



**BACKGROUND DOCUMENT TO THE 103RD WTO REGULAR MEETING OF
THE COMMITTEE ON AGRICULTURE (NOVEMBER 2022)**

Submission by the World Food Programme (WFP)

The following submission, dated 10 November 2022, is being circulated at the request of the World Food Programme (WFP).

1 RECENT DEVELOPMENTS IN GLOBAL FOOD INSECURITY

1.1. The world is at risk of yet another year of record hunger, as the global food crisis continues to drive more people into acute food insecurity. The United Nations World Food Programme (WFP) estimates that an unprecedented 345 million people will be acutely food insecure in 2022 across the 82 countries where it operates. This represents an increase of almost 200 million people from the pre-pandemic levels. Additionally, hunger has grown more deeply entrenched, with approximately 50 million people in 45 countries facing severe hunger emergencies.¹

1.2. Conflict is the top driver of acute food insecurity. Almost 60% of the world's hungry people live in areas affected by armed violence. By disrupting communications, hampering humanitarian access and displacing entire communities,² conflict is the single greatest challenge to achieving zero hunger.³ The conflict in Ukraine has been disrupting global trade pushing up transport costs and lead times, while leaving farmers lacking access to the agricultural inputs they need. The knock-on effect on upcoming harvests will reverberate around the world.⁴

1.3. Climate shocks are the second largest cause of food insecurity. They destroy lives, crops and livelihoods, undermining people's ability to feed themselves. These shocks are increasing in frequency and intensity, leaving those affected no time to recover between disasters.⁵ Over the past decade, 1.7 billion people have been affected by extreme weather and climate-related disasters.⁶ Global weather conditions in the inter-tropical areas of the globe have been dominated by La Niña patterns since mid-2020, expected to stay in place until early 2023.

1.4. Additionally, global food prices have been rising since mid-2020. The FAO Food Price Index reached a new all-time high in March 2022.⁷ Although prices appear to have started stabilizing over the past months - among other factors as a result of the Black Sea Grain Initiative (BSGI) - they remain high. With the BSGI deadline approaching, on 18 November 2022, there are concerns about new market disruptions if the initiative is not renewed.

¹ A global food crisis like no other, October 2022, <https://www.wfp.org/stories/world-food-day-soaring-prices-soaring-hunger>.

² <https://www.wfp.org/news/wfp-calls-action-world-food-day-avoid-another-year-record-hunger>.

³ <https://www.wfp.org/conflict-and-hunger>.

⁴ <https://www.wfp.org/news/wfp-calls-action-world-food-day-avoid-another-year-record-hunger>.

⁵ [Ibidem](#)

⁶ <https://www.wfp.org/climate-action>.

⁷ <https://www.fao.org/worldfoodsituation/foodpricesindex/en/>, accessed 04/11/2022.

1.5. Net food importing countries are the most directly impacted by higher food prices on global markets; and among them, developing countries have the least options to cope with higher costs of essential imports. Net food-importing developing countries (NFIDCs)⁸ are forecast to pay USD 128 billion for food imports this year, a sharp rise from USD 101 billion in 2019. While the bulk of this increase took place in 2021, this year's data are particularly worrisome from a food security perspective as, in 2022, food import bills for NFIDCs are projected to grow despite a contraction in imported volumes.⁹

1.6. Adding to these challenges, many poor countries reliant on purchasing food on global markets are in debt distress or at high risk thereof. The International Monetary Fund (IMF) characterizes 28 NFIDCs as in or at high risk of debt distress – more than the fund classifies as having low (5 NFIDCs) or moderate (21 NFIDCs) risk of debt distress combined.¹⁰

1.7. This outlook is alarming, as NFIDCs are already home to three out of four of the world's 345 million people who are in or at high risk of acute food insecurity. More than 100 million acutely food insecure live in countries that are not only poor net-food importers, but also at high risk of, or already, in debt distress.

2 WFP RESPONSE TO THE GLOBAL FOOD CRISIS

2.1. WFP's operational plan for 2022 is the agency's most ambitious ever. It prioritises action to prevent millions of people from dying of hunger while working to stabilise – and where possible build – resilient national food systems and supply chains.¹¹ In view of the unprecedented hunger projections, WFP has been scaling up its operations, planning to assist 160 million people by the end of 2022. During the first semester, WFP already provided support to over 111 million vulnerable people.

2.2. For example, WFP increased six-fold its assistance in Sri Lanka to respond to the economic crisis; expanded operations to unprecedented levels in Somalia to avert famine; launched an emergency intervention to support the Pakistani Government's flood response. Two out of five Afghans have received WFP assistance, while new emergency operations were launched in Ukraine and Moldova.¹²

2.3. Collaboration with international financial institutions is also being expanded to support national social protection systems. Similar efforts are underway to enhance innovative climate financing partnerships.¹³

2.4. In response to rising operational costs of delivering assistance and longer lead times, WFP continues to diversify its supplier base, including boosting local and regional procurement, representing so far 47% of the food purchased by WFP in 2022.

2.5. Since the approval of the [MC12 Decision](#) to exempt WFP from export restrictions in June, WFP has procured a total 1.8 million mt of food, valued at USD 1.4 billion; this represents around 50% of the total value of food procured since the beginning of the year. Out of this tonnage, 191,000 mt (valued at USD 238 million, or 17% of the value of food procured since June 2022) were sourced from countries in the European Union.

⁸ As per the [WTO list of NFIDCs for the purposes of the Marrakesh Ministerial Decision on measures concerning the possible negative effects on the reform programme on least-developed and net food-importing developing countries](#).

⁹ FAO, June 2022, [Food Outlook - Biannual Report on Global Food Markets](#)

¹⁰ Based on the [IMF list of LIC DSAs for PRGT-eligible countries](#) as of 30 September 2022

¹¹ <https://www.wfp.org/news/wfp-calls-action-world-food-day-avoid-another-year-record-hunger>.

¹² Ibidem.

¹³ Ibidem.

3 PARTNERSHIPS TO TACKLE THE GLOBAL FOOD SECURITY CRISIS

3.1. As underscored by the second joint statement by WFP, the UN Food and Agriculture Organization (FAO), the IMF, the World Bank and the World Trade Organization (WTO), maintaining momentum on these fronts and building resilience for the future will require a continued comprehensive and coordinated effort to support efficient production and trade, improve transparency, accelerate innovation and joint planning, and invest in food systems transformation.¹⁴

3.2. WFP would like to express its appreciation to WTO Member States for the approval of the MC12 Decision, which, together with [WFP's Local and Regional Food Procurement Policy](#), represents a significant enabler to WFP's timely purchase of commodities locally and regionally. The unforeseen circumstances that have affected food supplies in 2022, forced WFP to focus its efforts on ensuring the availability of sufficient commodities for its operations. As of 2023, we plan to collect and review our procurement data thus to provide periodic updates to the Committee on Agriculture on the MC12 Decision.

3.3. WFP continues to work very closely with its partners in addressing the unfolding food crisis. In particular, WFP is part of a technical food crisis response working group, with representatives from the World Bank, the IMF and WTO. Discussions are ongoing on sharing of data, resourcing needs for countries, as well as convergence and collaboration on response mechanisms and initiatives to bring coherence to the response.

3.4. A coordinated effort across governments, financial institutions, private sector and partners is the only way to mitigate an even more severe global food crisis in 2023. WFP remains committed to work with its partners to provide relief to the severely vulnerable, while supporting longer-term solutions to ensure food security around the world.

¹⁴ <https://www.worldbank.org/en/news/statement/2022/09/21/second-joint-statement-by-the-heads-of-fao-imf-wbg-wfp-and-wto-on-the-global-food-security-and-nutrition-crisis>.