

Welcome to the webinar

Ripple effects of the war in Ukraine:

What role can 'adaptive' social protection play to prepare for and respond to anticipated global price shocks and hunger?



WEBINAR SERIES

ASPPECTS

Practice Exchange on Adaptive Social Protection (ASP)



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Deutsche Gesellschaft
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socialprotection.org presents:

Ripple effects of the war in Ukraine:

What role can 'adaptive' social protection play to prepare for and respond to anticipated global price shocks and hunger?

Speakers:

Opening: Dr. Tania Vorwerk, Director Global Health, Pandemic Prevention and One Health, German Federal Ministry for Economic Cooperation and Development (BMZ)

Framing: Holger Matthey, Senior Economist with the Markets and Trade Division, FAO

Panellists:

Sarah Laughton, Chief Social Protection Unit, WFP

Ugo Gentilini, Global Lead for Social Assistance, World Bank

Sam Muradzikwa, Chief Social Policy Section, UNICEF Ethiopia

Marco Knowles, Senior Social Protection Officer with the Inclusive Rural Transformation and Gender Equality Division, FAO

Moderator: Edward Archibald, Independent social protection consultant and Lead Technical Adviser of STAAR (Social Protection Technical Assistance, Advice and Resources)

Ripple effects of the war in Ukraine:

What role can 'adaptive' social protection play to prepare for and respond to anticipated global price shocks and hunger?

Panellist

Sarah Laughton

WFP

Sarah Laughton is the Chief of Social Protection at WFP, overseeing the organization's strategic direction in this area of work. Sarah holds an MSc in Development Studies from the London School of Economics and has 25 years of experience in humanitarian and development work, including social protection, in country offices around the world. Sarah is a Canadian national.



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Panellist

Ugo Gentilini

World Bank

Ugo Gentilini serves as Global Lead for Social Assistance at the World Bank. His interests encompass the analytics and practice of social protection across regions and thematic areas. He published extensively on those matters, and since 2016 he's been producing a newsletter reaching thousands of subscribers on a weekly basis. Ugo holds a PhD in Economics and his 20 years of professional experience are equally split between the World Bank and the World Food Programme.



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Panellist

Sam Muradzikwa

UNICEF Ethiopia

Sam Muradzikwa is the Chief of Social Policy at UNICEF Ethiopia, he joined UNICEF Ethiopia from UNICEF Zambia where he was the Chief Social Policy & Research. Before this, Sam was Chief Social Policy & Research for UNICEF Zimbabwe. He joined UNICEF in 2012 after working for five years at the Development Bank of Southern Africa (DBSA) where he held the post of Chief Economist & Africa Strategist. Sam holds a Masters' Degree in Economics from the University of Cape Town and several other postgraduate qualifications. He has published widely in the field of development, and public finance, and was a senior lecturer and researcher at the University of Cape Town for 6 years, before joining the DBSA. His immediate past role of leading the social policy and research work at UNICEF Zambia had him focused on social protection, fiscal space analysis, multidimensional child poverty and mobilizing domestic resources, data, evidence and advocacy, and analyses of policy responses to support the rights of children.



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Panellist

Marco Knowles

FAO

Marco is a Senior Social Protection Officer with FAO's Social Protection Team. He has almost 25 years of work experience with the United Nations agencies (FAO, IFAD, WFP) and NGOs (Development in Action, SNV) in sub-Saharan Africa, Asia and Latin America. In addition to expertise in social protection, which is centered around expanding access to social protection in rural areas and strengthening coordination with agricultural subsector and natural resource management, Marco has substantive experience in programme coordination and in providing evidence-based food security policy assistance and capacity development support.



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Moderator

Edward Archibald

Independent social protection consultant and Lead Technical Adviser of STAAR

Edward Archibald is an independent consultant with experience in the design and implementation of social protection systems across Africa, Asia, and the Middle East. He is currently the Lead Technical Advisor of STAAR – the FCDO-funded Social protection Technical Assistance, Advice and Resources facility, and was previously Deputy Team Leader of the Social Protection Approaches to COVID-19 Expert (SPACE) service which was funded by FCDO, GIZ, and DFAT. Since going freelance in 2018 he has also consulted for the World Bank, EU, ADB, UNICEF, and Save the Children. Previous roles span multilateral agencies, government, NGOs and the private sector. These include Chief of Social Policy at UNICEF Malawi, Head of the Australian Government aid program in Sri Lanka, a Director at AusAID/DFAT headquarters, and Policy Leader at the Cape York Institute. Edward holds an MPhil in Development Studies from the University of Oxford, and Bachelors of Laws (Hons) and Arts from the University of Melbourne.





Food and Agriculture
Organization of the
United Nations

GLOBAL FOOD MARKET SITUATION & OUTLOOK



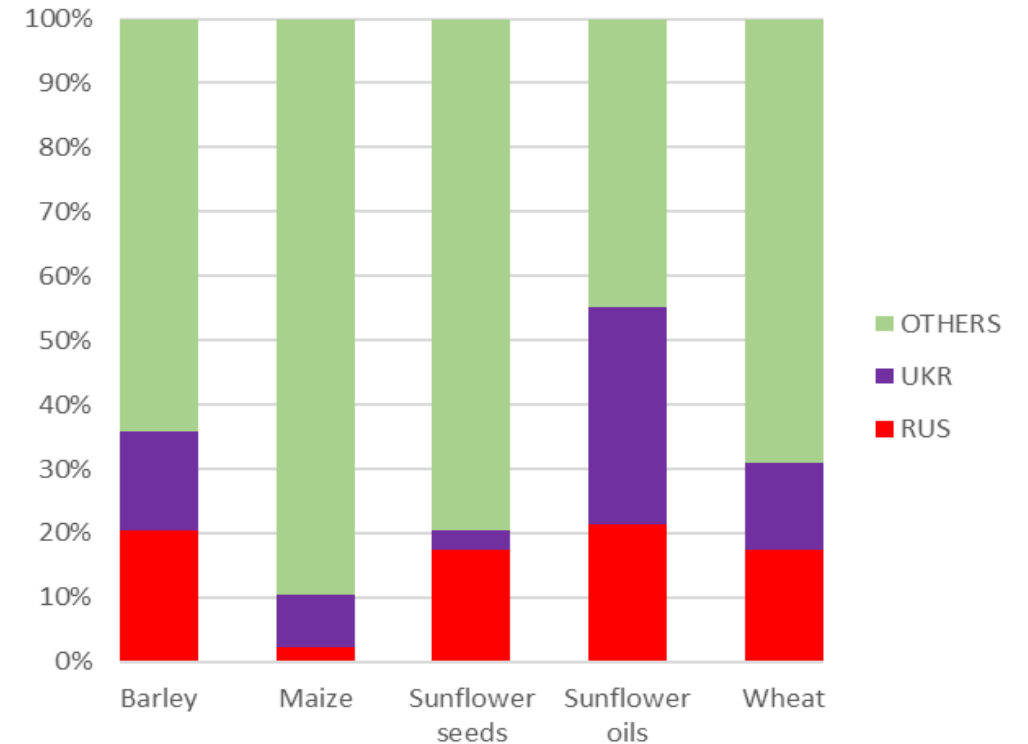
Overall view

Food price are at a record high, according to the latest FAO Food Price Index



Source: FAO

Global market shares (quantities) of Ukraine and the Russian Federation of key agricultural commodities (in percent, 2021)



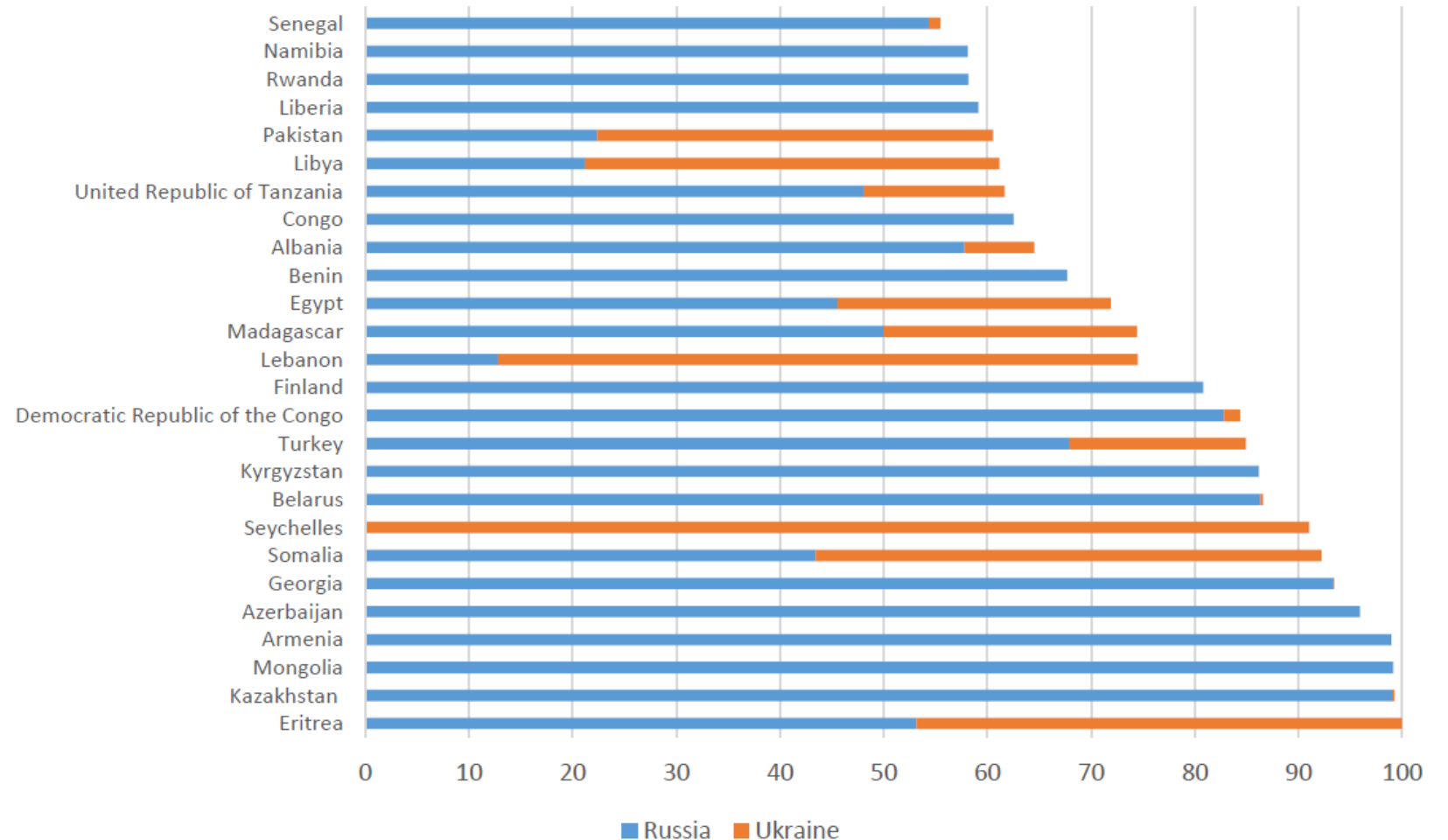
Source: TDM



Trade networks

- Trade networks for specific commodities can be highly concentrated
- This can have multiple implications for global markets and food security
- 26 countries source at least 50 percent of their wheat needs from Ukraine and the Russian Federation

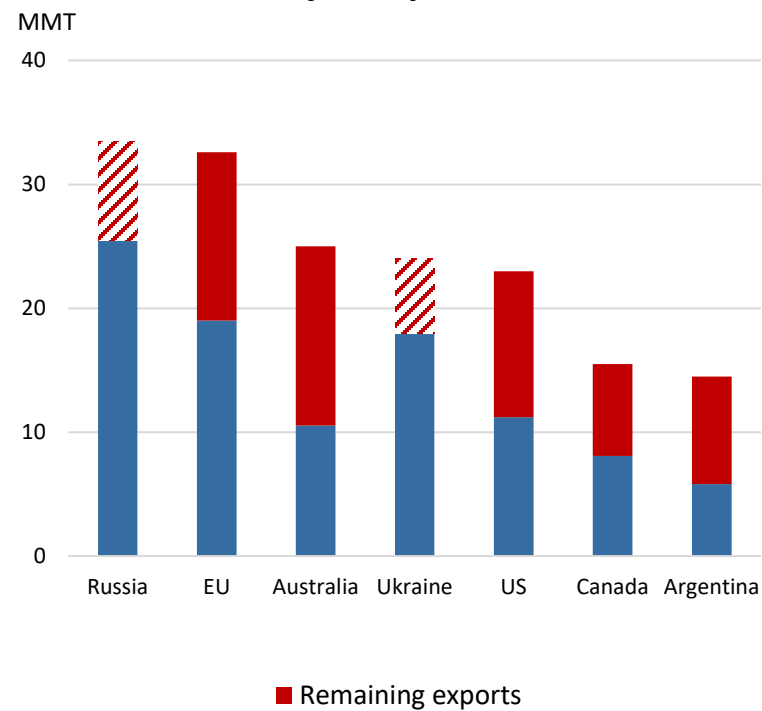
Wheat Import Dependency (percent, 2021)



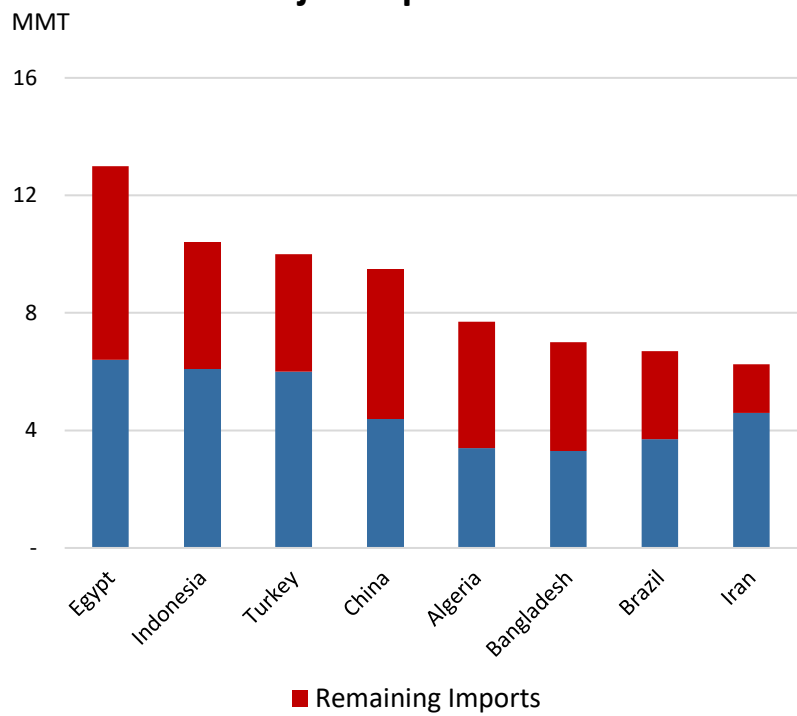


Wheat

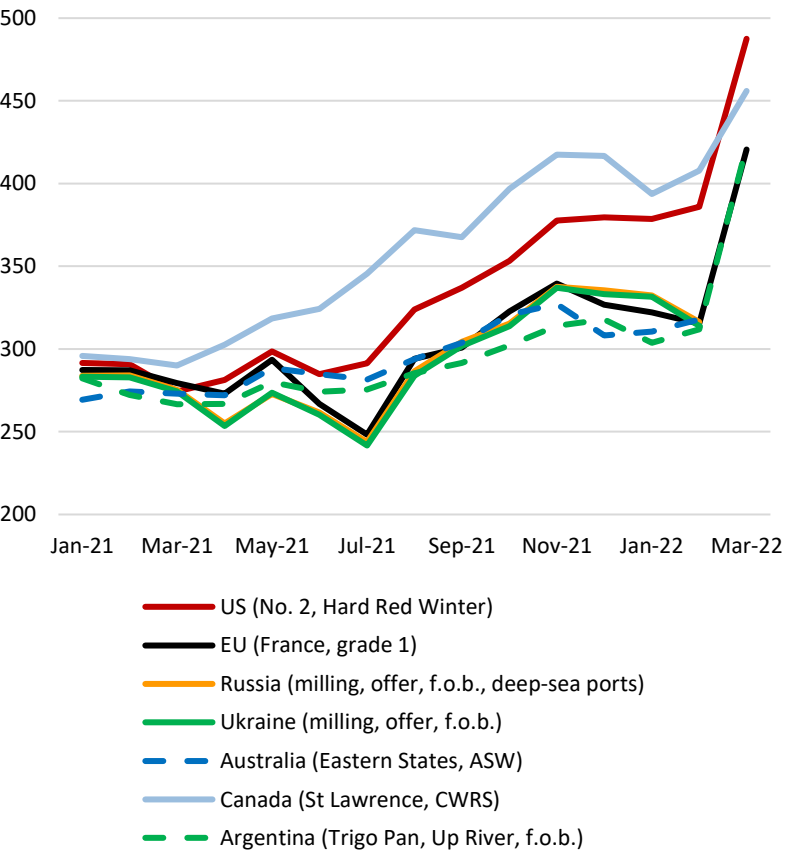
21/22 Export forecasts of
major exporters



21/22 Import forecasts of
major importers



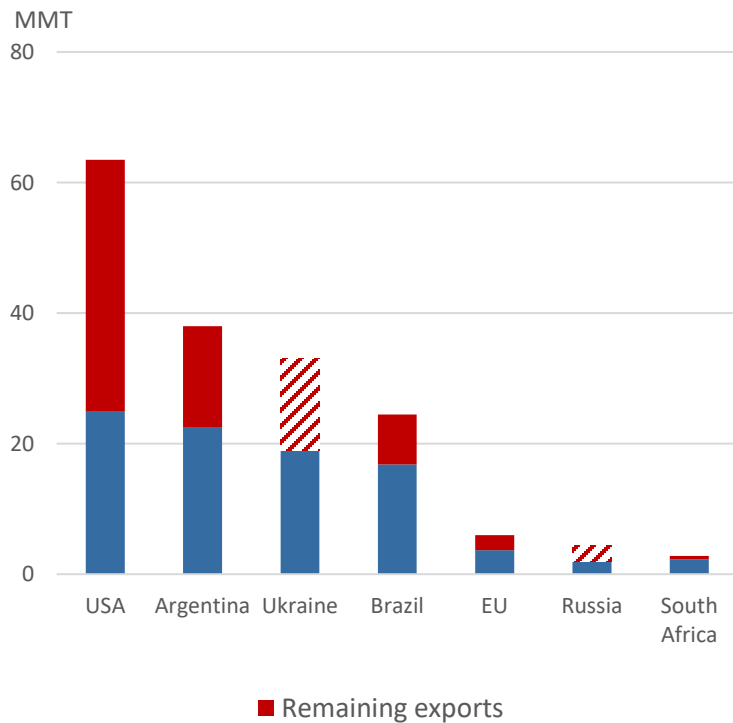
USD/tonne



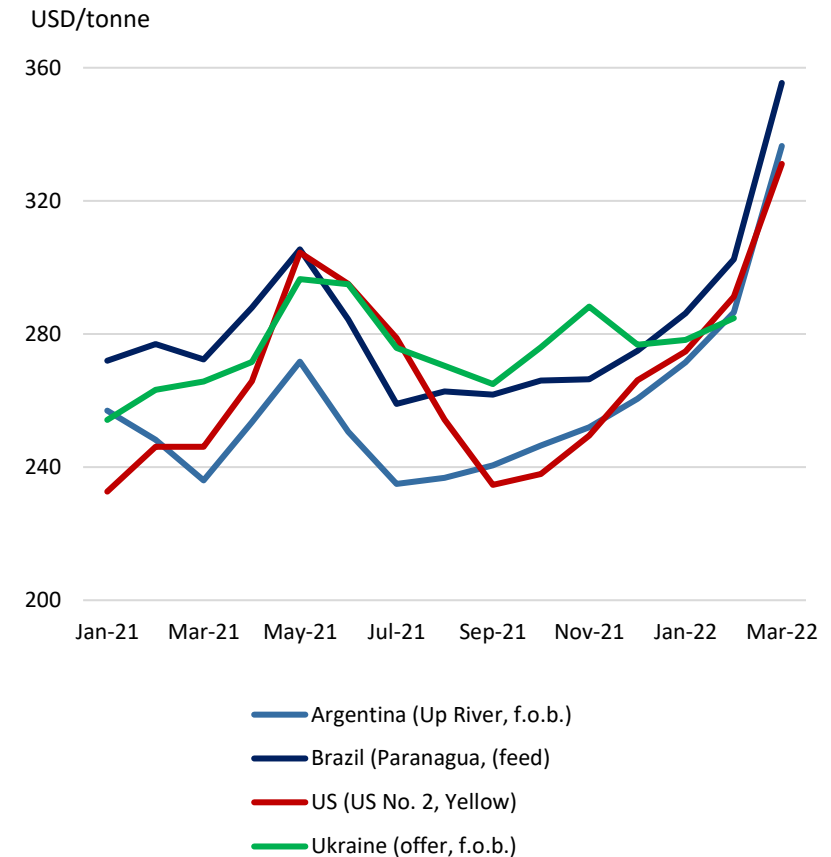
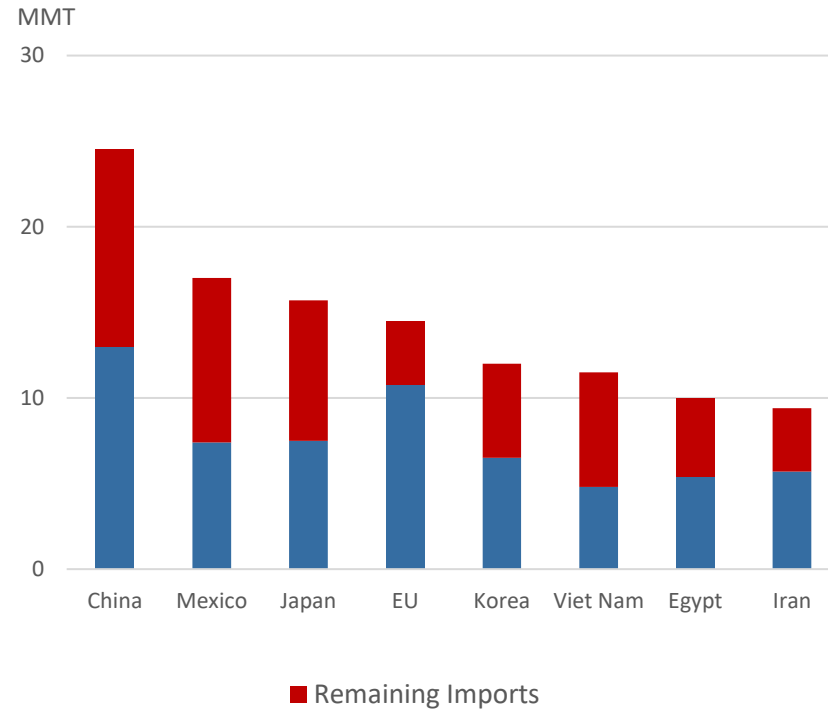


Maize

**21/22 Export forecasts of
major exporters**



**21/22 Import forecasts of
major importers**

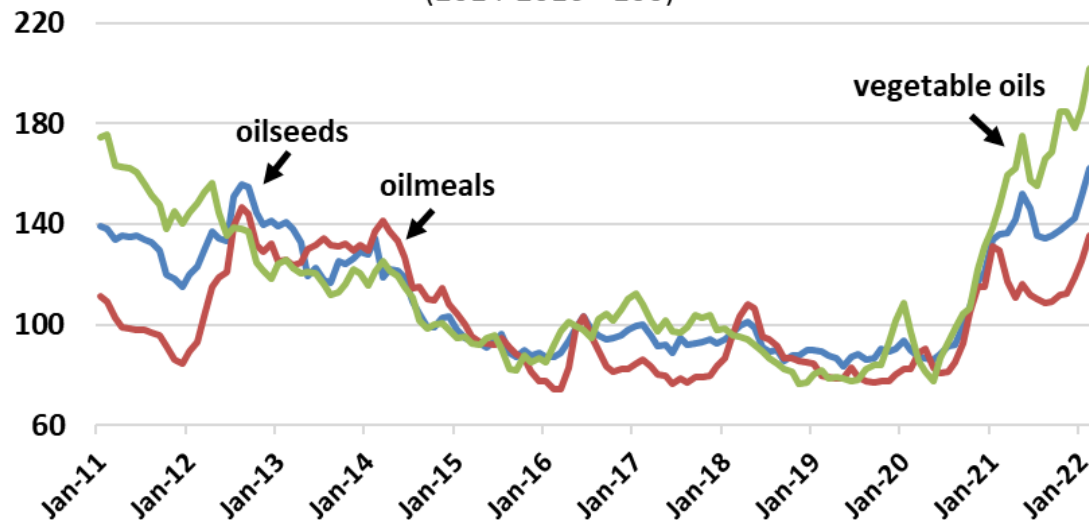




Oilcrops complex

- Limited impact on global soybean market
- More than 50% of global sunflowerseed produced in Ukraine and the Russian Federation
- Disruptions on global sunflower oil trade flows
- International prices for oilseeds and derived products already at multi-year highs

FAO Price Indices for Oilseeds, Oils and Meals
(2014-2016 = 100)



Share of selected oilseeds in global production

3-year average (2018/19 - 2020/21)

	Sunflowerseed	Rapeseed	Soybean
Ukraine	28.1%	4.1%	1.0%
Russian Federation	25.8%	2.9%	1.2%
Total	53.9%	7.0%	2.2%

Share of sunflowerseed and products in global exports

3-year average (2018/19 - 2020/21)

	Sunflowerseed	Sunflower oil	Sunflower meal
Ukraine	3.4%	51.1%	56.1%
Russian Federation	20.5%	27.1%	20.6%
Total	23.9%	78.2%	76.7%



Gauging the possible effects of trade risks on world market prices

Scenarios were simulated to account for a range of conceivable export developments:

1. A **moderate shock**: under which wheat and maize exports from Ukraine and the Russian Federation, combined, underwent a 10 million tonne reduction each, while their exports of other coarse grains were reduced by 2.5 million tonnes and those of other oilseeds by 1.5 million tonnes;
2. A **severe shock**, entailing a 25 million tonne reduction in their combined exports of wheat and of maize in 2022/23, alongside a 5 million tonne decrease in their shipments of other coarse grains and a 3 million tonne cut to those of other oilseeds.
3. Reference crude oil prices would reach USD 100 per barrel in 2022/23, up from an initial baseline value of USD 75 per barrel.

Scenarios were simulated to assess the impact for only the 2022/23 marketing year and alternatively for five successive seasons.



Scenario simulations

Moderate scenario: impacts on world market prices and the number of hungry

Short term

Price (wheat): +8.7%
Price (maize): +8.2%
Price (other coarse grains): +9.6%
Price (other oilseeds): +10.5%

NoU +7.6
million

Medium term

Price (wheat): +10.3%
Price (maize): +8.5%
Price (other coarse grains): +9.1%
Price (other oilseeds): +8.5%

NoU +8.1
million

Other coarse grains are barley, rye, oats, sorghum, and millet. Other oilseeds encompass rapeseed, sunflower and groundnut.



Scenario simulations

Severe scenario: impacts on world market prices and the number of hungry

Short term

Price (wheat): +21.5%
Price (maize): +19.5%
Price (other coarse grains): +20%
Price (other oilseeds): +17.8%

NoU + 13.1
million

Medium term

Price (wheat): +19.4%
Price (maize): +13.9%
Price (other coarse grains): +15.4%
Price (other oilseeds): +13.3%

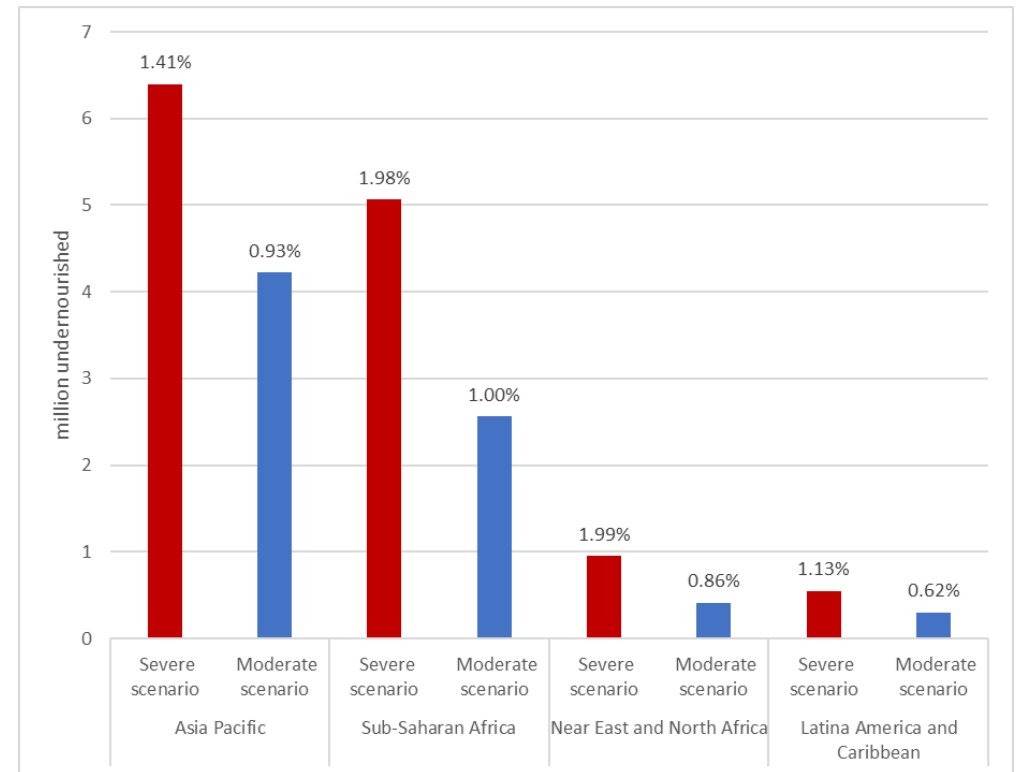
NoU +11.2
million

Other coarse grains are barley, rye, oats, sorghum, and millet. Other oilseeds encompass rapeseed, sunflower and groundnut.




Gauging the possible effects on international food security

- Additional upward pressure on international food commodity prices impacts in particular low-income food-deficit countries (LIFDCs).
- From a regional perspective and with respect to the projected NoU decrease in 2022, the most pronounced increase would take place in the Asia-Pacific region, followed by Sub-Saharan Africa and the Near East and North Africa.




Thank you

Share your questions to the speakers!

 *type them in the Q&A box*

Please state your name/organisation, and if your question is directed to a specific speaker.

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