



Brussels Rural Development Briefings
A series of meetings on ACP-EU development issues

Briefing session n° 15

From Global Food Crisis to Local Food Insecurity

Wednesday 9th December 2009 – 8h30 – 13h00

European Commission, Berlaymont

Room Walter Hallstein

<http://brusselsbriefings.net>

Context

New challenges ranging from climate change to energy security, global land acquisition trends, water scarcity, the decrease of remittances, biofuels demand, etc. are increasingly affecting agricultural production, the small-scale farmers' livelihoods and the nutrition levels of the rural poor in ACP countries.

In 1996, the World Food Summit defined food security as a situation which exists 'when all people at all times have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life'. The now widely accepted World Food Summit definition reinforced the multidimensional nature of food security incorporating food access, availability, biological food use and stability. Food access refers to the ability to obtain an appropriate and nutritious diet whereas food availability refers to the physical presence of food at various levels from household to national level, whether from own production or through markets and it is thus linked to resources, assets and income at the household level; Food utilization relates to the nutritional value of food and the ability of the human body to effectively convert food into energy. The stability dimension of food insecurity underlines the importance of temporal dynamics: food system stability implies stability of supply and access, as well as the ability to respond to food emergencies¹. Undernourishment exists when caloric intake is below the minimum dietary energy requirement. The right to food is, first of all, a basic human right enshrined in international law. It is the right of every person to have continuous access to the resources necessary to produce, earn or purchase enough food not only to prevent hunger, but also to ensure health and well-being². In 2008, the right to adequate food was recognized as a fundamental component of a sustainable solution to the world food-security crisis caused by high food prices.

Food security: current state and future projections

The FAO projects the number of undernourished people in the developing world to have increased from 848 million to 1,020 million from 2003-05 to 2009, mainly because of the food crisis and the world economic recession. The economic crisis is expected to increase the number of food-insecure by about 9% in 2009³. The overall proportion of the population suffering from undernourishment in sub-Saharan Africa remains persistently high at 30%, and is over 50% in some countries and also affects many Caribbean countries (23%). The recession has had a severe negative impact on trade, credit, FDI and foreign aid and will be especially damaging for economies that rely on exports as their main source of foreign exchange⁴. The crisis has resulted in a reduction of investments in poor countries, decreased aid flows and a decline in remittances which had a negative impact of the more vulnerable and the rural poor since in Africa and Latin America, a 1% increase in the ratio of remittances to GDP results in 0.29 % decline in the number of people living below poverty line⁵. According to the World Bank estimates, the crisis will impact remittances which will fall by 5-8% in 2009 after growing by 15-20% from 2005-2007⁶. The current situation of food crisis, financial crunch, and global recession has further undermined the food security of the poor.

¹ UN, Vulnerability to Hunger: Improving Food Crisis Responses in Fragile States, UNU-WIDER Research Paper n. 42, 2008, http://www.wider.unu.edu/publications/working-papers/research-papers/2008/en_GB/rp2008-42/files/79269701285446203/default/rp2008-42.pdf

² FAO, Right to Food Forum, Rationale, http://www.fao.org/righttofood/rtf_forum/files/rationale_en.pdf

³ FAO, The State of Food insecurity in the world 2008, <http://www.fao.org/docrep/011/i0291e/i0291e00.htm> and FAO - WFP, The State of Food Insecurity in the World 2009, <http://ftp.fao.org/docrep/fao/012/i0876e/i0876e.pdf>

⁴ FAO - WFP, The State of Food Insecurity in the World 2009, cit. In April 2009 the IMF estimated that FDI would fall 32% in 2009 in developing economies as a group, with 15% fall in Africa. IMF, The implications of the global financial crisis for low-income countries, 2009, <https://www.imf.org/external/pubs/ft/books/2009/globalfin/globalfin.pdf>

⁵ J.C. Anyanwu and A.E.O. Erhijakpo. 2008. Do International remittances affect poverty in Africa? Tunis, African Development Bank. http://siteresources.worldbank.org/INTAFROFFCHIECO/Resources/Migration_and_Remittances.pdf

⁶ World Bank, Revised Outlook for Remittance Flows 2009-11, http://siteresources.worldbank.org/INTPROSPECTS/Resources/MD_Brief9_Mar2009.pdf

The World Development Report 2008 stressed the importance of agriculture-led growth to increase incomes and reduce poverty and food insecurity. Although the rate of global population growth is declining, the UN projects that total population will increase by more than 30 % by 2050, i.e. from the current 6 billion to approximately 9.1 billion in 2050. Most of the increase is projected to occur in South Asia and sub-Saharan Africa which have a large share of the world's food insecure population, dependent on agriculture for their livelihoods. FAO projects that global agricultural production will need to grow by 70 % overall by 2050 and net investments of US\$83 billion a year must be made in agriculture in developing countries if there is to be enough food for 9.1 billion people in 2050. Per capita calorie availability is projected to increase 11 % by 2050, to an average of 3130 kcal/per capita and this implies that 4 % of the developing world population would still be food insecure⁷. IFPRI estimates that recession and reduced investment in agriculture could push 16 million more children into malnutrition in 2020 compared with continued high economic growth and maintained investments. Given that children's undernutrition affects their physical and cognitive development and has implications for their earnings as adults, the crises will have long-lasting negative implications for people's livelihoods and economic prospects long after prices come down and the financial crisis is resolved. For poor (very poor) households, a 10% increase in income increases caloric acquisition by 3% (5%). The Global Hunger Index (GHI) shows that worldwide progress in reducing hunger remains slow. Nearly all of the countries in which the GHI rose since 1990 are in Sub-Saharan Africa⁸.

Policy responses: What concrete steps towards sustainable global and local food markets?

Policy options for addressing food security require a combination of approaches. Social protection strategies should be designed to mitigate the current shock for the most vulnerable, lay the foundation for sustainable recovery, and prevent negative impacts in the future. An important part of the solution to global hunger is reducing gender inequality as evidence shows that higher levels of hunger are associated with lower literacy rates and access to education for women. Policy options should also include the establishment of food stocks and a global minimum grain reserve, developing high-value and underutilized crops, strengthening local markets and improving food safety and quality. Price shocks and extreme weather events call for a global system of monitoring and intervention for the timely prediction of major food shortages. Given the close link between local production and food insecurity, investments in the agricultural sector and agricultural research that increase food availability and strengthen the resilience of the food production system will have immediate positive impacts in food insecure regions (the amount spent in agricultural research and development has fallen dramatically by more than 50% over the last decade). Trade policy approaches to benefit developing countries include, among other measures, the removal of barriers for products in which they have a comparative advantage; reduced tariffs for processed commodities, deeper preferential access to markets for least developed countries, flexibility to allow developing countries to designate "special products," crucial for food security, livelihood and development⁹.

Objectives of the Briefing

In order to improve information sharing and promote networking, CTA, the EC-DG Development and EuropeAid, the ACP Secretariat, Euforic, Concord and IPS organise bimonthly briefings on key issues and challenges for rural development in the context of EU/ACP cooperation. The briefing on 9th December 2009 organised in collaboration with IAASTD¹⁰ will discuss "From Global Food Crisis to Local Food Insecurity" by (i) raising awareness on existing and emerging key challenges on food security; (ii) promoting exchange of information and expertise; (iii) feeding in the debate various perspectives on the food policy options.

Target group

More than 100 ACP-EU policy makers, representatives of EU Member States, civil society groups, research networks and development practitioners, international organisations based in Brussels.

Available material

Input and comments before, during and after the meetings will be included in the Briefings blog: <http://brusselsbriefings.net/>. A short report and a Reader in printed and electronic format are produced shortly after the meeting. Articles by IPS Europe, partner in this event, will be widely disseminated.

⁷ FAO, Food Security and Agricultural Mitigation in Developing Countries, 2009, <ftp://ftp.fao.org/docrep/fao/012/ak596e/ak596e00.pdf>

⁸ IFPRI et al., Global Hunger Index 2009, <http://www.ifpri.org/sites/default/files/publications/ghi09.pdf>

⁹ International Assessment of Agricultural Knowledge, Science and Technology for Development (IAATSD), Synthesis Report, 2009, [http://www.agassessment.org/reports/IAASTD/EN/Agriculture%20at%20a%20Crossroads_Synthesis%20Report%20\(English\).pdf](http://www.agassessment.org/reports/IAASTD/EN/Agriculture%20at%20a%20Crossroads_Synthesis%20Report%20(English).pdf).

¹⁰ The International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD) objective was to assess the impacts of past, present and future agricultural knowledge, science and technology on the: (i) reduction of hunger and poverty, (ii) improvement of rural livelihoods and human health and (iii) equitable, socially, environmentally and economically sustainable development.