

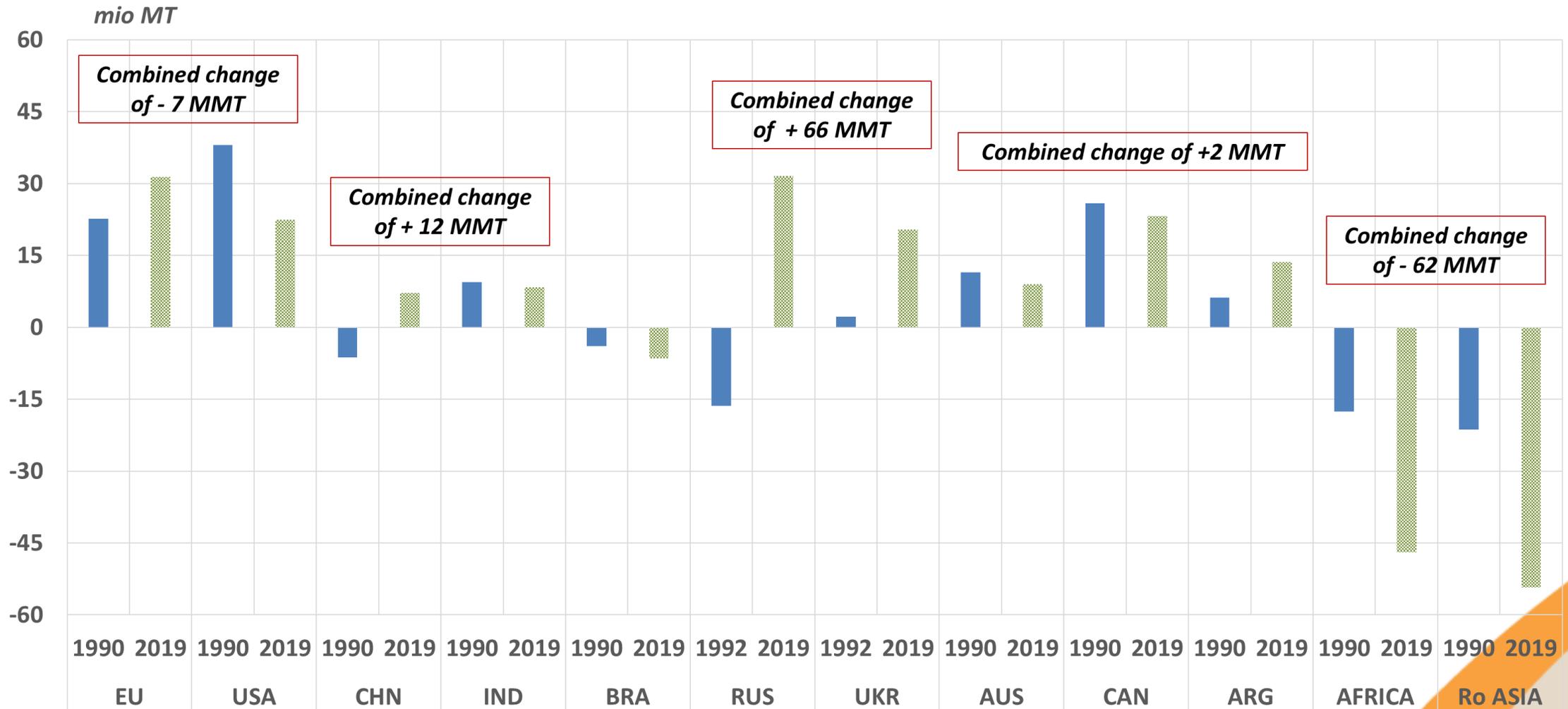
Safeguarding food security and reinforcing the resilience of food systems

DG AGRI A1

**CDG Beef & Veal
16 Sept 2022**



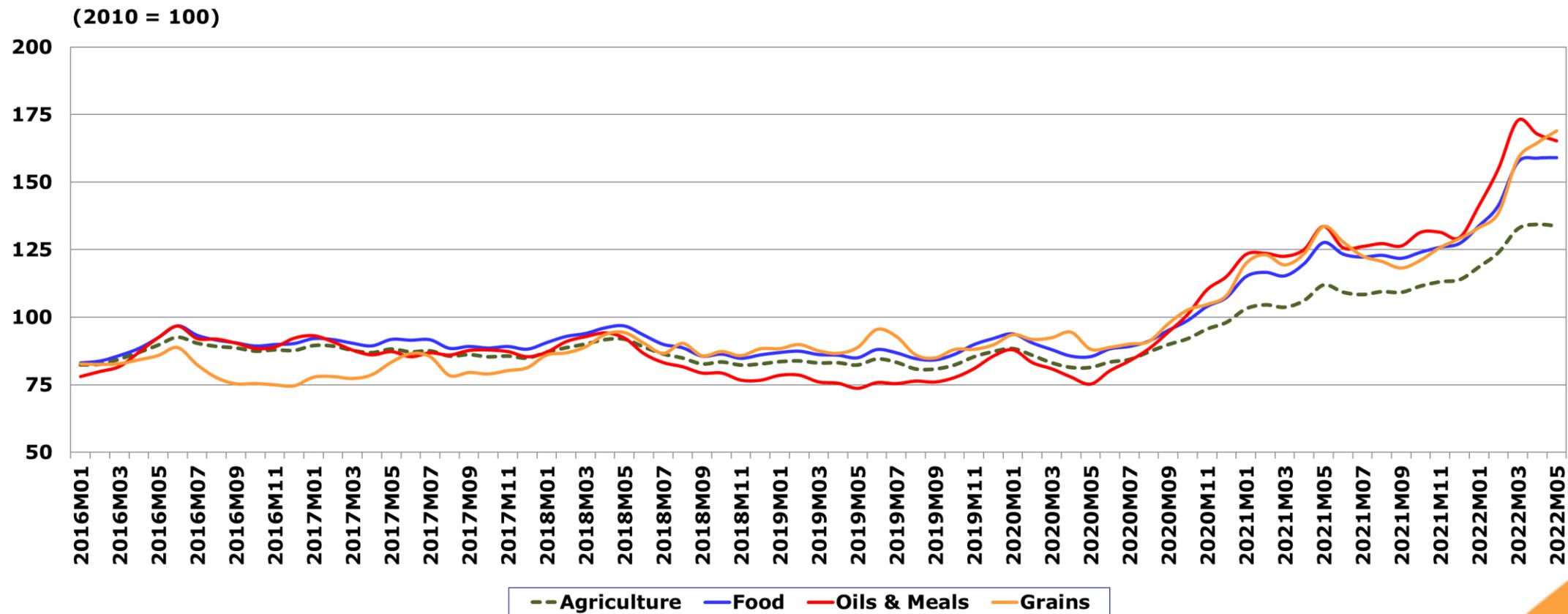
Global food surplus/deficit gap - wheat



Source: DG AGRI based on FAOSTAT.



Agricultural and food prices (monthly nominal indices)

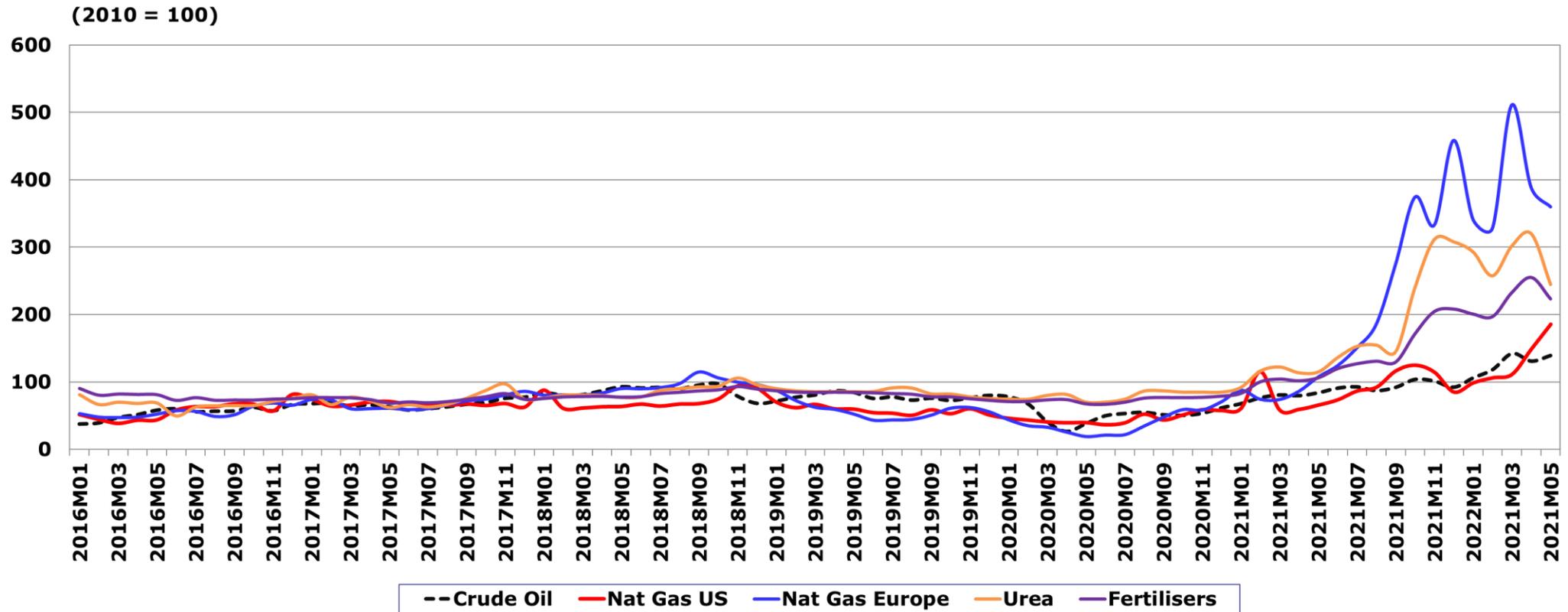


Source: World Bank.

Note: Monthly indices (average 2010=100).



Energy and fertiliser prices (monthly nominal indices)

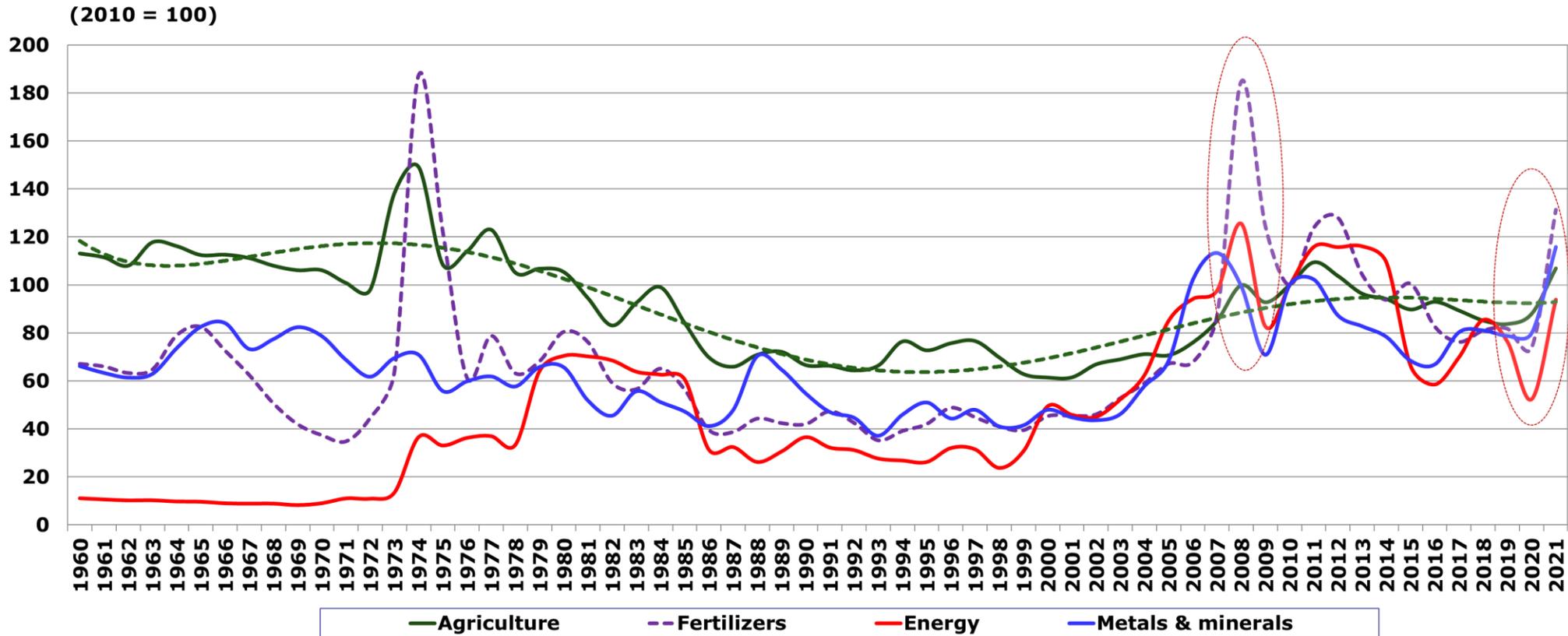


Source: World Bank.

Note: Monthly indices (average 2010=100).



Commodity price cycles (annual real price indices)



Source: World Bank.

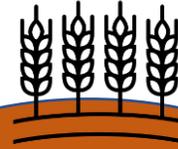
Note: Dotted green line is best-fit agricultural price trend.



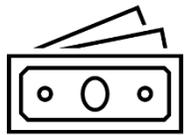
Direct and indirect food security impact of the war in Ukraine



Fuel, gas and
fertilizer prices



Wheat. Maize,
and sunflowers



Import bill for
food deficit
countries



Humanitarian
needs + costs for
humanitarian
assistance



Analysis: Pathways to instability

- When food systems fail, the resulting **disorder threatens society at large**: education, health, economy, natural resources, human rights, and peace and security.
- States will be expected to respond while having little to **no budgetary or fiscal space** to do so – debt levels are very high and exchange rates are under stress – which risks leading to governance failures and providing opportunities for competing actors to fill the void.



➔ **Prioritise global food security, particularly in most vulnerable countries, to avoid a systems breakdown.**



Actions for global food security

- **Debt relief, financing strategies** and actions, in order to sustain green recovery.
- **Macro-economic support** to food-deficit developing countries
- **Analysis of food prices and food insecurity** coordinated with other global actors
- Advocate **against export restrictions** and export bans
- Continue to support countries in the **transformation towards resilient and sustainable agricultural and aquatic food systems**
- **Humanitarian assistance**



Actions for global food security

- **Ukraine:** EUR 330 million support package to strengthen resilience (capacity building; rehabilitation of critical infrastructure; digital, cybersecurity energy and food security)
- **North Africa:** EUR 225 million “Food and Resilience Facility” to the region most dependent of agricultural supplies from Ukraine (and Russia)
- **Africa:** EUR 1.0 billion Team Europe mobilisation for the Sahel and Lake Chad regions; EUR 600 million for the Horn of Africa
- **Global:** EUR 5.0 billion package of humanitarian and development assistance for global food security in the period 2021-24 (plus debt relief)



Actions for Ukrainian food security

- **Food aid, humanitarian assistance and support to its agricultural and fisheries sector**, in close cooperation with international partners
 - Concretely, **EU humanitarian aid** for Ukraine and Moldova including food assistance and support to for basic needs (DG ECHO)
 - **EU Emergency Support Programme (330 million €)** in favour of Ukraine: securing access to basic goods and services as well as protection (DG NEAR)
 - **Solidarity lanes**
- **Macro-economic support** (DG ECFIN, Member States)

Actions for EU food security and farm income

- Fund for European Aid to the **Most Deprived** (FEAD)
- EUR 500 million to **support farmers** most affected.
- Derogation from certain greening obligations in 2022 to bring **additional agricultural land** into production.
- **Market safety net** measures
- Temporary Crisis Framework (TCF) for **state aid**.
- Prioritise investments that **reduce the dependency on gas and fuel and inputs** such as pesticides and fertilizers
- Effectiveness and coverage of **social protection systems** and access to essential services
- European Food Security Crisis Mechanism





Food system resilience

- Food sustainability: Farm to Fork and Biodiversity Strategies
 - Innovation
 - Safeguard soil fertility
 - Reducing dependence on feed imports and review of protein policy
 - Accelerating renewable energy (REPowerEU)
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