

Safeguarding food security and reinforcing the resilience of food systems



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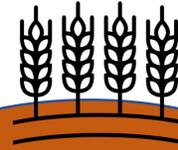
**CDG DP
Greening
7 Oct 2022**



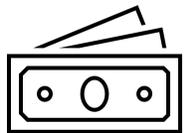
Direct and indirect food security impact of the war in Ukraine



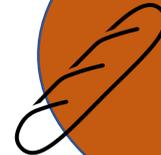
Fuel, gas and
fertilizer prices



Wheat. Maize,
and sunflowers



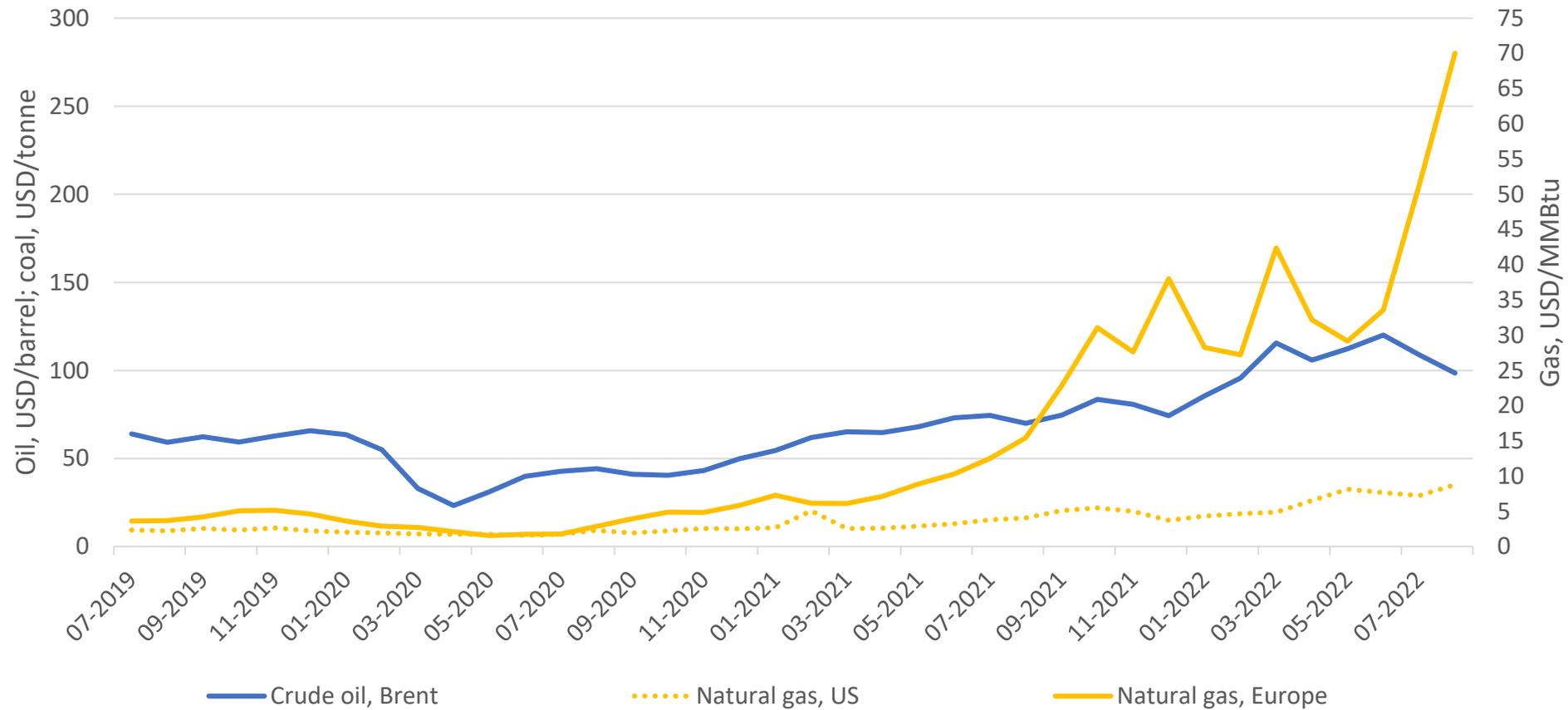
Import bill for
food deficit
countries



Humanitarian
needs + costs for
humanitarian
assistance



Energy prices

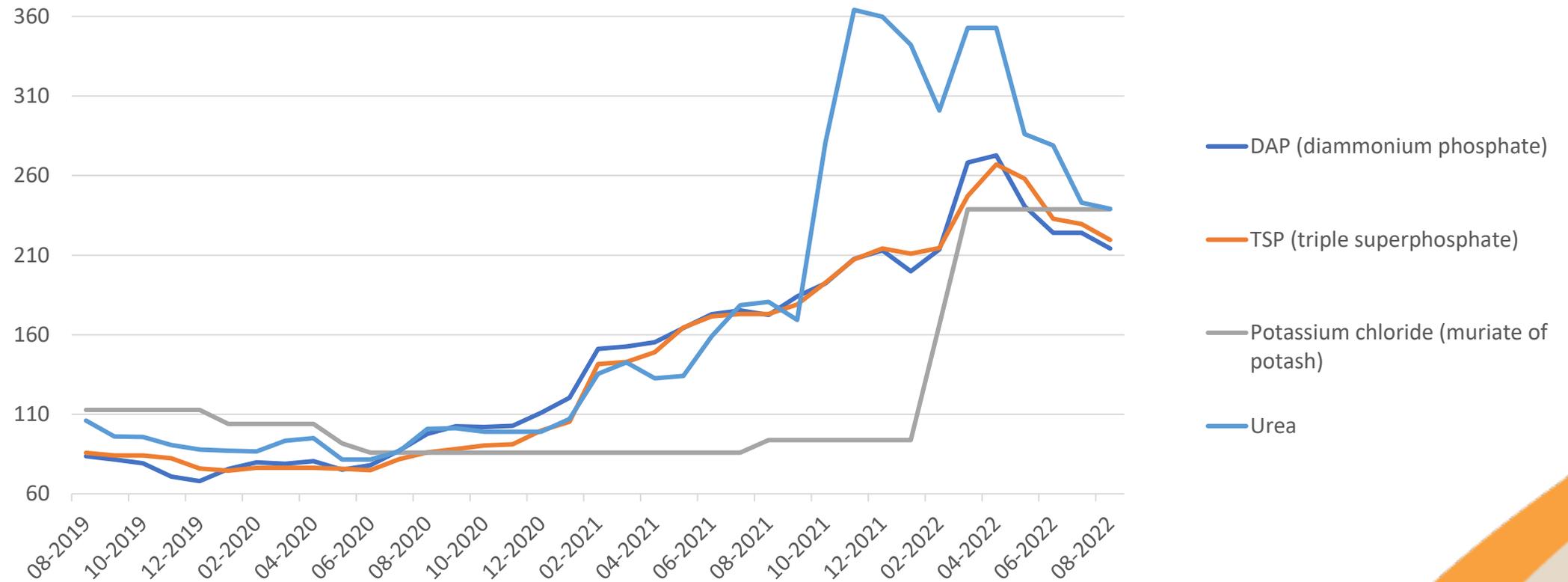


Source: World Bank.



Fertilizer prices

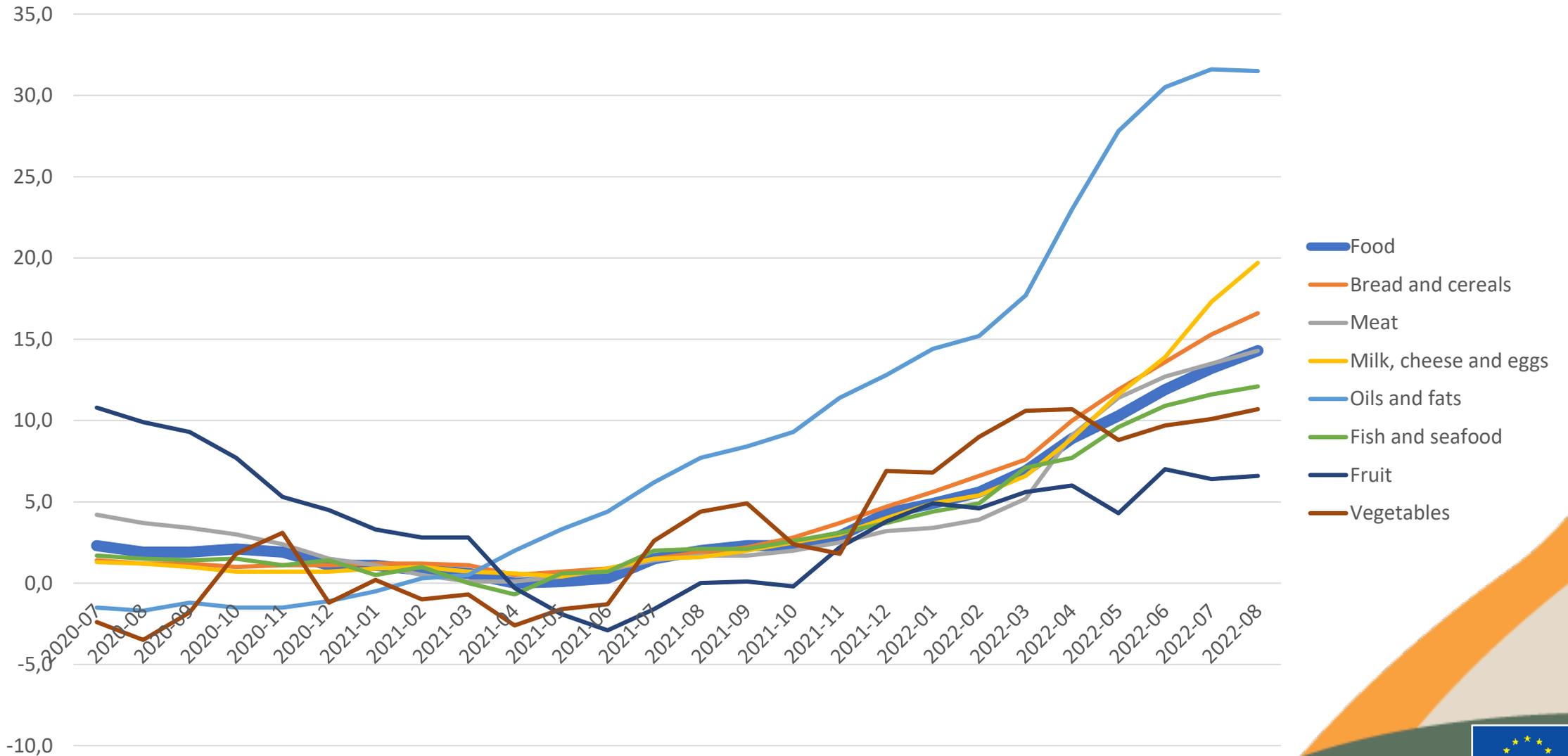
World fertiliser prices (index 2018-2019 = 100)



Source: World Bank.



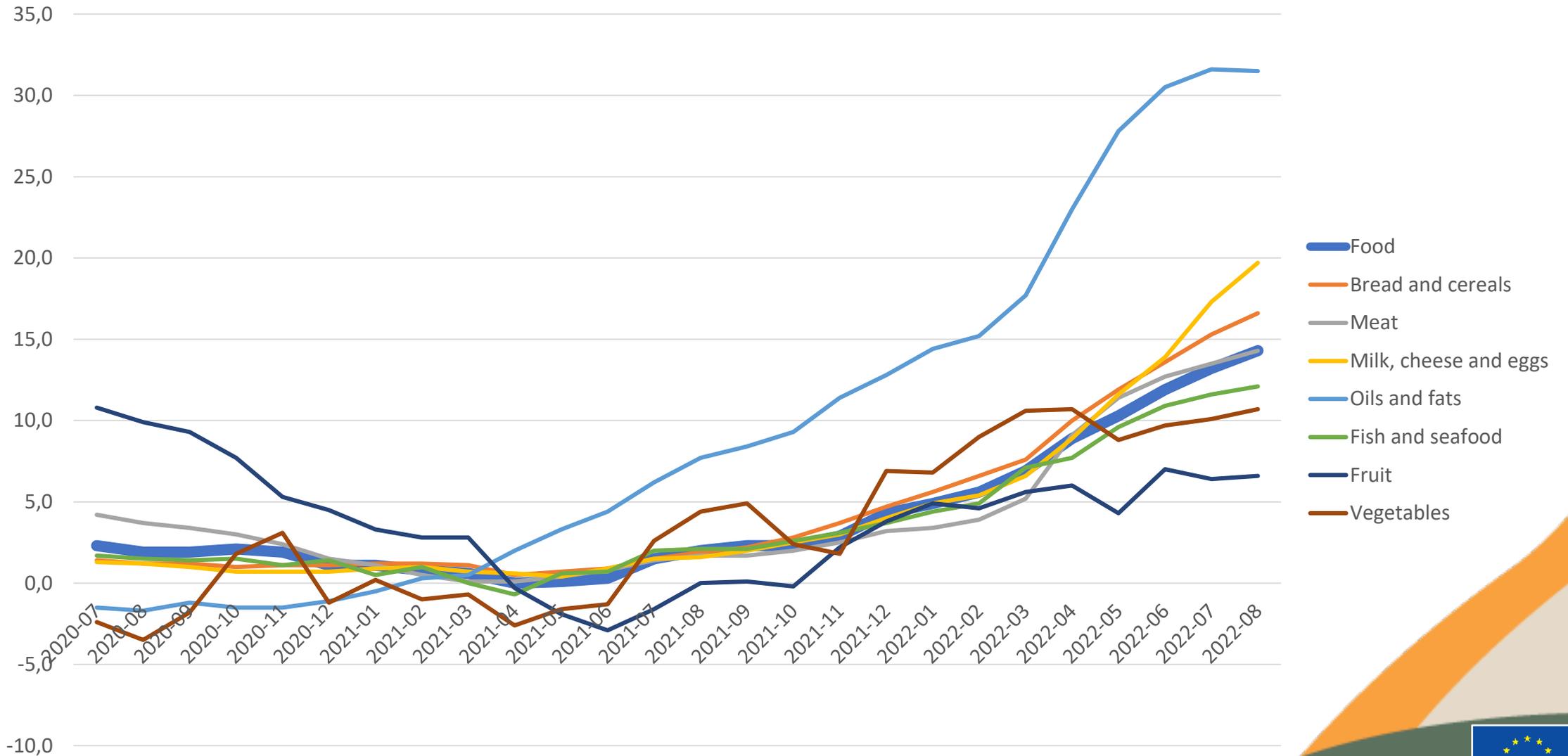
Food price inflation %



Sources: Eurostat



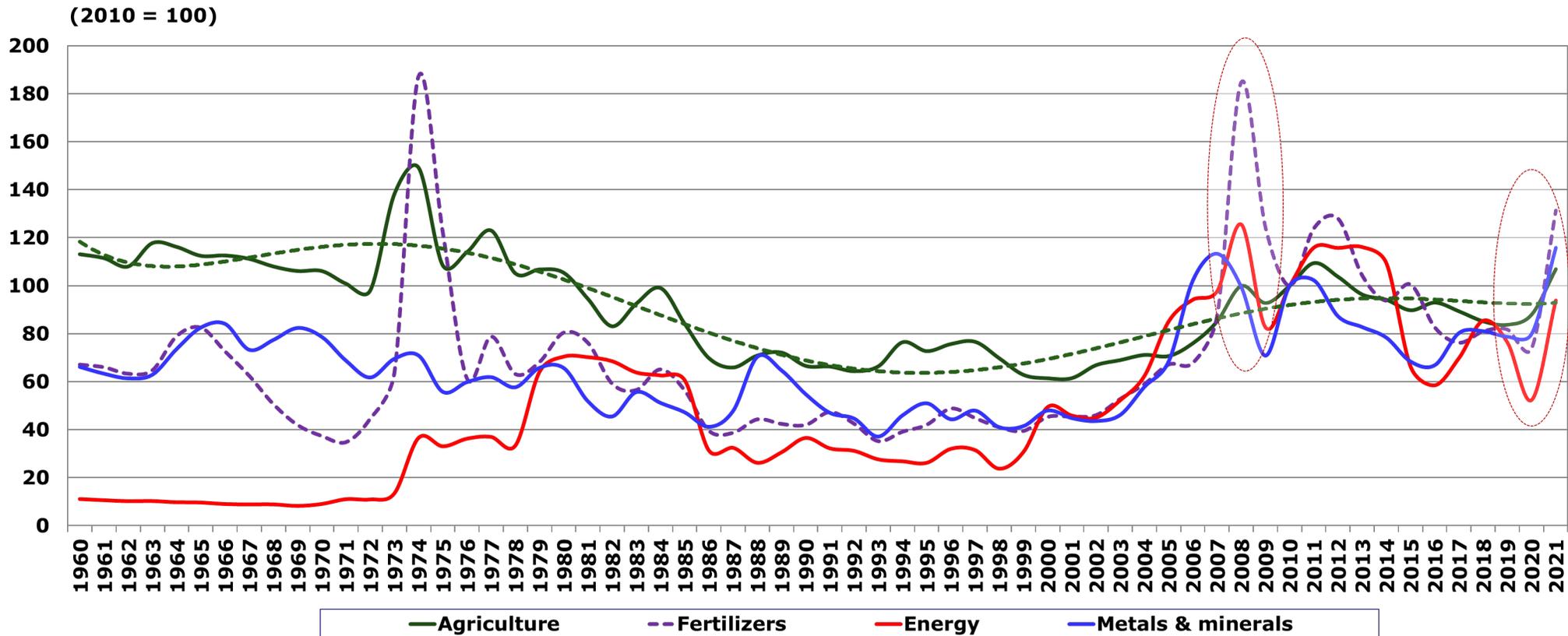
Food price inflation %



Sources: Eurostat



Commodity price cycles (annual real price indices)

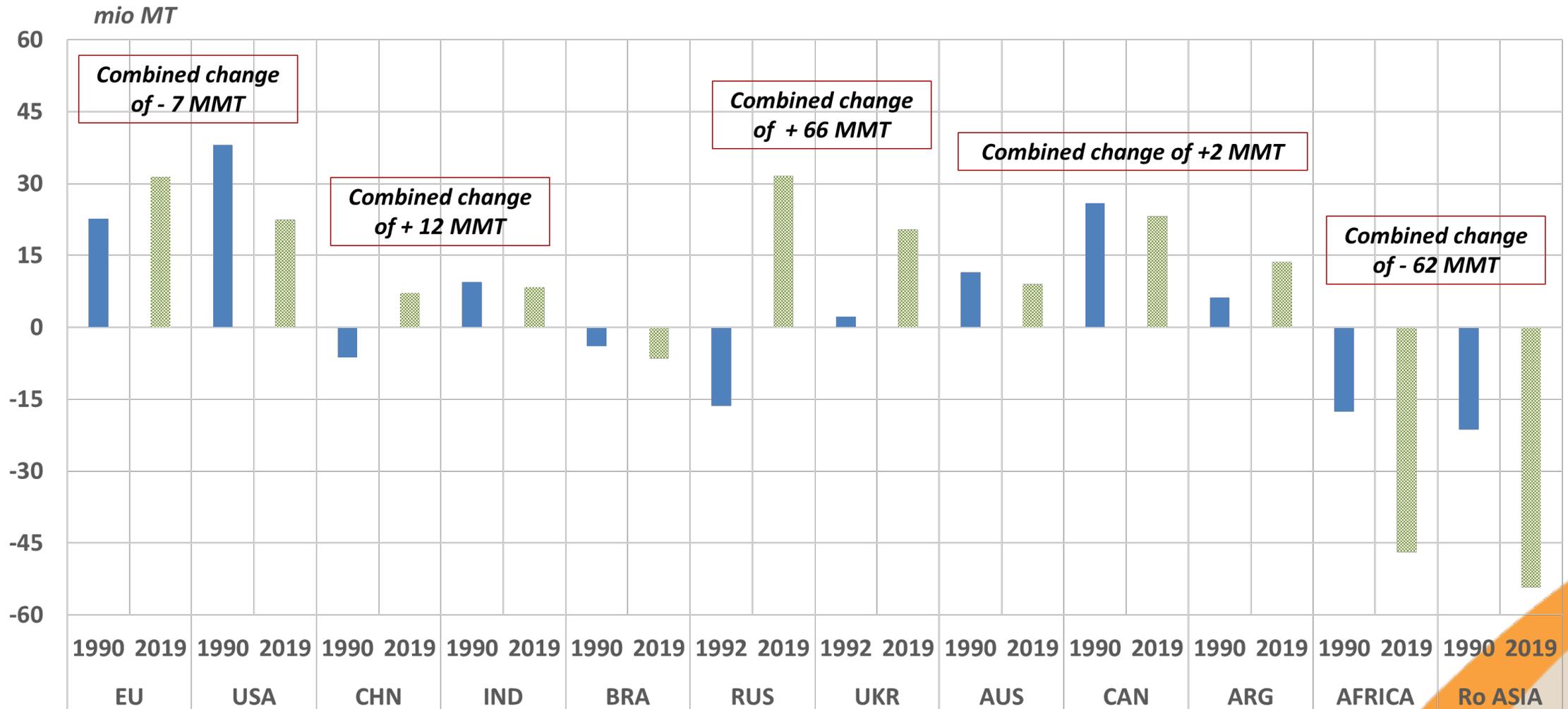


Source: World Bank.

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



Global food surplus/deficit gap - wheat



Source: DG AGRI based on FAOSTAT.



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

- **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&23 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: Horizon Europe, EIP AGRI
- Safeguard soil fertility
- Reducing dependence on feed imports and review of protein policy
- Accelerating renewable energy (REPowerEU)