



联合国
粮食及
农业组织

Food and Agriculture
Organization of the
United Nations

Organisation des Nations
Unies pour l'alimentation
et l'agriculture

Продовольственная и
сельскохозяйственная организация
Объединенных Наций

Organización de las
Naciones Unidas para la
Alimentación y la Agricultura

منظمة
الأغذية والزراعة
للأمم المتحدة

COMMITTEE ON AGRICULTURE

Twenty-seventh Session

28 September - 2 October 2020

Update on COVID-19 and its impact on food security and nutrition, and food systems

Executive Summary

The combined impacts of COVID-19, a global recession will make a bad situation of hunger and malnutrition significantly worse in 2020 and into 2021. Poor people in low-income countries and in many middle-income developing countries that depend on food imports are especially vulnerable. Unlike during the 2007-2008 food crisis, today's challenge is not primarily one of food availability but food access; but this could change. Preventing hunger should be at the core of the COVID-19 response. FAO is continuously assessing the pandemic's evolving impact on food security and nutrition and is providing evidence-based policy recommendations to Members and encouraging them to work together. FAO is also working closely with UN Country Teams and other agencies in national COVID-19 assessments and, using the Hand in Hand approach, is leading programmatic efforts to keep food supply chains working to save lives and livelihoods and ensure food and nutrition security for all.

Suggested action by the Committee

The Committee is invited to:

- Consider the impacts of COVID-19 policy response on sustainable development of food and agriculture and identify areas for further action.
- Identify possible innovations to strengthen the impact of policy responses to COVID-19 and ensure that no one is left behind.
- Consider potential areas of investment for strengthening policy response and ensuring continuity and improvement of agrifood production, processing and distribution.

Queries on the substantive content of the document may be addressed to:

Mr Máximo Torero
Chief Economist
Economic and Social Development stream (ES)
Tel: +39 065705 0869

I. Background

1. The outbreak of the COVID-19 pandemic, its suppression measures and a global recession are threatening food systems functioning and have the potential to inflict severe damage on human health and nutrition.

2. The pandemic has further exposed food systems' vulnerabilities. Despite the abundance of food, more than 820 million poor and vulnerable people do not have steady access to healthy diets. And this number may grow rapidly in coming months.

II. FAO's assessment of the threat of COVID-19 and recommended actions

A. Why hunger prevention should be at the core of stimulus program

3. Today's challenge is not food availability, but disruptions to food markets and food access. Initially, the possibility of disruption to the international food supply chains was a concern, but countries are keeping the global supply chains functioning. Instead, a severe global recession is expected to exacerbate hunger and malnutrition, as people lose incomes to buy food. For many countries, particularly Small Island Developing States, export earnings and remittances have fallen. Tourism has shut down. Oil exporters and commodities-export-dependent countries are facing financial hardship. Low- and middle-income countries, especially those with the lowest income levels and those middle-income countries that have the highest numbers of hungry and poor people, are seriously affected.

4. FAO has estimated that the reduction in Gross Domestic Product (GDP) growth would result in the rise in undernourishment, especially in low-income, food-deficit countries and net food-importing countries. Based on three scenarios, FAO estimates that a 2 percent reduction in global GDP growth would result in 14.4 million people joining the ranks of the hungry; a 5 percent reduction would result in an increase of 38.2 million; and a 10 percent reduction would add an additional 80.3 million people to the hungry count.

5. Food supply is part of the immediate health response to COVID-19. So all countries should focus on meeting the needs of the most vulnerable people by enhancing emergency food assistance and nutrition interventions, and expanding social protection. Countries should urgently protect all food systems workers, including those in food marketing, processing and distribution, and protect smallholder food production. Global trade channels must stay open. Without open trade, global food markets cannot function.

6. In the long term, stimulus measures to address the current threats to food security should be recalibrated to tackle inequality and build resilience of food systems. This means building food systems that can provide healthy diets for everyone while promoting sustainable use of natural resources, biodiversity and ecosystems services.

B. Assessing countries' exposure to the impact of COVID-19

7. FAO has assessed countries' exposure to several channels of transmission through which the pandemic can affect food and agricultural markets. COVID-19 is unique in that it is delivering a dual shock to both supply and demand, felt at different points in time. On the supply side, there are different ways in which the health and economic shocks may affect the functioning of markets and therefore the best remedial actions may vary. On the demand side, there is an agreement that agricultural demand and trade would eventually slow down due to contraction in economic activity and rising unemployment. This contraction of demand will further lead to a contraction of supply in the second half of 2020.

8. The current supply-and-demand situation is different from prevailing conditions in 2007-2008 and after, when the last global food crisis occurred. Stockpiles of cereals are significantly higher today and this year's harvests are favourable. Despite possible logistical bottlenecks, it is not likely that a global food crisis will be caused by supply shortages in the near term. On the other hand, a deep recession could cause people in low-income countries to experience a food crisis induced by lack of

income, rather than high food price. The extent of the pandemic's impact on food demand depends on the magnitude of the recession and whether people have access to credit and social protection programs.

9. In the second half of 2020, local disruptions to food markets may combine with a global recession to produce a significant contraction in food supply in many countries. To prevent this, more frequent data collection, massive increases in social protection, including in rural areas, and timely policy response are required to protect producer livelihoods and incomes. The Secretary-General's policy brief and statement on The Impact of COVID-19 on Food Security and Nutrition (9 June 2020) firmly aligns the UN development system to this agenda.

III. FAO's response to COVID-19

C. Briefs for evidence-based policymaking

10. As of 31 May 2020, FAO has published 38 policy briefs presenting both quantitative and qualitative assessment of the pandemic's impact on food supply chains, food trade and markets, smallholder producers and resilient food systems. These briefs have helped shape public discussion around the possible impacts of COVID-19 on food and nutrition security

D. Data management and analytics

11. Using big data analytics, FAO monitors trade and collects information on logistical issues, assesses how problems have been resolved and provides a constant stream of market information to reduce uncertainty. FAO uses its Crop Calendars to monitor food supply in countries by analysing prevailing agro-ecological and weather conditions and advising governments of risks to planting and harvest cycles for key food and feed commodities. This helps ensure there is food supply before, during and after lockdowns. By hosting and supporting the Agricultural Market Information System (AMIS), a G20 initiative, FAO provides countries and investors with information on market conditions, increasing transparency.

E. High-level meetings and joint statements

12. FAO has convened or supported several high-level meetings to urge countries to designate food and agriculture as essential services during lockdowns and to work in concert to keep food value chains functioning. For example, through its technical support to the G20 Leaders' Summit and G20 Agricultural Ministers' Meeting, FAO has supported G20 Agriculture Ministers to adopt a statement, pledging to facilitate open trade flows of agricultural products to safeguard global food security and nutrition. FAO assisted 45 Ministers of the African Union to issue a declaration to protect Africa's most vulnerable populations. FAO supported the Agriculture Ministers of 25 Latin America and Caribbean countries sign an agreement to join forces to protect food supply for the region.

IV. FAO's role in the UN systems' COVID-19 response

13. FAO also works with the UN Country Teams and other agencies to boost efforts to improve food security during the pandemic. FAO is part of the UN Global Humanitarian Response Plan. It is also adapting the *Hand-in-Hand Initiative's* evidence-based, partnership-building approach to minimize the effects of COVID-19.