



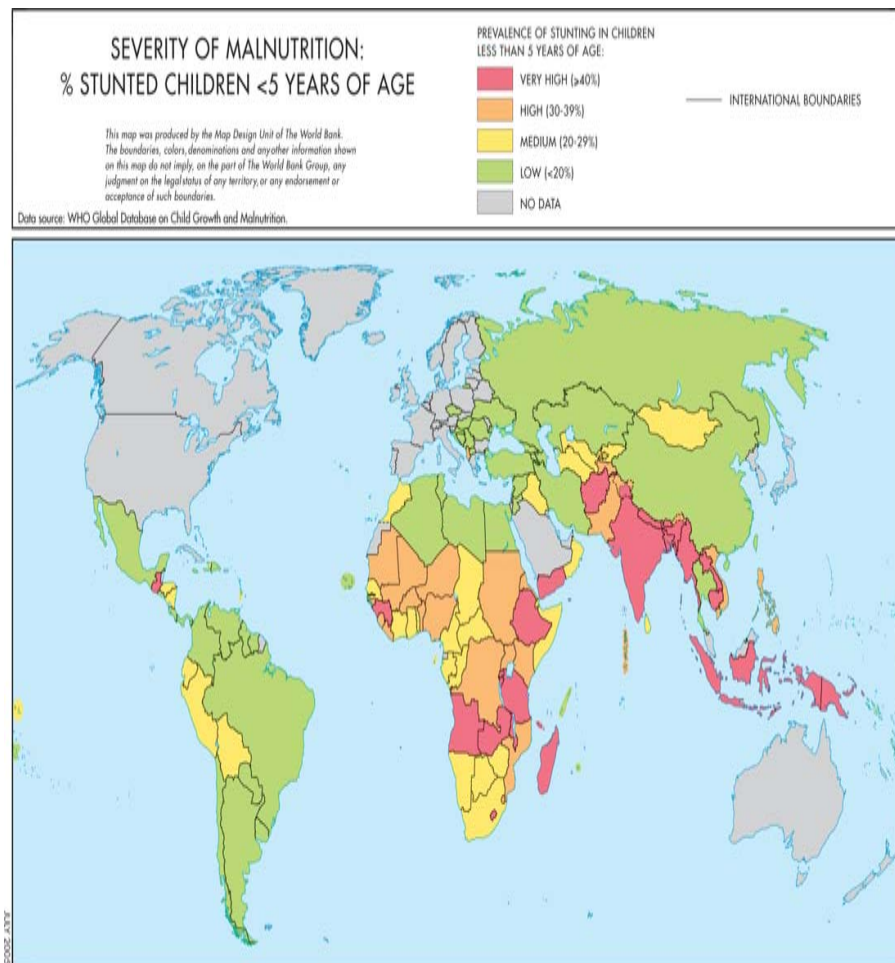
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# Examining the Global Food Crisis 2011



# What is the Global Food Crisis?

- The world is full of hungry people
  - an estimated 1 billion people go hungry every year.
- Most of these people are concentrated in 25+ countries around the world.
- A food crisis is when the cost of staple foods increases more rapidly than incomes making an adequate diet unaffordable for many
  - forcing people to buy less food
  - spend more HH income on food
  - skip meals
  - buy cheaper, less nutritious food
- Sometimes these crises can result in riots and protests, and often capture strong media interest.





## Why Does a Food Crisis Occur?

- Food crises have various causes, ranging from natural to manmade.
- Some of the main drivers of the 2008 Food Crisis:
  - On the supply side
    - Short-term supply shocks due to crop failure in exporting countries
    - Rising oil prices and costs of inputs
    - Land degradation and declining crop yields
    - Speculation and devaluation of the U.S. dollar
    - Trade restrictions
  - On the demand side
    - Biofuel – diversion of food grains for biofuels
    - Income and population growth along with changing dietary preferences





## What are the Root Causes of Hunger?

- Hunger is caused by a complex interaction of environmental, socio-economic and political factors.
- “**Food security** exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food, which meets their dietary needs and food preferences for an active and healthy life. Household **food security** is the application of this concept to the family level, with individuals within households as the focus of concern.  
**Food insecurity** exists when people do not have adequate physical, social or economic access to food as defined above.” (FAO, 2002, 2003)
- **Food security** as defined above involves four necessary conditions:
  - **Availability** of sufficient supplies of food (via own production or in local markets)
  - **Access to food** - via some combination of one’s own production, earned income, or from safety nets
  - **Nutritional wholeness** - access to a complete and healthy diet
  - **Stability of access** to sufficient food at all times.



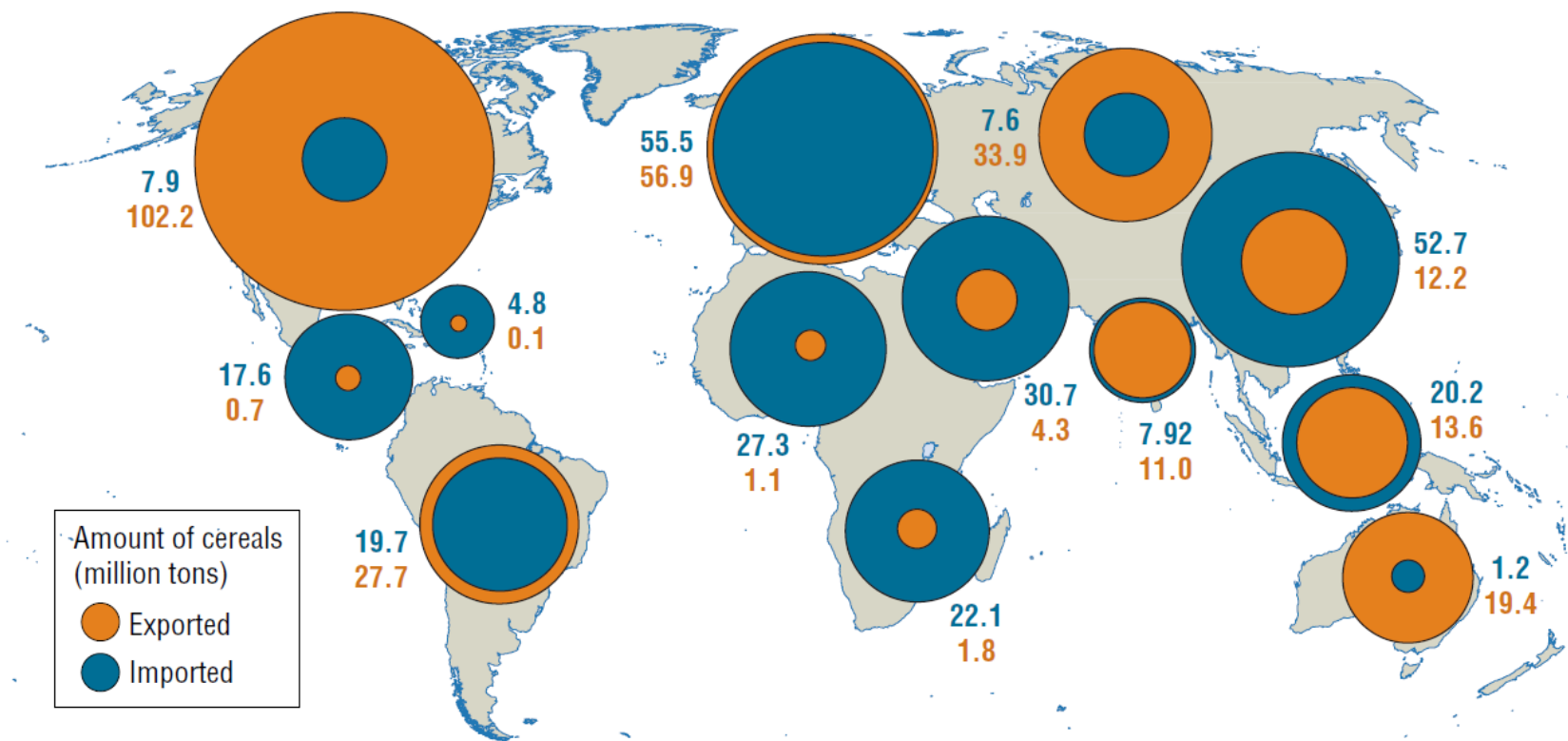
# Fundamentals of the Current Crisis

- In the late '60s, food productivity increased because of the [Green Revolution](#),
- In the '80's and '90s, we witnessed unprecedented drops in food prices worldwide, due largely to market reforms.
- In the '00s, China, India and Brazil became global economic engines, with increases in urban populations and average incomes.
- This led to higher demand for raw materials such as wheat, sugar, and oil.
- Then food production falls, dual nutrition crisis begins, and in 2008-09, the world economy grinds to a recession.





# World Grain Trade



Source: FAO 2009c. Note: Annual exports and imports are based on the average over four years (2002–2006)

Source: Bread for the World (2010) *Our Common Interest: Ending Hunger and Malnutrition*.

<http://www.hungerreport.org/2011/report/download>



## Production is down...

Production increases in developing nations were offset by decreases in developed nations leaving a more than 5 per cent gap that will have to be filled by carryover stocks.

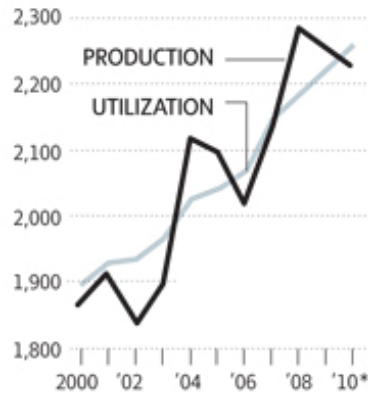
## ...hunger is up...

Despite record or bumper 2010 cereal harvests in most regions, 29 countries around the world face food difficulties and are in need of external food assistance.

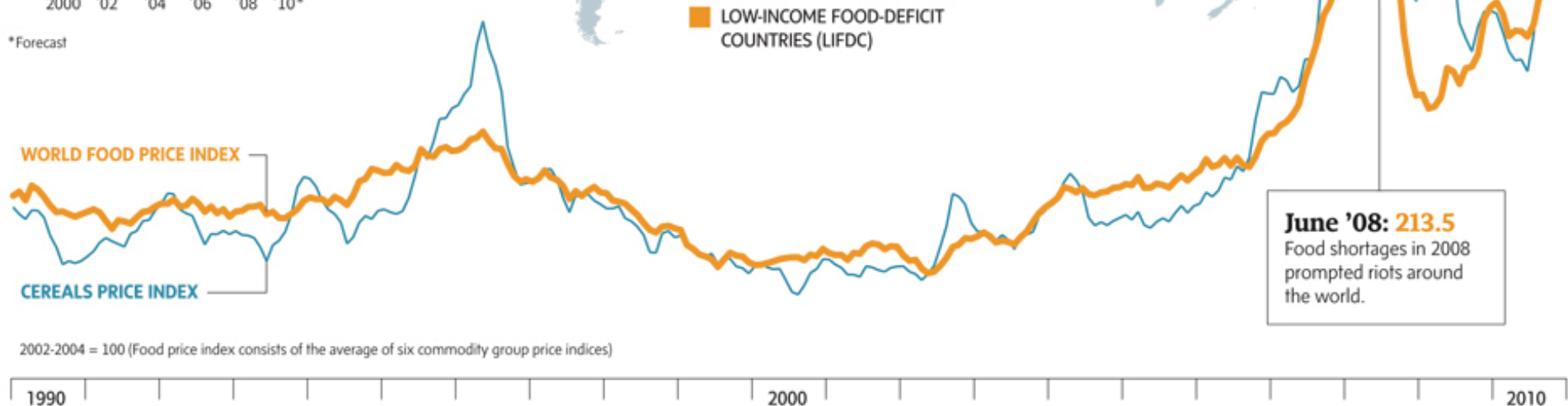
## ...and prices are rising

**Dec. '10: 214.7**  
United Nations' Food and Agriculture Organization's monthly food price index hits an all-time high

WORLD CEREALS, Millions of tonnes



\*Forecast

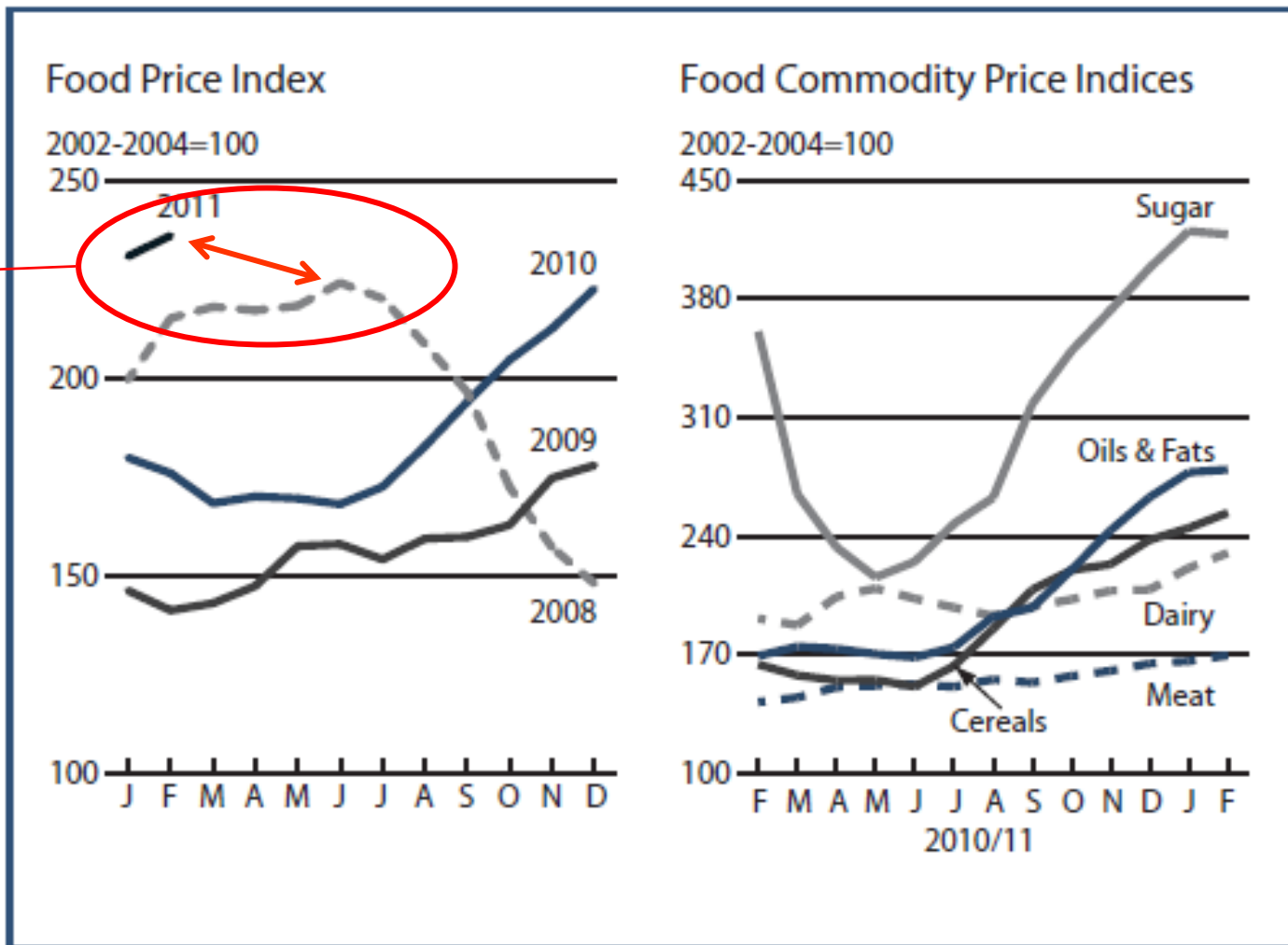


2002-2004 = 100 (Food price index consists of the average of six commodity group price indices)

1990 2000 2010



# Global Food Price Trends 2010 - 2011



2011 trends, compared with 2008





# Food Price Trends

- **Global food prices continue to rise, though not uniformly for all grains.**
  - The [World Bank's food price index](#) rose by 15% between Oct 2010 and Jan 2011.
  - The grain price index remains 16% below its peak.
  - Price increases of sugar, fats and oils, wheat, and maize (in the last quarter)
- **Global wheat prices have increased the most in recent months**
  - Weather shocks and export restrictions reduced supply; wheat prices have more than doubled.
  - Other factors for high wheat prices:
    - Uncertainty about the size and the quality of wheat exports from export countries where crops were damaged (China and Australia)
    - Saudi Arabia is reducing domestic production of wheat to conserve water resources and rely more on imports.
- **Higher global wheat prices have fed into sharp increases in domestic wheat prices in many countries.**
  - Wheat prices increased in Kyrgyzstan, Bangladesh, Tajikistan, Mongolia, Sri Lanka, Azerbaijan, Afghanistan, Sudan, and Pakistan; these countries have a large share of calories consumed from wheat based products, particularly for the poor.



# How can we respond?

- There are an estimated **800 million people in the world suffering from chronic under-nutrition.**
- A food crisis, depending on its **severity**, can add between **50 million to 200 million** to this population.
- **Our best responses address:**
  - the root causes of hunger: inability to produce enough food, access enough food, or utilize food appropriately.
  - acute manifestations of hunger through punctual interventions.
- **What programs address acute needs?**
  - Increases in social safety nets
  - Increases in school feeding
  - Increases in cash and voucher transfers
  - Free or subsidized food hand-outs
- **What programs address root causes?**
  - Improving the productivity, resilience and sustainability of small farmers.
  - Improving the quality and the post-harvest conservation of food.
  - Improved marketing of food and food products through processing.
  - Increased employment and income-generating opportunities.
  - Improving men and women's knowledge of breastfeeding and appropriate weaning foods.
  - Increased access to health care for pregnant and lactating women.





# Types of Programmatic Action

- **Reactive**
  - Crisis intervention activities
    - Intended to provision people in desperate need of crisis intervention.
- **Proactive**
  - “Safety net” activities
    - To protect livelihoods, prevent people falling further into destitution, and avoid the need for crisis intervention.
  - “Cargo net” activities
    - To help promote productive, sustainable and resilient livelihood strategies, thereby helping to lift people up out of extreme poverty.



# Priority Interventions for Adaptation, Resilience and Food Security

Group One <sup>1</sup> (Crisis/Emergency)	Group Two <sup>2</sup> (Transition and Development)	Group Three <sup>3</sup> (Restoration and Development)
<ul style="list-style-type: none"> <li>• General Targeted Food/Cash Assistance<sup>4</sup></li> <li>• Vulnerable Group Feeding (VGF)<sup>5</sup></li> <li>• Community Management of Acute Malnutrition (CMAM)<sup>6</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Food or Cash for Work or Assets (FFW/CFW/FFA/CFA)<sup>7</sup></li> <li>• Support for Agricultural Inputs<sup>8</sup></li> <li>• Essential Nutrition Package (ENP)<sup>9</sup></li> <li>• Food for Education (FFE)<sup>10</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Core Health and Nutrition Package<sup>11</sup></li> <li>• Diversification of Farming Systems<sup>12</sup></li> <li>• Soil and Water Conservation/Management<sup>1</sup></li> <li>• Post-harvest Handling, Storage and Marketing<sup>14</sup></li> </ul>

\* NB: In conjunction with priority program recommendations, it is important to continue and, where possible, scale up action in areas such as (1) water, sanitation and hygiene, (2) economic development and livelihoods programs, and (3) HIV & AIDS response – prevention, care and support for orphans and vulnerable children and people living with HIV and AIDS .



# Disproportionate Impacts on Women and Children

## Why are so many women and children hungry and malnourished?

- The vast majority of the world's poorest people are women (and children), live in rural areas and rely on agriculture as their primary means of food and income. ([World Development Report on Agriculture 2008](#))
- Despite wide-spread recognition that women play a critical role in agriculture globally, they often lack access to or control over the range of productive resources they need to sustainably increase food production and incomes.

## We need to support:

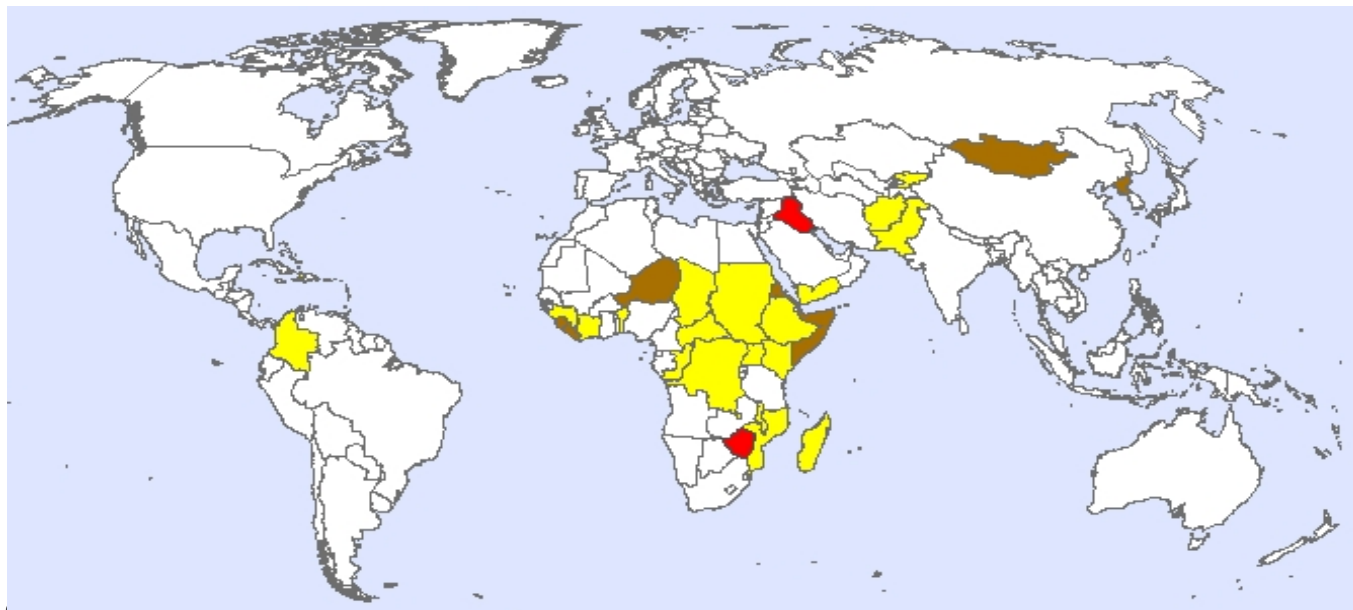
- the potential of poor and disadvantaged women to sustainably strengthen their livelihoods and improve household food and nutrition security by access to resources (e.g. land, credit, seed, fertilizer, information, etc) and markets.
- humanitarian assistance policies and programs that are aware of women's multiple responsibilities and do not undermine or increase their vulnerabilities.
  - food aid should be of sufficient quality to meet the nutritional needs of women and delivered in such a way that ensures their safety and security.
- the integration of improved nutrition outcomes for women and children into all food security programming.
- gender-sensitive food security research that includes women's perspectives and needs through program design to monitoring and evaluation.





# Additional Information: External Assistance for Food

The following [map](#) shows the location of 29 countries in crisis requiring external assistance for food ([FAO/GIEWS, 2011](#)). It can also be found in [tabular form](#) with a brief description of the situation. Each item in the table also links to one of a series of Country Briefs (<http://www.fao.org/giews/countrybrief/>).



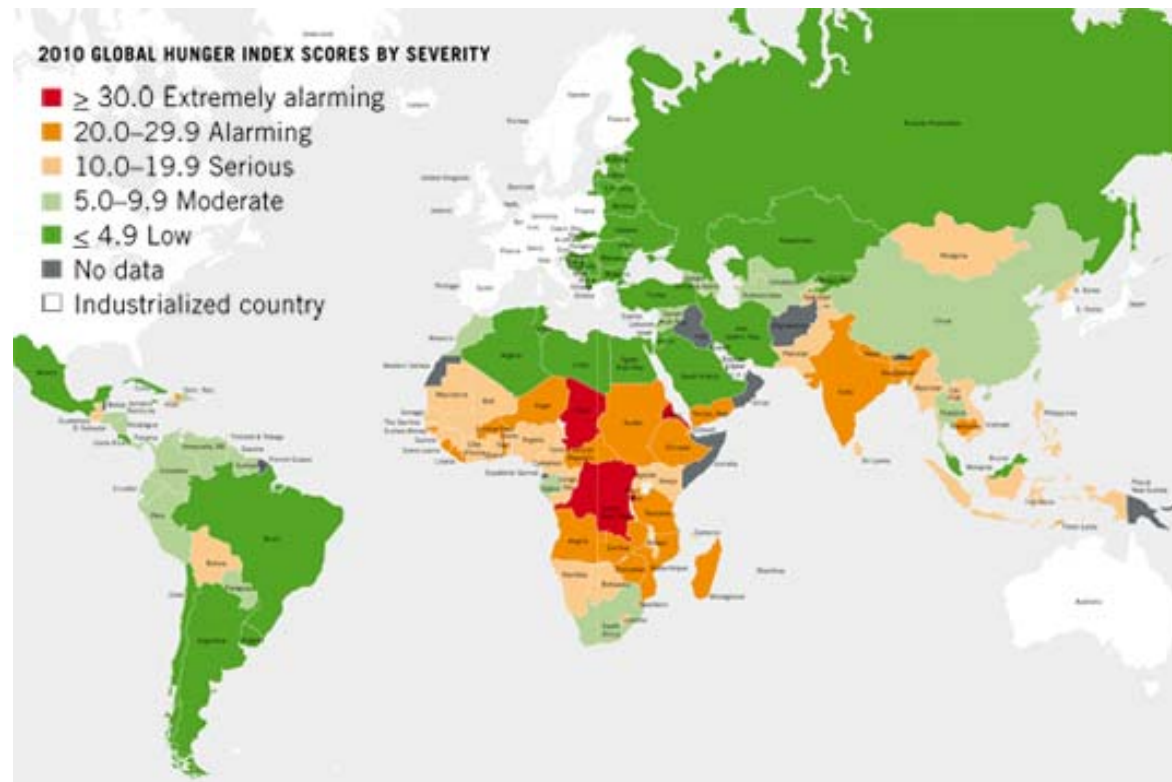
- Legend:
- Shortfall in aggregate food production/supplies
  - Widespread lack of access
  - Severe localized food insecurity
  -

Source: <http://www.fao.org/giews/english/hotspots/map.htm>



# Countries with the Most Extreme Hunger

- 1) DR Congo
- 2) Burundi
- 3) Eritrea
- 4) Chad
- 5) Ethiopia
- 6) Sierra Leone
- 7) Haiti
- 8) Comores
- 9) Madagascar
- 10) Central African Republic
- 11) Yemen
- 12) Angola
- 13) Niger
- 14) East Timor
- 15) Zambia
- 16) Liberia
- 17) Bangladesh
- 18) India
- 19) Mosambique
- 20) Djibouti
- 21) Rwanda
- 22) Guniea-Bissau
- 23) Togo
- 24) Burkina Faso
- 25) Cambodia
- 26) Zimbabwe
- 27) Sudan
- 28) Tansania
- 29) Nepal



The **Global Hunger Index** is composed of the proportion of the undernourished as a percentage of the population, the prevalence of [underweight](#) children under the age of five and the [mortality rate of children](#) under the age of five (calculated average, in percentages).



# WFP Hunger Map 2011

