



Trade and Food Security

Food security refers to availability of food and one's access to it; trade is an important instrument in ensuring a nation's food security. Trade can be viewed as connecting nations with plenty of food with those that do not have enough. In that context, stabilising the interconnectedness aids food security.

The World Trade Organisation (WTO) plays an important role in channelising trade to ensure food security. The Agreement on Agriculture (AoA) negotiated during the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) was a watershed moment. Through various specific commitments, the AoA launched a reform process to create a more equitable and efficient agricultural trading system.

There is a positive relationship between trade and various aspects of food security, including trade's contribution to food availability through imports that cover the domestic food deficit. Food availability is increased by accelerating economic growth as a result of trade. Better food utilisation results from increased demand caused by higher economic growth and income. Trade stabilises the food supply by balancing the food surplus and deficit, reducing seasonal effects on local food availability, and making local markets less vulnerable to policy or weather shocks.

In this context, the United Nations Secretary-General António Guterres cautioned that the food crisis triggered by the Russia-Ukraine war is getting out of control, hitting the poorest countries the most. Global hunger levels are at a new high, and the global food market is under siege. In 2021, 36 out of the 53 countries/territories with food crisis depended on Ukrainian and Russian exports for more than 10 per cent of their total wheat imports. This included 21 countries with major food crises. According to United Nations, more than half a million people live in famine conditions.

Since the Russian invasion of Ukraine, the number of countries imposing export restrictions on food has climbed to 17 from three. The total amount of exports affected by the restrictions represents about 17 per cent of total calories traded globally. These include export bans implemented by 16 countries covering 29 different measures and accounting for 12.4 per cent of traded calories; and export licensing requirements implemented by seven countries covering 10 separate measures and accounting for 4.6 per cent of traded calories.

Effective trade rules such as on export restrictions can largely address this challenge.

1	<p>Joint Statement: The Heads of the World Bank Group, IMF, WFP and WTO Call for Urgent Coordinated Action on Food Security</p> <p><i>By Alistair Thomson</i></p> <p>International Monetary Fund</p> <p>April 13, 2022</p>	<p>Washington, DC: The Heads of the World Bank Group (WBG), International Monetary Fund (IMF), United Nations World Food Programme (WFP), and World Trade Organisation (WTO) called for urgent action on food security. The WBG President David Malpass, IMF Managing Director Kristalina Georgieva, WFP Executive Director David Beasley and WTO Director-General Ngozi Okonjo-Iweala issued the following joint statement ahead of the Spring Meetings of the IMF and World Bank Group.</p> <p>Proposed actions to help vulnerable countries include providing emergency food supplies, deploying financial support to households and countries; facilitating unhindered trade; investing in sustainable food production and nutrition security.</p>
2	<p>Egypt clears Indian wheat, trade negotiations on with more nations</p> <p><i>By Zia Haq</i></p> <p>Hindustan Times</p> <p>April 15, 2022</p>	<p>Egypt, the world's top wheat importer, has approved India as a supplier to fill a sizeable void in the North African nation's food stocks due to the Ukraine conflict, a move that will open up a lucrative market for Indian farmers and also deepen agricultural ties between the two countries.</p>
3	<p>Russia, Iran Discuss Joint National Food Security Programmes</p> <p><i>By Dezan Shira & Associates</i></p> <p>Russia Briefing</p> <p>April 19, 2022</p>	<p>Alireza Peyman-Pak, Iran's Head of Trade Promotion & Organisation (TPOI) stated that Iran's recent trade conference in Moscow was successful. The coordination had been made with Moscow to ensure national food security for both countries jointly contend with SWIFT disconnection and massive sanctions.</p> <p>The head of the Trade Development Organisation noted that Russia's exports grew by US\$13bn in 2021, adding, "We are trying to control fluctuations in the export sector so that the presence in the target markets would be long-term."</p>
4	<p>India highlights the role of the PM-GKAY scheme in ensuring food security during pandemic at the WTO meet</p> <p>The Economic Times</p> <p>April 28, 2022</p>	<p>India showcased at a WTO seminar its flagship Pradhan Mantri Garib Kalyan Anna Yojana (PM-GKAY), which played a key role in ensuring additional food security for around 800 million people during the pandemic.</p> <p>Jagannathan, Joint Secretary, Department of Food and Public Distribution, highlighted India's outstanding experience in successfully</p>

		ensuring dignified and foolproof access to adequate food grains to the most vulnerable people in the country, especially during COVID, through a series of bold technology-based reforms and landmark innovations in the public distribution system.
5	<p>Governments Tighten Grip on Global Food Stocks, Sending Prices Higher</p> <p><i>By Ana Swanson</i></p> <p>The New York Times</p> <p>April 30, 2022</p>	<p>Dozens of countries have thrown up trade barriers in the past two months to protect scarce supplies of food and commodities, but experts say the policies will only exacerbate a global food crisis.</p> <p>Export restrictions are making grains, oils, meat and fertiliser — already at record prices — higher and even harder to come by, which is placing an even greater burden on the world’s poor, who are paying an ever-larger share of their income for food, increasing the risk of social unrest in poorer countries struggling with food insecurity.</p>
6	<p>Food Security Update</p> <p>The World Bank</p> <p>May 05, 2022</p>	<p>Many countries face growing levels of food insecurity, reversing years of development gains, and threatening the achievement of Sustainable Development Goals by 2030. This brief looks at rising food insecurity and World Bank responses to date.</p>
7	<p>Amid growing food security threat, PM Modi faces a dilemma: Keep voters happy or feed the world</p> <p>Livemint</p> <p>May 07, 2022</p>	<p>PM Modi has sought to burnish his reputation as a dependable global leader. Still, he faces frustration on home soil about record-high inflation, one issue that brought down the previous government and paved the way for his ascension to power.</p> <p>The Indian government said that it does not see a reason for controls on wheat exports. But the calculus could change: Wheat output is on track to fall to 105 million tonnes in 2021-22, according to the latest estimates. That’s down from a forecast of 111 million tonnes (an all-time high) and last year’s harvest of 109.6 million tonnes.</p>
8	<p>Play nice if you want our agri-trade: EU hangs food security threat over Turkey</p> <p><i>By Natasha Foote</i></p>	<p>Turkey must play by the rules if it hopes to strengthen its agricultural relations with the EU to bolster its food security in light of the Ukraine war, member states have stressed ahead of a high-level meeting.</p>

	<p>Euractiv.com May 10, 2022</p>	<p>According to a source inside the meeting, the Commission representative present during the SCA meeting agreed with the sentiment, saying that they hope to keep the dialogue going but will warn this is “reversible” if Turkey does not play nice</p>
9	<p>India bans wheat export: From Argentina to Turkey, countries that have stopped overseas food trade <i>By FP Explainers</i> First Post May 20, 2022</p>	<p>The West criticised India’s decision to ban wheat exports after costs rose and a record-breaking heatwave damaged crops. However, after the Russia-Ukraine war broke out, India was not the only country doing so, which drove up food prices worldwide.</p> <p>The export restrictions had affected 17 per cent of the world’s food, as measured by the number of calories traded, by early April, reports <i>Quartz</i>, adding the situation will only worsen as time passes.</p>
10	<p>China expects a bumper harvest of summer grain, ensuring food security amid global risks <i>By Ma Jingjing</i> Global Times May 23, 2022</p>	<p>A bumper harvest of summer grain is expected to ensure nation’s food security.</p> <p>China is expected to achieve a bumper harvest of summer grain despite the impact of COVID-19 outbreaks in some areas, underscoring the country’s capacity to ensure grain security amid tight global supplies mainly due to record hot weather and the Russia-Ukraine conflict.</p>