MITIGATING IMPACTS OF RUSSIA’S INVASION OF UKRAINE ON GLOBAL FOOD SECURITY & NUTRITION

Russia’s unprovoked invasion of Ukraine is not only causing immense suffering for the Ukrainian people, it is also contributing to rising food, fuel and fertilizer prices around the world. Russia and Ukraine export around 30 percent of the world’s wheat and barley, one-fifth of its maize, and over half of its sunflower oil. The region is also a major supplier of agricultural inputs, accounting for 40 percent of exported fertilizers. The war is adversely affecting lives around the globe, particularly for communities already experiencing increased poverty, hunger and malnutrition as a result of major shocks like COVID-19, climate change and protracted conflict.

IMPACT ON GLOBAL FOOD SECURITY AND NUTRITION

Putin’s invasion of Ukraine is exacerbating an already staggering global food crisis, disrupting food and fertilizer supply chains and upcoming growing seasons. In 2021, 193 million people already faced acute food insecurity, according to the Global Report on Food Crises. The UN Food and Agriculture Organization (FAO) reports that food prices are nearly 30 percent higher than the same period last year. Shortages of fertilizer, a key input for growing many of the world’s crops, is driving rising food prices. In the last year, fertilizer prices have nearly doubled from already historical highs, representing a 200 percent increase since the start of the pandemic. With less ability to buy or grow nutritious food, families are forced to make tough decisions, prioritizing filling bellies with cheaper foods that do not provide adequate nutrition. In the medium term, several developing countries are exposed to increases in food and fertilizer prices which – if not mitigated – will likely reduce household incomes, undermine crop production, reduce seasonal labor opportunities, and further decrease household access to healthy diets.

FEED THE FUTURE RESPONSE

The U.S. government’s Feed the Future initiative is driving global efforts to address this global challenge by:

1. Mitigating the global fertilizer shortage
2. Increasing investments to support the resilience of smallholder farmers, including women, through access to improved agricultural technologies and inputs, financing and markets
3. Cushioning the macroeconomic shock and impact on poor people
4. Sustaining high-level global political engagement

Global Food Price and Supply Impacts

<table>
<thead>
<tr>
<th>Impact</th>
<th>Description</th>
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<tbody>
<tr>
<td>War in Ukraine</td>
<td>Could increase global food prices by up to 20%</td>
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<td>40 million additional people</td>
<td>Could be pushed into poverty and food insecurity in 2022</td>
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<td>23 countries</td>
<td>Have adopted export restrictions on food, further raising prices</td>
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Sources: Center for Global Development; World Food Programme; International Food Policy Research Institute
Mitigating the Global Fertilizer Shortage

Feed the Future is working with partners to mitigate fertilizer shortages and resulting affordability issues for smallholder farmers and agribusinesses by:

- Engaging partners such as multilateral development banks, the FAO, and the International Fund for Agricultural Development to expand fertilizer production and access in sub-Saharan Africa.
- The U.S. International Development Finance Corporation (DFC) and U.S. Agency for International Development (USAID) are engaging global fertilizer suppliers to expand fertilizer availability, affordability, and mitigating supply chain disruptions in Africa and Latin America.
- The Peace Corps is returning to 11 countries with food security programming in 2022, increasing assistance to vulnerable smallholder farmers to improve soil fertility management including increasing and valorizing on-farm resources.
- The U.S. Department of Agriculture (USDA) has also announced a $500 million grant program – doubling its original commitment – to boost fertilizer production at home to ease supply challenges.

Increasing Investments in Agricultural Capacity and Resilience

Feed the Future Innovation Labs and programs are leveraging technical expertise, programs, partners, and $1 billion annual appropriations in more than 35 countries:

- USAID is equipping smallholder farmers and bakeries in Niger to source locally grown sorghum, as a substitute for expensive wheat imports. This alternative costs 35 percent less and improves nutritional quality.
- Reducing food loss and waste in Ghana with storage bags treated with natural extracts to protect food from pests, creating income from saved food and reducing environmental footprint.
- Supporting businesses in Haiti to invest in improved food-processing equipment for rice mills and cooking oil producers that better fortifies foods to boost nutrition.
- The Inter-American Foundation (IAF) is investing more than $68 million in Latin America and the Caribbean for small-scale farmers to increase resilience by diversifying production, improving their yields, adopting low-cost technologies, and accessing new markets.
- USDA and USAID are collaborating with the Government of Tanzania to build farmers’ resilience by mainstreaming climate-smart agriculture.

Cushioning the Macroeconomic Shock and Impact on Poor People

Feed the Future is mitigating the impacts of higher prices for fuel, food, and other commodities by strengthening local resilience to avert food and humanitarian crises, supporting social protections and safety nets in partner countries, that includes:

- Safeguarding nutrition in Uganda by reducing the cost of fortified foods through facilitating businesses’ access to government’s waivers on import taxes on vitamin and mineral premix and equipment.
- Collaborating with the private sector in Kenya to improve the movement of basic food items to communities most in need.
- Following the U.S. Treasury’s call to action, International Financial Institutions (IFIs) released an Action Plan to Address Food Insecurity on May 18. The plan details how IFIs are accelerating, stepping up, and deepening their response to rising food insecurity.
With IAF support, farmer groups are developing reserve funds to address future needs and partnering with local savings and loans associations to ensure access to credit.

Sustaining High-Level Global Political Engagement

The U.S. government, through Feed the Future, is also utilizing the full range of diplomatic tools to seek commitments to address food security challenges, including:

- Leveraging all available international forums—the United Nations, G-7, G-20, FAO, and others—to prioritize and coordinate proactive steps to respond to food security challenges, discourage export bans and other harmful practices, and work to end Russia’s war causing these disruptions.
- USAID is coordinating with partners and other donors in countries such as Bangladesh, Malawi, Mozambique, and Nepal to quickly assess how price changes of food, fertilizer, and other essential commodities will affect vulnerable communities.
- The U.S. Treasury assumed the role of Co-Chair of the Global Agriculture and Food Security Program (GAFSP).
- Encouraging countries with available resources to make new, additive financial donations to key humanitarian organizations providing immediate life-saving humanitarian assistance.
- Secretary of State Antony Blinken hosted a Ministerial Call to Action on Global Food Security on May 18, with over 40 countries and organizations affirming a collective commitment to the Roadmap for Global Food Security, to act with urgency, at scale, and in concert to respond to the urgent food security and nutrition needs of millions of people in vulnerable situations the world.
- USDA is developing and implementing policies via Feed the Future’s work with the African Union that will strengthen food security, trade, and nutrition, particularly under the African Continental Free Trade Area.