

Task Force 1: Development and Economic Prosperity



Food Security in Times of Crisis: An Action Plan for the G7

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Abstract

The number of people who are undernourished—suffering from chronic hunger and a lack of access to safe, nutritious, and sufficient food—has increased due to trade disruptions and bottlenecks that impact prices, stringent food trade policies and supply chains, and post-harvest losses. This issue requires urgent humanitarian assistance. Mitigating the problem demands practical solutions at the global level and active Group of Seven (G7) participation, as the current food security political focus is mostly reactive toward crises and risks that wane quickly whenever global food prices decrease. Thus, the following are the main reasons the G7 should prioritize food security in 2023: (i) a moral and human rights-based imperative supported by the idea of the Sustainable Development Goals to eradicate hunger and all forms of malnutrition to attain a minimum level of shared prosperity, especially in the context of climate change; (ii) the G7 has committed to do it through the Elmau and other commitments; (iii) the G7 is more than ever a key element of the global security agenda. To address global food insecurity, we propose that the G7 (i) works with partners to contribute to a transparent and stable global environment for agri-food trade and investments, (ii) reforms its food policy to contribute to global food security through inclusiveness in the context of global rebalancing, and (iii) invests in Global South food systems by focusing on the nexus between gender, climate, and digital technologies.

Introduction

In the Group of Seven (G7) leaders' statement dated 12 December 2022, the G7 acknowledged the need to work, *together with other international partners, [...] to jointly [address] both major systemic challenges and the immediate crisis of our time*. This combination of long-term drivers not sufficiently addressed during the last decade and the global food security situation perfectly embodies the need to tackle new crises.

The number of undernourished, which had stagnated since 2014, has massively increased since 2019. Moreover, chronic hunger impacts 828 million people, or 10.5% of the global population, in 2021 (FAO et al. 2022), and more than 200 million people in an acute food insecurity situation in 2022. This requires urgent humanitarian assistance. Although global food production has tripled between 1960 and 2021, access to the food produced is a key challenge: it is estimated that more than 2 billion people globally do not have regular access to sufficient, safe, and nutritious food (OECD 2021). This food insecurity is due to, among others, post-harvest food losses, stringent food trade policies and supply chains, and trade disruptions and bottlenecks that impact prices. The reasons for these challenges are various and partly mutually reinforcing: the combination of conflicts, climate, and COVID-19 (three Cs) led to a significant economic downturn. Besides, the global challenge to hunger and malnutrition is not mainly attributable to food insecurity but also to the three Cs. In principle, the G7 countries have acknowledged food security as an important policy issue and have made major political statements. At the 2015 Elmau summit, the G7 heads of state committed to lifting 500 million people out of hunger and malnutrition by 2030. However, after 7 years and a whole cycle of G7 presidencies, reaching this target appears to move further away.

Furthermore, the 2022 invasion of Ukraine by the Russian Federation has made hunger a major geopolitical problem (Nguyen et al 2023). While the conflict contributed to rising global food insecurity, the narrative around hunger became an integral part of foreign policy, illustrating new international coalitions (AA 2022). Addressing the hunger issue at the international level was also a way to find practical solutions, such as the Black Sea Grain Initiative supported by the United Nations (UN), which allowed more than 23 million tons of food products to leave Ukrainian ports in 7 months. Also, the G7 German presidency, with its partners, launched the Global Alliance for Food Security to track the crisis better and propose short- and long-term solutions and coordination. However, a large-scale and consistent response from the G7 is yet to come.

Besides, different aspects of sustainable food and nutrition security require heterogeneous policies, especially resilience and sustainability policies at different periods, which might also be a challenge to policy reactions due to distinct time scales. The political focus on food security up till now remains largely reactive toward crises and risks, which wane quickly when global food prices decrease. Thus, the G7 Japanese presidency becomes critical in consolidating past development actions and tackling sustainable food and nutrition issues that, if unaddressed, will continue to create the bases for future crises. The G7 has to do it for three reasons:

- First, the moral and human rights-based imperative supported by any idea about the UN Sustainable Development Goals (SDGs) to eradicate hunger and all forms of malnutrition to achieve a minimal level of shared prosperity, especially in the context of climate change.
- Second, it has committed to do it through the Elmau and other commitments.
- Third, it is more than ever a key element of the global security agenda. Bold efforts by the G7 for global food security are one key to its credibility and sincerity as a partner for many governments and people in the Global South.

Thus, it is becoming more apparent that the G7 is getting politically lonelier, while the need for cooperation with other countries has become obvious. Problems such as armed conflicts, political unrest, and migration are critical food security constraints, which are also emerging and intensifying around several G7 countries. Hence the positions and actions of the G7 toward affected populations by these existential challenges will be decisive for its international standing. In the emerging multipolar world, the G7 aims to forge new alliances, deepen old ones, and in doing so, go on the offensive. Solutions to address hunger need to be one important step toward this.

Three Axes for Guiding G7 Actions in 2023 and Beyond

The G7 can stabilize and improve the global food situation by systematically maintaining and improving the social, economic, and ecological sustainability as well as the resilience of food systems to climate change with a particular focus on protecting the most vulnerable. When deploying these actions, it is imperative to address gender inequalities. The G7 could leverage its economic and political power through three axes: working with partners to promote global stability, particularly through the global trading system; reforming its domestic policies and regulations to contribute to the global rebalancing efforts needed to address inequalities of existing food systems and promote sustainability; and investing in the Global South food systems through climate-smart and gender-focused interventions.



The combination of these three axes will strengthen the resilience of the food systems by dealing with the three core disruptors. These three axes do not operate independently and are a strong complementarity of actions. Global stability and trade will help mitigate the risks of conflicts or their consequences (OECD 2021). Making sure that the G7 domestic policy agenda aligns with the global to promote inclusive economic development will build resilience against global and economic shocks. However, in the end, many food system challenges could only be addressed by investing in the Global South in food production and food and nutrition security. Success will depend on the G7's capacity to act together as a bloc and better coordinate its actions.

The G7 Works with Partners to Contribute to a Transparent and Stable Global Environment for Agri-Food Trade and Investments

In a tumultuous world, farmers, traders, and food processors have the burden to adjust to external shocks and tackle additional hurdles from suboptimal policy responses, particularly trade restrictions. Making sure that markets and trade can play their role in adjusting to disruptions is essential, and the G7 governments could play an important role in supporting this process.

Securing the hardware and software of global trade: infrastructure, market information, and policies in a time of shocks

Infrastructure. International critical infrastructure is an important determinant of global (food) trade, especially maritime transport (80% of the traded food is transported by maritime shipping). Issues in maritime transport, logistics, and critical hubs should be acknowledged, and vulnerabilities monitored regularly, making sure that this infrastructure receives the proper level of international investment and that emergency scenarios are prepared. A first step could be to start joint monitoring of vulnerabilities of dominant passages and hubs, e.g., through the Agricultural Market Information System (AMIS). Also, the Partnership for Global Infrastructure and Investment, a \$600 billion package launched at the G7 Summit 2022 at Elmau, should be implemented.

Market information. An important response to the food price crisis is the AMIS, which will continue to play a critical role in 2023. This initiative should increase its usefulness by including new issues with institutional and financial support from the G7. This will require strong commitments over the years to prophylactically support readiness for the next crisis.

A more comprehensive and cooperative approach to global value chain (GVC) resilience

The state of food and nutrition security may deteriorate further due to (i) the resurgence of national economic security as a dominant concept in shaping trade and industrial policy decision-making, and (ii) the resulting potential fragmentation of global food production (Botti 2022). A more comprehensive and cooperative approach to GVCs' resilience should be followed, as GVCs affect international trade patterns and thereby potentially impact food security (Rudloff 2022). An initial step is the recent due diligence mapping by the Organisation for Economic Cooperation and Development (OECD), and the unintended negative effects, i.e., impacted smallholder farmers in the context of the Sustainable Supply Chains Initiative launched in 2021 under the United Kingdom's G7 presidency. This could be complemented by mapping possible food security impacts and an improved, coordinated partnership approach with trade partners to support their sustainability implementation.

Active monitoring of the food security consequences of economic sanctions and provision of compensatory measures for third parties impacted

Economic sanctions remain a sovereign and often a unilateral set of measures that have widespread impacts and could affect third parties. Indeed, the economic cost of poorly targeted sanctions could be high for poor and vulnerable populations in the targeted countries and not for the ruling class. Although there is international consensus not to impose sanctions directly on humanitarian relevant goods like food, there may be unintended effects. In this context, the G7 countries must assess the cost and/or benefits of using economic sanctions and mandate international institutions to monitor and evaluate the consequences of existing sanctions on global food security. When adverse consequences are identified, an adjustment of the sanctions or the implementation of compensatory measures, especially through financial instruments, should be proposed.

Promoting better policy and financial instruments to manage risk and price volatility

During each food crisis, some countries rely on export restrictions to insulate their markets from global turbulence, causing additional food shortages and exacerbating the initial shocks. Although the G7 has avoided this policy in the past decades, the COVID-19 pandemic has brought new sensitivities to the application of export restrictions, particularly on health products, and the adherence to the World Trade Organisation (WTO) principles. The G7 has actively supported international dialogue to better balance the needs of importers and exporters. This has led to the June 2022 WTO ministerial decision to protect humanitarian shipments. Hence, the G7 should continue to promote dialogue to avoid implementing beggar-thy-neighbor and avoid a double standard between food and health products. Overall, it is necessary to ensure that existing WTO rules are applied, particularly for countries applying restrictions.

Furthermore, implementing better policies, like targeted safety nets, requires improved information and financial resources. This could be achieved through mechanisms hosted by international financial institutions (IFI), as in the case of the International Monetary Fund's Food Shock Window. Monitoring that these resources are supporting the most vulnerable countries will be an important mission by the G7 within the IFIs. However, risk management cannot be done only through ad hoc mechanisms. New products in terms of insurance and reinsurance should be developed. Based on the G7 companies' role in these markets, proper regulations and incentives should be implemented to develop new products devoid of moral hazard.

The G7 Reforms Its Food Policy to Contribute to Global Food Security through Inclusiveness in the Context of Global Rebalancing

While the role of the G7 countries in food systems has slowly decreased, they still host 16% of the global food production—with 10% of the global population and 27% of the global gross domestic product—and represent 5.6% of agriculture, forestry, and other land use emissions (computed from FAO 2023). This last number illustrates two contrasted realities: the important

productivity gains realized in the G7 economies have led to intensive but efficient production, and part of their growth in food consumption has been achieved through increased imports associated with important land use changes beyond their borders. The call for more sustainable practices in the G7 countries has led to an important debate on farm programs and subsidies (also called the repurposing debate, see FAO, UNDP, and UNEP 2021). However, while such changes could be locally desirable, the G7 could not design its policy reform in isolation from global challenges. It should be part of a well-coordinated policy reform agenda aimed at a more balanced distribution of consumption, production, and investments. This global redistribution should be supported by a strong development agenda that will raise the competitiveness of low-income countries and increase their economic and environmental productivity while supporting income growth, particularly among smallholders.

Implementing inclusive trade policies countries to support low- and middle-income countries' competitiveness, while the food security impacts of trade agreements should be monitored

Trade policy measures cover very different tools, but all should be designed coherently to support food security. This coherence, however, may be followed at different regulatory levels, being multilateral, regional, or at the G7 country level. Historically, the strong support policies through subsidies and various protectionist regimes of the G7 have negatively impacted developing and emerging countries' competitiveness and food and nutrition security (Njuguna et al. 2020; Kareem 2022). Imperatively mitigating the impacts requires working closely with partners to address their needs and correct this historical imbalance by supporting technology and institutional development to enhance the food systems and quality infrastructure. Upgrading such infrastructure will promote sustainable agri-food exports and will contribute to supporting private investment needed in these countries.

Nevertheless, the interlinkages with existing preferential trade agreement rules should be explored. There is also scope for defining (bilateral) roadmaps to better tackle specific challenges for implementing the food-related provisions in preferential trade agreements, due diligence measures, and other relevant standards. Unilateral approaches like due diligence measures should be complemented more strongly based on a true partnership approach. Moreover, food security impacts, so far hardly covered, should be considered explicitly during impact assessments.

Repurposing G7 farm policies to promote economic inclusion of the Global South through a global approach to sustainable (economic, social, and environmental) production

Farm policy reforms and “repurposing” discourse have been widespread in the last 3 years to promote the environmental sustainability of the food systems (Gautam et al. 2022). Also, this should include the reform of market-influencing agri-food subsidies and other trade-distorting support that have consequences on food security in developing countries. Therefore, the reform should be prioritized during any repurposing exercise. Besides, the G7 new policy instruments should not introduce new distortions penalizing Global South producers through unfair competition or non-science-based standards. Partner countries should be supported to meet biodiversity, social, and other requirements, while sustainability standards should be adjusted to mitigate income

losses and food and nutrition insecurity. Importantly, the intra-G7 dialogue on this issue will be required to avoid fragmented regulatory regimes that may translate into additional costs for third parties. A cooperating platform to review the specific challenges in compliance with new measures that impact agri-food trade and food security needs to be initiated and implemented systematically and transparently.

The G7 Invests in Global South Food Systems by Focusing on the Nexus between Gender, Climate, and Digital Technologies

While building a more inclusive and stable enabling environment could mobilize private investment for food security, it will not be enough. Even in the context of increased private investments, public resources will remain important, especially if the food security spending is better targeted and combined with the committed climate finance. Several drivers of food insecurity could be tackled only through direct investment in the Global South food systems, with a focus on climate-smart agriculture (CSA) (Rahut et al. 2021) and the gender inequalities that continue to undermine the level of productivity, efficiency, resilience, and fairness of these systems. Thus, delivering a digital revolution will contribute to increasing the value for money of these investments. These efforts should take place continuously to strengthen technological and institutional capacities in these countries.

Reaching women at the last mile but not at the last minute

Integrating the gender dimension in public interventions in agriculture and food security remains too often an afterthought instead of the starting point of the interventions. Gender is seen as a political statement, while it is one of the most promising dimensions to multiply the efficiency of public spending on food security. Moreover, women smallholders remain unbanked, have limited access to inputs, services, and agricultural extension, including markets, lack opportunities to gain digital literacy, and shoulder an unequal labor burden (Kareem and Kareem 2021). These inequities trap families in poverty, reducing their resilience to climate change and other shocks.

Combining gender and climate action is an obvious solution

Climate change is not gender-neutral. Women smallholder farmers disproportionately bear the brunt of climate change in the form of “drudgery” caused by the out-migration of male counterparts for new income streams leaving women to manage farms and care for children simultaneously. Despite the focus by governments and stakeholders, resilient and climate-smart technologies are not sufficiently tailor-made to mainstream gender issues, and resources are not well-targeted. In this context, technical assistance is needed, and G7 official development assistance spending should be reoriented to deliver what is necessary for women smallholder farmers and those within the blue economy, particularly CSA practices, based on the extent of vulnerabilities.

Using digital tools and providing basic digital access to women could cost-effectively address this nexus at scale

Women-centric, digitally enhanced tools could improve climate resilience. The G7 countries should invest in rural connectivity, and support public and private stakeholders, including investors and digital CSA providers, to generate new or adjust preexisting tools and innovations that are tailored to what women smallholders and fishers require. Besides, the G7 should invest in accessible women-centred CSA-related data platforms, mobile phones, and digital channels to enhance Global South stakeholders' data for decision-making. This could involve (i) gaining accessibility through human touch (agent networks); (ii) undertaking content adaptation, (iii) and adapting user experience (i.e., creating safe learning spaces, promoting feedback, etc.). However, these investments should be based on a nuanced and intersectoral approach that considers women's heterogeneity in vulnerability.

Next Steps for the G7: From Statements to Actions

This brief provides nine high-level actions distributed around three axes (Table 1). They provide a consistent framework across different locations, governance scales, and intervention domains. Even more importantly, they are built on the principle of continuity across the G7 presidencies since no single presidency or initiative will solve all the short- and long-term drivers of global food insecurity. This notion of continuity is essential, and even when the global food security situation improves, continuous efforts are needed to avoid dealing with the worst crisis the next time a set of simultaneous shocks will create the next "perfect storm". However, continuity should go hand in hand with accrued monitoring and accountability of past decisions. Hence, we add a tenth recommendation; the need for systematic reporting of previous initiatives and commitments that could not be limited to the existing financial reporting on the Elmau commitments. Eight years after the G7 summit in Elmau in 2015, the G7 needs to appear as a source of stability, determination, leadership, and justice to deliver the food security agenda, but words will not suffice: actions are needed.

Table 1: Summary Set of Actions and References to Past or New Initiatives

		New or Past Initiatives to Strengthen	Number of Sub-Actions Proposed	
Axis	The G7 works with partners to contribute to a transparent and stable environment for agri-food trade and investments			
	1	Securing the hardware and software of global trade: infrastructure, market information, and policies in times of shocks	Partnership for Global Infrastructure and Investment (AMIS)	2
	2	A more comprehensive and cooperative approach to global value chains resilience	Sustainable Supply Chains Initiative	2
	3	Actively monitoring the food security consequences of economic sanctions and providing compensatory measures for third parties impacted	New initiatives are required to build on the previous statement	1
	4	Promoting better policy and financial instruments to manage risk and price volatility	New Initiatives are required, and strengthening existing mechanisms developed by IFI	2
Axis	The G7 reforms its food policies to contribute to global food security through inclusive reforms in the context of global rebalancing			
	5	G7 countries should implement inclusive trade policies to support low- and middle-income country competitiveness, while the food security impacts of their trade agreements are monitored	New initiatives are required to build on the previous statement	3
	6	Repurposing G7 farm policies to promote economic inclusion of the Global South through a global approach to sustainable (economic, social, and environmental) production	New initiatives are required to build on the previous statement	3
Axis	Improved development spending targeting the nexus between gender, climate, and digital technologies in the Global South			
	7	Reaching women at the last mile but not at the last minute	New initiatives are required to build on the previous statement	2
	8	Combining gender and climate action is an obvious solution.		2
	9	Using digital tools could address this nexus in a cost-effective way at a scale		
	10	Providing basic digital access to women should not be neglected		2
	Overarching principle			
	11	Improved holistic monitoring approach of G7 actions in the field of food security and systematically track previous commitments and initiatives	New initiatives are required to build on the previous statement	1

AMIS = Agricultural Market Information System, IFI = international financial institution.

Source: Authors.

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