



28 November 2023

(23-8052)

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Committee on Agriculture

Original: English

**BACKGROUND DOCUMENT TO THE 107TH WTO REGULAR MEETING OF
THE COMMITTEE ON AGRICULTURE (27-29 NOVEMBER 2023)**

SUBMISSION BY THE WORLD FOOD PROGRAMME (WFP)

The following submission, dated 28 November 2023, is being circulated at the request of the World Food Programme (WFP).

1 RECENT DEVELOPMENTS IN GLOBAL FOOD INSECURITY

1.1 Key Messages:

- Food insecurity remains at highly concerning levels.
- Net food-importing developing countries (NFIDCs) are home to 70% of acutely food insecure people.
- The current economic context poses risks to food security. These include debt distress, stubbornly high domestic food inflation in many places and a tight global rice market.
- NFIDCs' food imports are expected to contract in 2023 amidst weakening currencies and high debt servicing cost. A decline in local supplies puts upward pressure on domestic prices.
- Conflict and climate crises remain key drivers of food insecurity. Renewed escalation of conflicts, most recently in Palestine, and the active El Niño event worsen the global food security outlook.
- Funding cuts could lead to further increases in the severity of food security.

1.2 Background:

Food security

- In 2023, 333 million people are acutely food insecure across 78 countries with WFP operational presence and where data is available. This is an increase of 184 million people compared to early 2020, before the COVID-19 pandemic.
- An estimated 47.3 million people across 54 countries are in emergency or worse levels of acute food insecurity (IPC/CH Phase 4+¹, including severely food insecure based on CARI²) in 2023. Without urgent life-saving action, these populations will be at risk of falling into catastrophe or famine conditions.
- All countries with people in catastrophic conditions (IPC Phase 5) in 2023 belong to the group of NFIDCs. These are Burkina Faso, Mali, Somalia and South Sudan.³
- NFIDCs are home to 70% of acutely food insecure people (234 million).⁴

¹ Integrated Food Security Phase Classification/Cadre Harmonisé (IPC/CH): <https://www.ipcinfo.org/>.

² Consolidated Approach for Reporting Indicators of Food Security (CARI): <https://docs.wfp.org/api/documents/WFP-0000134704/download/>.

³ IPC. 2023. [Integrated Food Security Phase Classification](#).

⁴ Net food-importing developing countries as defined in WTO. 2023. [WTO list of NFIDCs for the purposes of the Marrakesh Ministerial Decision on measures concerning the possible negative effects of the reform programme on LDCs and NFIDCs](#)

- WFP and FAO warn that between November 2023 and April 2024 acute food insecurity is likely to deteriorate in 18 hunger hotspots. Hotspots of highest concern are Burkina Faso, Mali, Palestine, South Sudan and the Sudan.⁵
- Acute food insecurity could be further exacerbated by the funding gaps, which are forcing WFP to cut rations across many operations. WFP estimates that, on average, every percentage point cut in its food assistance could push more than 400,000 additional people into emergency hunger.⁶

Economics

- The fight against inflation, the war in Ukraine and growing geopolitical fragmentation constrain economic activity. Global growth is slow and uneven, projected to reach 3.0% in 2023 and 2.9% in 2024. This is well below the 3.8% average over the last two decades (2000–2019).⁷
- 56% of low-income countries are currently in debt distress or at high risk thereof.⁸
- High debt payments leave many developing countries with impossible decisions between servicing their debt or servicing their people. 3.3 billion people live in countries that spend more on interest than health or education.⁹
- Currencies of 17 NFIDCs have lost 15% or more of their value within the last year. Six of them even saw their currency lose at least 30% in value year-on-year.¹⁰
- Global food prices have fallen from their peaks in 2022. However, they remain 19% higher than before the COVID-19 pandemic. The general decline masks substantial increases in rice and sugar prices in recent months (to decade-highs).¹¹
- The global food import bill is expected to hit a new record high in 2023. However, NFIDCs' import costs are expected to decline by 4.6% (USD 6.8 billion) compared to 2022. The reduction is partly due to lower import volumes, suggesting that weakening currencies and high debt servicing cost are limiting countries' ability to pay for food imports. Lower supply of food within these countries puts upward pressure on domestic prices.¹²
- Thirty percent of NFIDCs (24 countries) currently experience annual food inflation of 10% or more. In four NFIDCs food prices have even increased upwards of 50% over the last year. This threatens access to food for those barely able to afford enough to eat in normal times.¹³

Conflict & Climate

- Conflict remains the primary driver of hunger for most people in the world.¹⁴
- Seven out of ten acutely food insecure people live in fragile or conflict-affected situations.¹⁵
- All four countries with people in Catastrophic conditions in 2023 are experiencing high levels of armed violence.¹⁶
- Weather extremes have been the primary driver of acute food insecurity in one out of five countries with food crises.¹⁷
- An El Niño event is affecting food security across the globe with impacts in some areas extending well into 2024. Drought affected Central America, parts of Ethiopia and Asia. Most of Southern Africa will also be affected; in contrast, wetter seasons in the Horn of Africa will improve conditions for vulnerable populations.

⁵ WFP and FAO. 2023. [Hunger Hotspots. FAO–WFP early warnings on acute food insecurity: November 2023 to April 2024 Outlook](#).

⁶ WFP. 2023. [Estimating the food security impact of cuts in WFP assistance](#).

⁷ IMF. 2023. [World Economic Outlook: Navigating Global Divergences](#).

⁸ IMF. 2023. [World Economic Outlook: Navigating Global Divergences](#).

⁹ UNCTAD. 2023. [A World of Debt](#).

¹⁰ Trading Economics. 2023. [Currencies](#) (accessed 20 November 2023), and November 2023 RAM Prices & Currencies Brief.

¹¹ FAO. [World Food Situation](#) (accessed 22 November 2023).

¹² FAO. 2023. [Food Outlook – November 2023](#).

¹³ Trading Economics. 2023. [Food Inflation](#) (accessed 20 November 2023), and November 2023 RAM Prices & Currencies Brief.

¹⁴ FSIN. 2023. [Global Report on Food Crises](#).

¹⁵ Own calculation based on the World Bank's [FY23 List of Fragile and Conflict-affected Situations](#) and food security figures as underlying WFP's [Global Operational Response Plan: Update #9 – November 2023](#).

¹⁶ WFP. 2023. [WFP Global Operational Response Plan: Update #7 – February 2023](#).

¹⁷ FSIN. 2023. [Global Report on Food Crises](#).

Black Sea Grain Initiative

- The Black Sea Grain Initiative (BSGI), signed in July 2022, has helped bring international prices of staple foodstuffs down for all countries reliant on imports – as well as for WFP. Up until the termination of the BSGI in July 2023, the UN Joint Coordination Centre facilitated the outbound passage of over 31.5 million metric tonnes of food commodities, helping push global food prices down from their peak.
- 1.7 During the course of the BSGI, 21 WFP-chartered vessels were loaded, carrying 625,000 metric tonnes of grain to support WFP operations in Afghanistan, Ethiopia, Kenya, Somalia, Sudan and Yemen. The non-extension of the BSGI has pushed exports down from last year's level.

2 WFP RESPONSE TO THE GLOBAL FOOD CRISIS¹⁸

1. Between January and June 2023, WFP was able to reach an estimated 119.5 million people with food, cash, and commodity vouchers. This is 8 million more people reached than the same period last year. Still, in many countries, people have been excluded from assistance completely, while in others, people have been assisted with reduced rations, or for a shorter period of time, stretching assistance to enable a greater coverage of populations in need.

2. For 2024, WFP plans to reach 157.3 million people, based on current funding outlooks and needs. Country offices are already employing prioritization strategies to meet expected funding levels and will continue doing so into 2024.

3. The historic funding decline amidst a persistent global food crisis means acute food insecurity is expected to increase significantly in severity in 2024 and beyond, with consequences weighing heavier on women and girls. Almost half of WFP country operations have already reduced, or plan to soon reduce, the size and scope of food, cash, and nutrition assistance programmes.

3 WTO COMMITTEE ON AGRICULTURE – WFP UPDATES

4. With reference to the Work Plan of the WTO Committee on Agriculture (documents [G/AG/35](#) and [G/AG/W/233](#)), updates are provided on three areas: food assistance, resilience strengthening, and partnerships with other international organizations.

5. As we are witnessing an unprecedented global food crisis, WFP works with its partners to provide food and nutrition assistance to the most vulnerable populations, scaling up operations to address critical new needs. From 1 January to 10 November 2023, the food procured by WFP amounted to 2.3 million metric tonnes, valued at USD 1.8 billion. Over 25% of these food purchases (both in terms of volume and value) was from Least Developed (LDCs) and Net Food Importing Deficit (NFIDCs) countries. The full breakdown by country is contained in Annex 1.

6. Since the approval of WFP's Local and Regional Food Procurement Policy in 2019, the world has changed dramatically, with a cluster of multiple crises. In this context, WFP has increased local and regional procurement as a tool to support and protect food systems, their actors and the people who live in them. By injecting resources into local economies, supporting smallholders and value chain actors, and developing more sustainable food procurement pathways through local sourcing and diversification of commodities, WFP contributed to supporting food systems and strengthening their resilience.

7. WFP's local and regional procurement supports inclusive agricultural growth and sustainable social and economic transformation. As of end October 2023, WFP has acquired approximately 60% of both the value and volume of its operational food requirements from local and regional sources despite the overall decrease in global food purchases due to current financial constraints.

8. Deliberate efforts have been made to improve smallholder farmers' (SHF) livelihoods. Traced pro-SHF purchases increased from a value of USD 42.2 million in 2020 to 52 million as of end October 2023, representing approximately 6.5% from the total volume of local/regional purchases.

¹⁸ [WFP Global Operational Response Plan: Update #9 – November 2023 | World Food Programme.](#)

9. WFP continue to source its food commodity from a large number of origin countries (see table annex 1c), with the aim to diversify our supply base to reduce the supply chain risks, and to buy in the countries of operations, closer to our beneficiaries. The MC12 is certainly an enabler to allow WFP to access excess production where available and move it internationally and to neighbouring countries. WFP will continue to implement the "no harm" principle when taking procurement decisions, avoiding to buy in deficit countries or impact markets through excessive imports.

10. Support to value chain analyses has also grown significantly over the past two years, being instrumental in identifying actions and partners to address bottlenecks to enhance efficiency along the food value chains. WFP is leveraging its global collaboration and Memorandum of Understanding with the Consultative Group for International Agricultural Research (CGIAR) in this area of work.

11. WFP is also working on building evidence of the impact of WFP's procurement and of the programmatic work implemented in the framework of the Policy to identify investments needed to scale up the support to smallholder farmers and relevant value chain actors – including innovative technologies as well as partnerships with research centres and the private sector.

12. WFP will continue to use local and regional procurement as a catalyst to develop more resilient food value chains, by improving local production capacities through land rehabilitation and restoration, infrastructure improvements, and natural resources management.

13. Finally, WFP maintains close collaboration with international financing institutions and other international organizations to seek solutions to tackle the global food crisis. Jointly with the World Bank, the IMF, FAO and the World Trade Organization, WFP is advocating and calling for urgent and coordinated action and creating a framework for closer cooperation both at the policy and country levels.

ANNEX 1 – DETAILS ON WFP PURCHASES IN 2023

Data for 2023, 1 January until 9 November 2023

a. WFP food purchases from Least Developed Countries¹ in 2023

Origin countries	USD tot Value	Quantity MT
Rwanda	55,824,857.07	38,369
Afghanistan	55,598,714.91	117,460
Uganda	43,696,534.85	74,906
Ethiopia	42,625,435.72	60,430
Democratic Republic of the Congo	36,732,417.66	30,312
Myanmar	35,053,665.28	56,282
Burkina Faso	24,915,280.80	46,637
Niger	21,739,260.19	37,633
Chad	15,856,606.15	32,162
Sudan	14,937,822.94	29,139
Benin	10,321,915.40	19,751
Mozambique	9,693,670.64	16,305
Guinea	6,404,642.42	11,039
South Sudan	5,077,500.00	9,300
Malawi	4,791,277.97	6,081
Bangladesh	4,686,887.30	3,401
Madagascar	4,289,952.62	2,156
Yemen	3,585,700.00	1,690
Zambia	3,124,997.05	3,807
Central African Republic	2,420,294.66	2,958
Burundi	2,203,162.37	2,460
Sierra Leone	1,733,675.12	2,636
Mali	1,164,988.63	1,509
Guinea-Bissau	1,001,802.80	1,072
The Gambia	586,372.38	648
Haiti	377,593.07	209
Angola	208,184.50	328
Senegal	198,717.54	880
Nepal	82,600.44	86
Mauritania	75,176.80	95
Liberia	5,120.00	8
Grand Total	409,014,827.27	609,749
% (Food purchases from LDCs over total food purchases)	25%	28%

b. WFP Food Purchases from Net food-importing developing countries (outside of LDC)² in 2023

Origin countries	USD tot Value	Quantity MT
Pakistan	125,674,509	79,210
Kenya	33,713,922	25,823
Jordan	30,889,792	45,189
Honduras	25,484,981	20,679
Morocco	24,256,353	23,351
Venezuela, Bolivarian Republic of	14,132,398	12,902
Egypt	13,600,176	7,909
Sri Lanka	1,222,837	2,314
El Salvador	917,324	917

¹ Based on the latest list from UN: https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/publication/Ldc_list.pdf.

² Based on the latest list from WTO, 29 March 2023: <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/G/AG/5R12.pdf&Open=True>.

Origin countries	USD tot Value	Quantity MT
Côte d'Ivoire	375,829	360
Senegal	198,718	880
Namibia	26,114	98
Grand Total	270,492,951	219,631
% (Food purchases from NFIDC over total food purchases)	17%	10%

c. WFP Total Food Procured to date in 2023

Origin countries	USD Value	Quantity MT
Ukraine	149,666,552	410,255
Pakistan	125,691,018	79,222
Türkiye	98,137,130	125,374
France	88,499,157	25,877
Afghanistan	72,967,984	155,391
Nigeria	69,294,840	68,145
Rwanda	55,824,857	38,369
Kazakhstan	48,539,341	104,049
Poland	48,231,538	14,666
India	46,714,093	63,672
Uganda	43,696,535	74,906
Ethiopia	42,625,436	60,430
Democratic Republic of the Congo	36,732,418	30,312
Myanmar	35,053,665	56,282
Indonesia	34,720,474	28,582
Kenya	33,777,297	26,245
Jordan	30,889,792	45,189
China	30,614,370	29,564
United States of America	30,422,974	8,914
Russian Federation	27,613,955	34,706
Honduras	25,644,297	20,866
Burkina Faso	25,060,091	46,937
Morocco	24,256,353	23,351
Romania	23,961,562	36,139
Lebanon	23,046,608	21,400
Niger	22,193,450	37,833
Australia	22,095,150	61,725
Belgium	21,882,089	20,836
Guatemala	20,886,555	18,800
Thailand	17,699,396	34,116
Tanzania	17,048,794	34,816
Chad	16,210,500	32,724
Egypt	15,090,932	8,420
Sudan	14,966,868	29,296
Venezuela, Bolivarian Republic of	14,547,397	13,326
Canada	13,146,361	14,916
Syrian Arab Republic	12,943,705	15,200
Uzbekistan	12,746,623	30,785
Hungary	12,509,324	8,008
Korea, Republic of	12,080,000	40,000
Mozambique	11,596,452	18,911
Colombia	11,509,326	6,831
Benin	10,321,915	19,751
Malaysia	10,255,799	8,530
South Africa	9,548,346	4,477
Ghana	9,271,973	7,542
Mexico	8,575,497	5,966
Nicaragua	6,641,798	4,577
Guinea	6,541,202	11,164
Tajikistan	5,345,055	12,200

Origin countries	USD Value	Quantity MT
Viet Nam	5,276,325	11,172
South Sudan	5,077,500	9,300
Bangladesh	4,972,963	3,554
Denmark	4,890,284	1,555
Malawi	4,791,278	6,081
Madagascar	4,289,953	2,156
Palestine	4,013,795	6,773
Japan	3,784,043	5,403
Yemen	3,585,700	1,690
Zambia	3,344,177	4,042
Cameroon	3,259,928	5,244
Brazil	3,064,409	3,941
Iran (Islamic Republic of)	2,918,429	4,108
Burundi	2,536,816	2,806
Central African Republic	2,420,295	2,958
Algeria	2,254,120	1,998
United Arab Emirates	2,186,778	1,523
Kyrgyz Republic	2,112,207	2,217
Sierra Leone	1,733,675	2,636
Sri Lanka	1,323,322	2,413
Spain	1,298,098	430
Mali	1,164,989	1,509
Guinea-Bissau	1,001,803	1,072
Saudi Arabia, Kingdom of	998,692	988
El Salvador	917,324	917
Philippines	888,769	1,125
Bulgaria	883,098	1,818
Zimbabwe	726,543	1,207
The Gambia	586,372	648
Oman	525,600	336
Argentina	418,658	637
Haiti	377,593	209
Côte d'Ivoire	375,829	360
Armenia	351,633	204
Ecuador	302,090	121
Angola	208,185	328
Senegal	198,718	880
Eswatini	179,386	398
Uruguay	131,600	200
Lao People's Democratic Republic	109,927	149
Nepal	82,600	86
Mauritania	75,177	95
Congo	38,415	25
Namibia	26,114	98
Liberia	5,120	8
Iraq	2,797	11
Grand Total	1,687,047,969	2,225