance of Turkey
• Joint statements by heads of IOs – World Bank, IMF, FAO, WFP & WTO on Global Food Security and Nutrition Crisis

WTO | 2022 News items - Agency heads call for urgent action to address global food security crisis
WTO | 2022 News items - Heads of agencies call for urgent action to address global food security crisis
Since the outbreak of the Ukraine-Russia war, 61 trade restrictive measures on food and feed, and 7 on fertilisers have been introduced.

15 of these measures have since been phased out.

In parallel, 46 import facilitating measures have been introduced by 25 countries.

Not the best scenario, but the situation compares favourably to the food crisis in 2008.
WTO agriculture negotiations:

- “Priority” for the WTO DG
- Retreat: 24 October
- Brainstorming on fresh approaches, ideas
A common vision?

• Para. 3 of the food security declaration

WTO Members

"commit to take concrete steps to facilitate trade and improve the functioning and long-term resilience of global markets for food and agriculture".
Conclusion: ways forward

- Climate change, food security are among key challenges facing trade policy-makers, negotiators.
- Africa is therefore central to the debate on how to move forward.
- Need to build a shared evidence base for action.
- Deepen engagement between experts, trade officials and relevant constituencies.