

## **Rising Global Food Prices Pose A Risk - Food Industry Review**

In the U.S., as well as other advanced economies around the world, much of the public is not fully aware of the severity of the world's hunger crisis. Not only has this crisis been prevalent, but it has increasingly worsened over the past 15 years.

Hunger and undernourishment had been quite high at the turn of the century, with the UN Food and Agriculture Organization reporting that 13.4% of the world and 32.2% of the least developed countries were undernourished. This share began to fall into the early 2010s and stabilized around 8.9% from 2012 to 2017. However, this improvement did not characterize much of the world. Even before the COVID-19 Pandemic, undernourishment rates rose in Sub-Saharan Africa, Latin America, the world's least developed countries, and much more of the world.

Three factors behind recent rises in global hunger are skyrocketing food prices, the invasion of Ukraine, and the pandemic, which has changed the lives of almost everyone across the globe affecting those in already poor situations the most.

The UN Food and Agriculture Organization's Food Price Index is a measure of change in food commodities, measured monthly based on international prices of meat, dairy, cereals, vegetable oil, and sugar. In 2016, this measure reached its lowest since 2009, a decline that had a very short stay. Not only did this index rise in the years up to 2020, but it also skyrocketed in 2021 and reached an all-time high in March 2022. At its peak just this year, the Food Price Index was more than double its value just 18 years sooner. Simply put, food prices are on a steep incline, reaching levels far higher than in other recorded years.

Food prices were not alone in raising global hunger, with the COVID-19 Pandemic having extremely severe effects. In its breakout year, 2019-2020, the State of Food Security and Nutrition in the World reveals that about 160 million people fell into hunger, meaning 811 million people around the world regularly went to bed hungry, roughly one in every ten people. Not only that, but over 48 million people face emergency levels of hunger according to the World Food Programme. The Global Network Against Food Crises reports that the number of people facing acute food insecurity rose by 40 million people in 2020-2021, with an estimated 193 million people facing this extreme level of hunger in 2021.

Source: World Food Programme; 2022 Global report On Food Crises

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