

FEATURE

Food Security Update

<https://www.worldbank.org/en/topic/agriculture/brief/food-security-update>



A man carries a bag of food in Cusco, Peru, during the COVID-19 pandemic. Photo credit: Lidiya Ribakova/Shutterstock

March 25, 2022 – Many countries are facing growing levels of food insecurity, reversing years of development gains, and threatening the achievement of Sustainable Development Goals by 2030. Even before COVID-19 reduced incomes and disrupted supply chains, chronic and acute hunger were on the rise due to various factors, including conflict, socio-economic conditions, natural hazards, climate change and pests.

The impact of the war in Ukraine adds risk to global food security, with food prices likely to remain high for the foreseeable future. This brief looks at rising food insecurity and World Bank responses to date.

Overview

While the outlook for global food supplies remains favorable, food prices increased sharply due to elevated input prices which, combined with high transport costs and trade

disruptions due to the war in Ukraine, are raising import bills. That hits poor and developing countries hardest, as they depend on food imports the most.

As of March 24, 2022, the Agricultural Commodity Price Index is up 32% year on year. Maize and wheat prices are 37% and 79% higher, respectively, year on year, while rice prices are about 17% lower.

Although economies are slowly starting to recover, uncertainties and disruptions continue, and with worsening fiscal capacity, the outlook for food and nutrition security for many low- and middle-income countries is of significant concern.

Numerous countries are experiencing high food price inflation at the retail level, reflecting labor shortages, [a sharp rise in the price of fertilizer](#), currency devaluations, and other

factors. Rising food prices have a greater impact on people in low- and middle-income countries since they spend a larger share of their income on food than people in high-income countries.

The war in Ukraine is a major shock for global commodity markets, reflecting the region's importance in those markets. Food prices were already high before, and the war is driving food prices even higher. Commodities that have been most affected are wheat, maize, edible oils, and fertilizers.

Global commodity markets face upside risks through the following channels: reduction in grain supplies, higher energy prices, higher fertilizer prices, and trade disruption due to shutting down of major ports. Over the coming months, a major challenge will be access to fertilizers which may impact food production across many crops in different regions.

[Rapid phone surveys done by the World Bank](#) in 83 countries show a significant number of people running out of food or reducing their consumption in the first two years of the COVID-19 pandemic. Reduced calorie intake and compromised nutrition threaten gains in poverty reduction and health and could have lasting impacts on the cognitive development of young children.

Between 720 and 811 million people in the world went hungry in 2020, [according to the UN report on the State of Food Security and Nutrition in the World](#). Looking at the middle of the projected range (768 million), around 118 million more people were facing chronic hunger in 2020 than in 2019. Using a different indicator that tracks year-round access to adequate food, nearly 2.37 billion people (or 30% of the global population) lacked access to adequate food in 2020 – a rise of 320 million in just one year.

Recent data also confirms significant increases in the number of people facing acute food insecurity in 2020-2021. Acute food insecurity is defined as when a person's life or

livelihood is in immediate danger because of lack of food.

According to [Global Network Against Food Crises](#), an estimated 161 million people experienced “crisis” levels of acute food insecurity in 2021, a nearly 4% increase over the prior year. Additionally, 227 million people were estimated to be in “stressed” acute food insecurity – one step away from crisis, in 2021, almost 7% more than the previous year.

Hunger was trending upward even before the COVID-19 pandemic, which exacerbated existing effects from extreme climate events, conflict, and other shocks to economic opportunities. Of the 161 million people experiencing crisis conditions in 2021, 81% (or 132 million) lived in countries affected by Fragility, Conflict and Violence.

World Bank Support

In the face of multiple crises, the World Bank is deploying short- and long-term responses to boost food and nutrition security, reduce risks, and strengthen food systems.

Examples of short- and long-term financing include the following projects:

- In Bangladesh, an Emergency Action Plan, mobilized as part of a [Livestock Dairy Development project](#), provided US\$87.8 million in cash transfers to 407,000 vulnerable dairy and poultry farmers to support their businesses. Financing also went towards providing personal protection equipment, farm equipment and enhanced veterinary services through the procurement of 64 mobile veterinary clinics.
- In Bhutan, the World Bank re-aligned its portfolio to support food distribution in the short term and enhance food production in the medium term through inputs supply and irrigation.
- In Chad, \$30 million in emergency financing was mobilized to provide food assistance through the free distribution of food kits to 437,000 vulnerable people experiencing severe food and nutritional insecurity located in both urban and rural areas and provided seeds

and small agricultural equipment to 25,000 poor and vulnerable smallholder farmers to preserve their productive capacity for the imminent growing season.

- In Guatemala, the [Responding to COVID-19: Modern and Resilient Agri-food Value Chains](#) project aims to provide emergency response to COVID-19 and increase economic and climate resilience by improving the efficiency of key agricultural value chains and investing in modern technologies and practices.
- In Haiti, the [Resilient Productive Landscape project](#) mobilized emergency funding to help over 16,000 farmers access seeds and fertilizer and safeguard production for the next two cropping seasons.
- In India, women's self-help groups, supported under the National Rural Livelihoods Mission co-financed by the World Bank, mobilized to meet shortages in masks and sanitizers, [run community kitchens and restore fresh food supplies, provide food and support to vulnerable and high-risk families](#), provide financial services in rural areas, and disseminate COVID-19 advisories among rural communities. These self-help groups, built over a period of 15 years, tap the skills of about 62 million women across India.
- In the Kyrgyz Republic, the World Bank-supported, GAFSP-funded Agricultural Productivity and Nutrition Improvement Project, which focuses primarily on improving water infrastructure and developing the capacity of water users' associations (WUAs), distributed US\$1.1 million in agricultural inputs such as seeds and fertilizer through 30 project WUAs to address vulnerable populations.
- In Rwanda, the [Sustainable Agricultural Intensification and Food Security Project](#) received additional financing to help address the impacts of COVID-19 lockdowns. The Bank's existing [Social Protection](#) project was also adjusted to be COVID-19 responsive.
- In Senegal, a [\\$150 million IDA credit](#) is helping increase exports of high-value crops

such as shelled groundnuts and horticultural products, increase dairy farming productivity, and reduce the mortality rate of small ruminants, mitigating the negative impacts of the pandemic while investing in more productive and resilient practices.

- In Sierra Leone, emergency financing under the ongoing [Smallholder Commercialization and Agribusiness Development Project](#) is supporting government COVID-19 response initiatives with inputs, land mechanization services, and extension services to support rice farmers. The World Bank-financed Social Safety Net Project also scaled up its cash transfer system to provide support to the most vulnerable households.
- In Tajikistan, through an existing Targeted Social Assistance system, the Bank financed [cash transfers to food-insecure households with children under the age of 3](#) to mitigate the effects of increases in food prices and to protect children's nutrition.
- In 2021, the Bank approved a \$570 million regional [program in West Africa to improve food system resilience](#), promote intraregional value chains, and build regional capacity to manage agricultural risks.
- We're also committed to helping countries prevent the next zoonotic disease from turning into a pandemic and be better prepared when risks materialize through a "[One Health](#)" approach. In India, for example, the COVID-19 Emergency Response and Health Systems Preparedness Project will [improve disease surveillance systems in humans and animals and health information systems across the country](#). In China, a new project will [improve risk-based surveillance systems for zoonotic and other emerging health threats](#). It will strengthen the capacity for risk assessment, diagnosis and monitoring of human, animal, and wildlife diseases. It will also improve protocols for information sharing between relevant agencies.

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