



COVID -19 AND AGRICULTURE: A STORY OF RESILIENCE

INFORMATION NOTE¹

Key points

x The COVID -19 outbreak and its rapid spread caught many governments and agricultural producers by surprise, prompting immediate policy responses by WTO members. Many of the initial measures were expected to impact negatively on the agricultural sector. But agriculture has in fact shown resilience, with a trade performance that has far exceeded expectations.

x Food prices were already on a downward trend at the beginning of 2020. The COVID-19 crisis exerted further downward pressure on prices, and therefore on producer revenues. Although June saw the first increase in world food prices since the beginning of 2020,³ prices are expected to remain at low levels amid the economic downturn.

x While world food stocks and production levels for the most widely consumed staples – rice, wheat and maize – are at or near all-time highs,⁴ and lower prices in principle make food more affordable, the COVID-19 pandemic's impact on jobs and incomes has increased the number of hungry people. According to the World Food Programme's most recent estimates, 270 million people

9 | could be affected. 1070 ml.547347 0Tu8Whuifa 202T4 [(c)0.0 (daTJ4[(W)Tdd(c)pTJ i[(W)547347w [(t)-2004 EciTc 10.d ()Tg2.31w 0

global consumption amid thti2cut of CVID

c) Measures to guarantee adequate supplies of food

Box 1: Standards and Trade Development Facility (STDF)

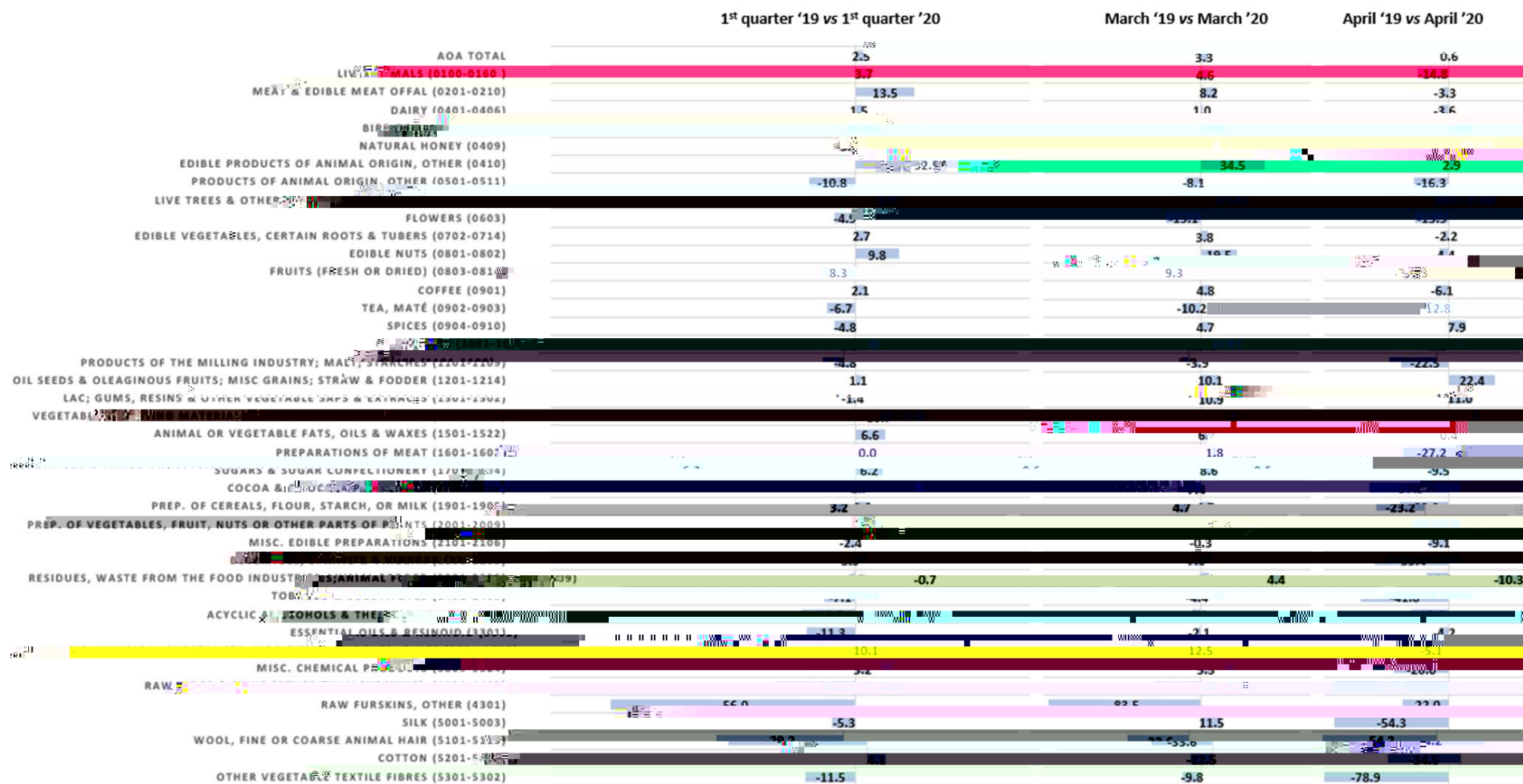
The [STDF](#)'s work on developing and roll ing out safe trade solutions for developing countries is

Some larger economies were at the forefront of this trend, but many other members are following by introducing fiscal and financial measures to support their agricultural sectors.

The support measures adopted have sought to deal with a sudden drop in demand for agricultural products by assisting producers to dispose of surpluses and reduce food loss and waste through food aid programmes, storage aid, or direct compensation for losses (e.g. Brazil, Canada, the European Union, Japan, Switzerland, the United States). Some support measures aim at facilitating access to credit (e.g. Canada, the European Union, the United States), postponing

importance of trade for food security and the livelihoods of millions of people around the world, and called on governments to ensure that any trade-related measures in response to the crisis do not disrupt food supply chains. Many

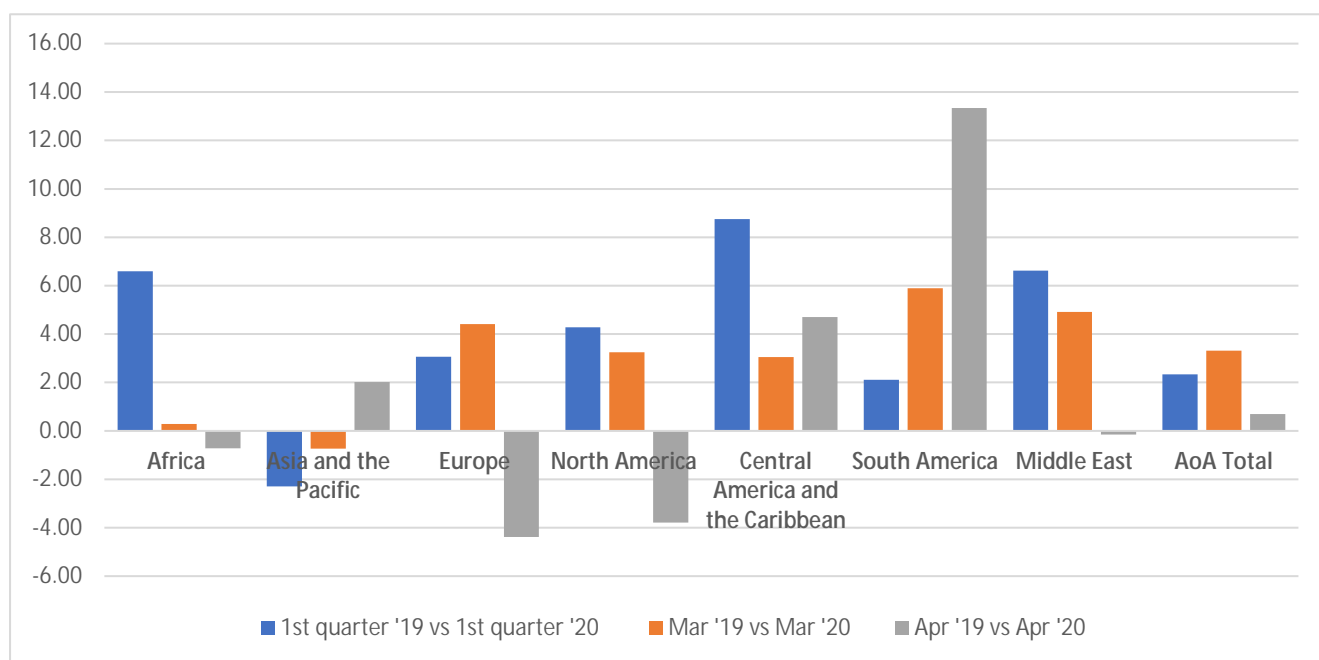
Figure 1: World agricultural exports (AoA definition), percentage change



* Trade statistics are based on available data for countries representing around 90 per cent of world trade.

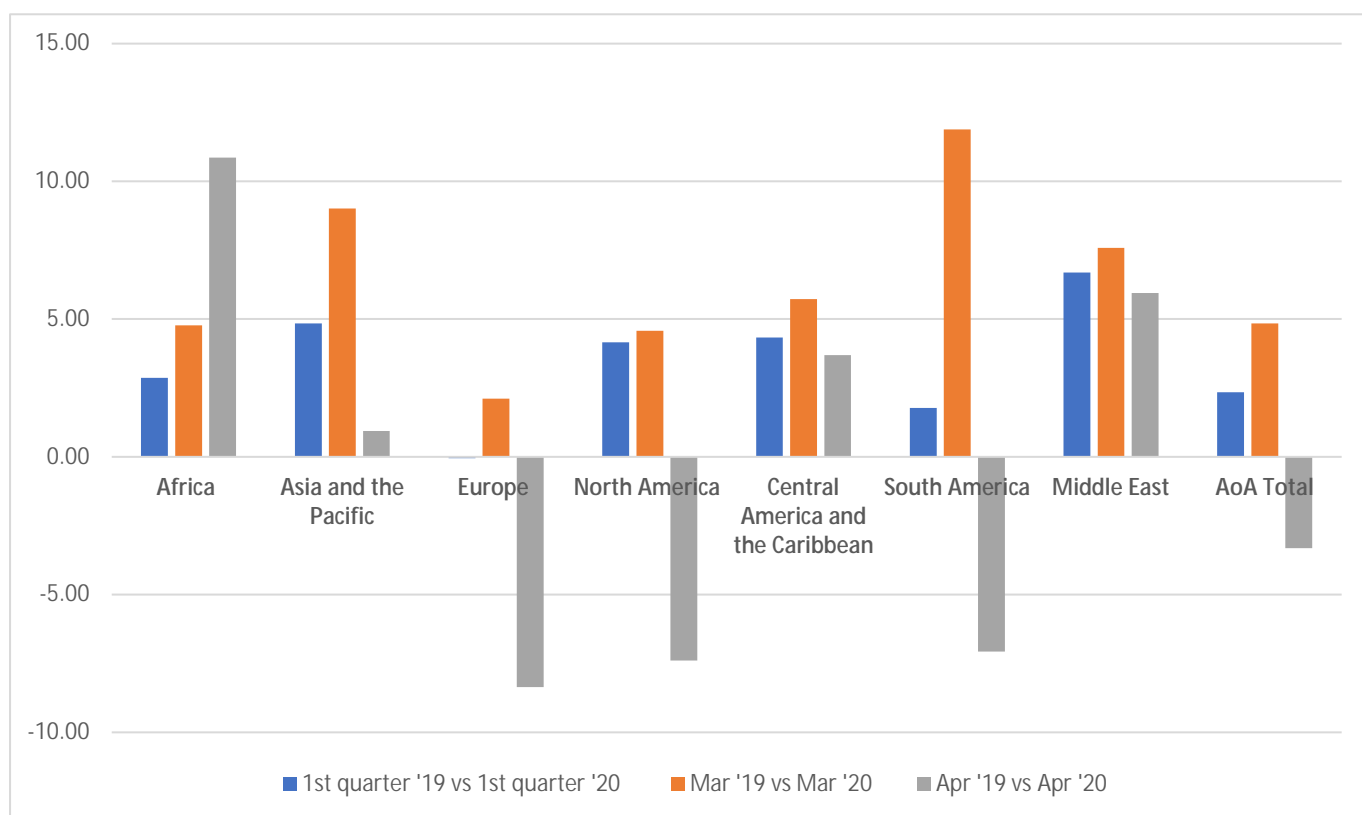
Source : WTO Secretariat estimates.

Figure 2: A gricultural exports by region (AoA definition), percentage change



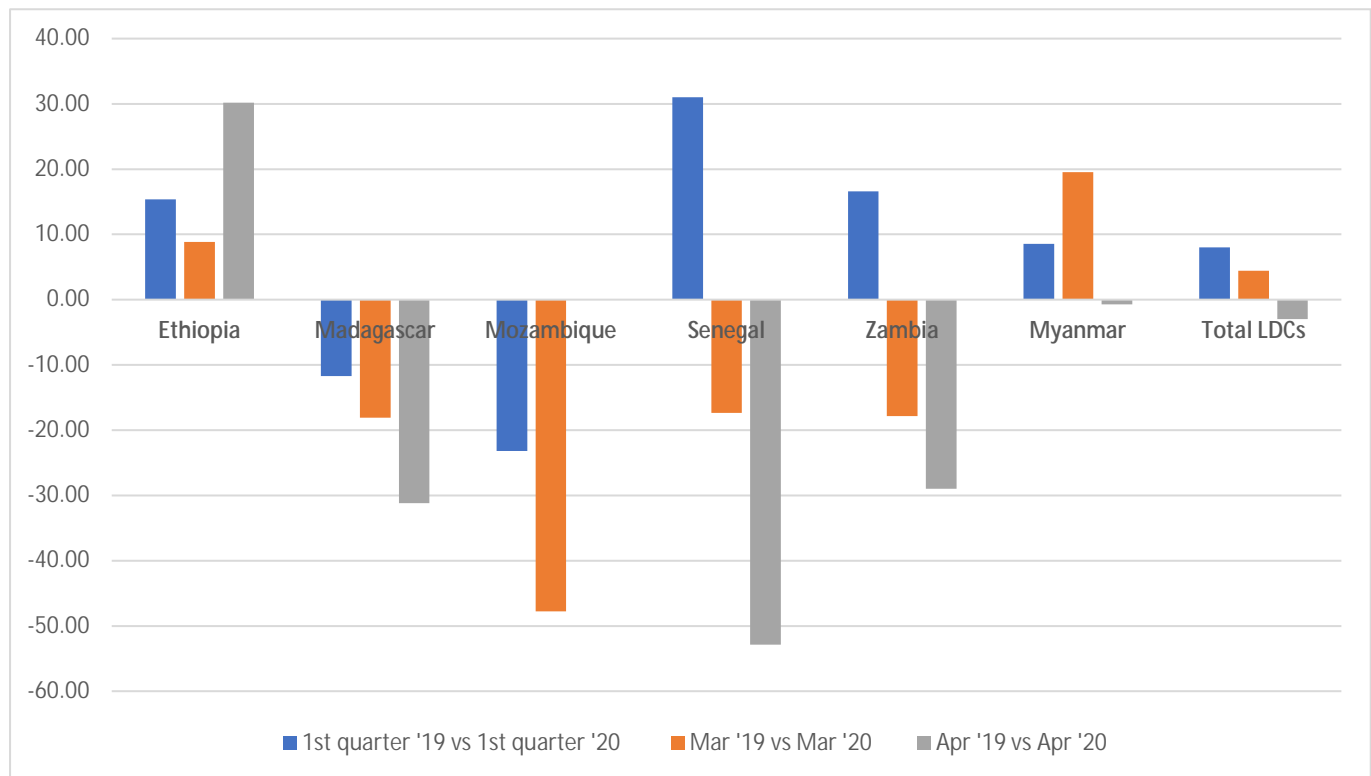
Source : WTO Secretariat estimates.

Figure 3: A gricultural imports by region (AoA definition), percentage change



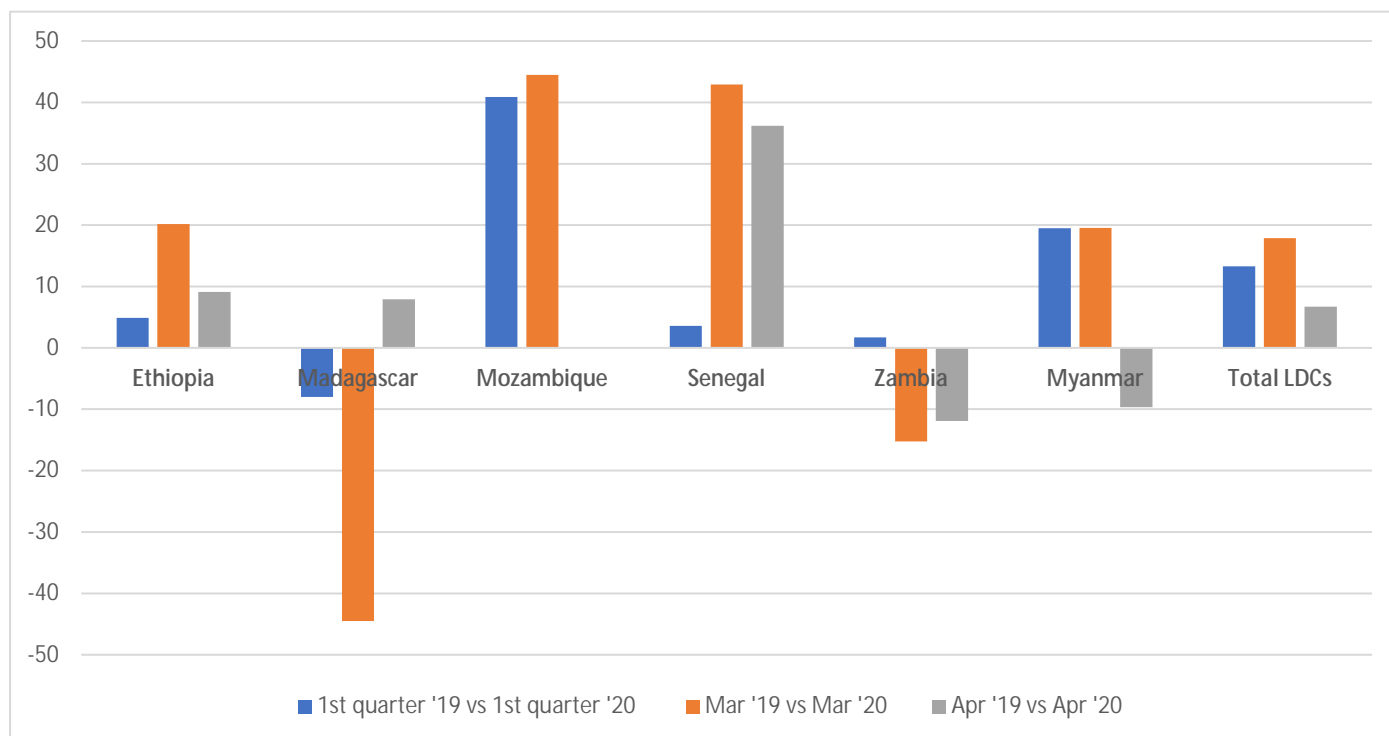
Source : WTO Secretariat estimates.

Figure 4: Agricultural exports (AoA definition) by selected LDCs, percentage change



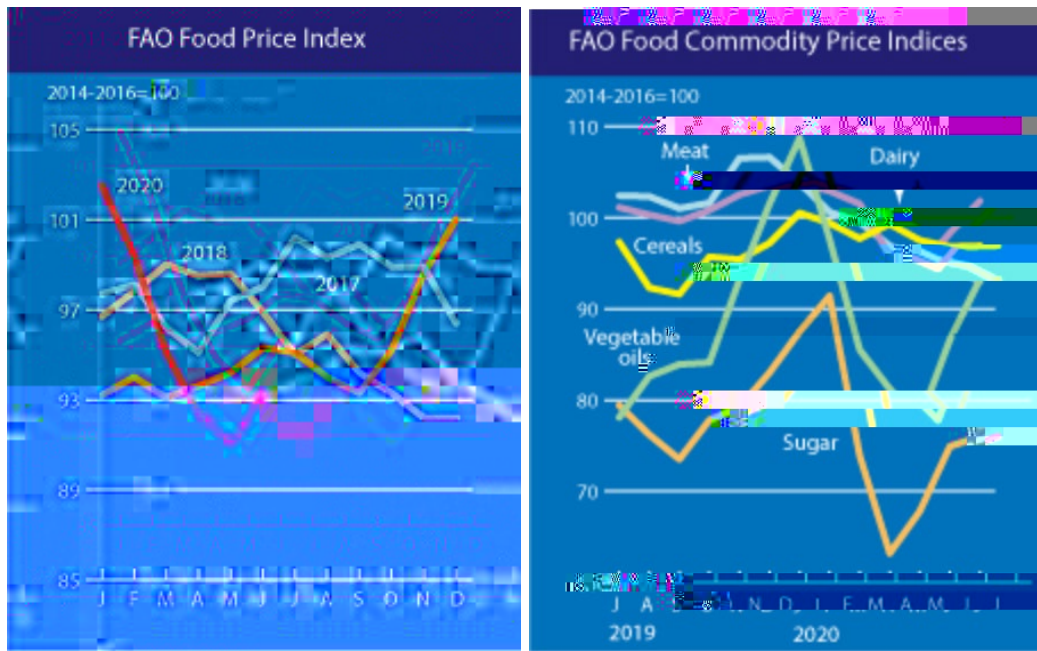
Source : WTO Secretariat estimates.

Figure 5: Agricultural imports (AoA definition) by selected LDCs, % change



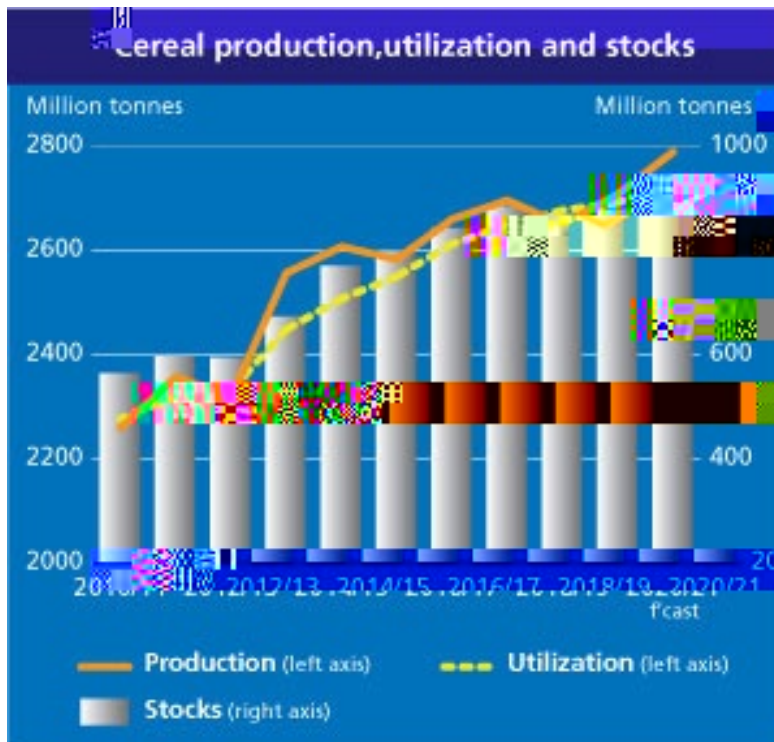
Source : WTO Secretariat estimates.

Figure 6: FAO Food Price Index and Food Commodity Price Indices



Source: FAO.

Figure 7: Cereal production, utilization and stocks



Source: FAO.

Figure 8: Number of confirmed COVID-19 cases, by date of report and WHO region, 30 December 2019 through 28 July 2020

Source: WHO Coronavirus Dashboard