

The Economic and Social Council

Reducing the traces of the Russo-Ukrainian war
on global food markets



Forum	The Economic and Social Council (ECOSOC)
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Introduction

Russia and Ukraine have a rich history that extends back more than a thousand years, to the establishment of Kyivan Rus, the first Slavic state in what is now Russia, Ukraine, and Belarus. Ukraine declared independence one year after Russia's communist revolution, but it became a republic within the Soviet Union after the Red Army took the majority of the country in 1921. In the 1930s, when Soviet practices of punishing farmers in the republic who refused collectivize mandates resulted in the Holodomor, a man-made famine that killed an estimated 7 million people, the Ukrainian feeling of national identity was heightened. Ukraine gained independence in 1991, following the demise of the Soviet Union. Putin's chosen point of view, which is often derided outside the country

The Russo-Ukrainian War, which started in 2014, significantly escalated on February 24, 2022, when Russia invaded Ukraine. With nearly 8.4 million Ukrainians fleeing the invasion in the months following the invasion and a third of the population being evacuated, it caused the worst refugee crisis in Europe since World War II.

The nation's ability to produce and export food is predicted to suffer as a result of this significant shock to the local people. By June 2022, 12 million people had evacuated the region, and over 10,000 had died. As a result, the region's instability is expected to have an impact on the food supply in importing countries, many of which already experience food insecurity. The Russian invasion has prevented commerce at the country's ports, which has hindered Ukraine's ability to export its goods.

Ukraine is a major international donor to the World Food Programme, a United Nations agency that provides food assistance to disaster-stricken countries. According to World Food Programme Director David Beasley, the organization provides 40% of the country's wheat. The Ukrainian crisis may have a significant impact on the world's food supply, with serious consequences for global hunger and food security.



Definition of Key Terms

Food shortages

When food resources within a defined area are insufficient to meet the population's needs for energy and nutrients.

Food Security

A population, household, or individual must always have access to enough food in order to be deemed food secure. They shouldn't be concerned about losing access to food because of cyclical or unpredictable events (such a financial or environmental catastrophe) (such as seasonal food insecurity).

Imports

An imported good or service is one that was purchased elsewhere. Imports and exports make up international trade.

Exports

In the context of international trade, an export is a good created in one country and offered for sale in another, or a service rendered in one country to a citizen or resident of another.

Consumer Price Index (CPI)

Based on a representative basket of goods and services, the Consumer Price Index tracks the overall change in consumer prices over time.

General Overview

When rates of hunger and malnutrition substantially increase at the local, governmental, or international levels, a food crisis results. Conflict can lead to significant economic disruptions and food shortages, endangering the lives of entire populations. Additionally, mass population displacement brought on by wars frequently isolates individuals from their sources of food and income. Many countries are in disarray as a result of the turmoil in Ukraine, the world's top exporter



of grain to hundreds of millions of people. Ukrainian farmers had 20 million tons of grain by May 2022, but they were unable to sell it on international markets.

Russia's invasion of Ukraine has had global economic ramifications, including food scarcity. Russia and Ukraine are both big agricultural exporters, and the prolonged conflict has only helped to underscore the vulnerability of the global food supply chain by effectively taking two major players off the market.

By April 2022, world food prices had risen to an all-time high. In 53 nations and territories, more than 276 million people experienced extreme food insecurity. This is more than twice what it was before the Covid-19 outbreak.

Due to the halt of Ukrainian exports after the start of the conflict, FAO's food price index, which examines global prices of the most commonly traded food commodities, rose to its highest position in March since records began in 1990. In contrast to the United States, where the Consumer Price Index has increased by more than 14 percentage points since January 2020, the Consumer Price Index for food has increased sharply in all of the continent's main economies. In developing and emerging market nations, the index change is considerably more pronounced, putting consumers at the mercy of significantly higher prices for everyday food essentials.

Major food export routes remain blocked and bombed as part of Russia's aggressive actions. The coming food crisis alarmed Ukrainian President Volodymyr Zelenskiy and ,on May 10, he pleaded with world leaders to act quickly to remove the blockade on Ukrainian ports so that Ukrainian wheat could reach other markets.

All of the aforementioned factors put the Middle East, Africa, and Central Asia's already economically fragile and dependent on Russian wheat food security at risk. Africa is already experiencing food shortages and skyrocketing costs on top of the COVID-19 pandemic-related shortages and price increases that previously existed due to natural disasters.

The use of Russia's grain exports for geopolitics has drawn harsh criticism from world leaders. On May 24 at the World Economic Forum, President of the European Commission Ursula von der Leyen claimed that in addition to bombing Ukrainian grain storage, Moscow was also holding onto its own food shipments as a kind of blackmail. In a discussion before the United Nations Security Council, the executive director of the World Food Program (WFP) urged world leaders to act immediately to restore Black Sea ports in order to aid the 276 million people who are at risk of



starving worldwide. He continued by saying that if action is delayed, a point of no return will be reached.

On May 23, the Pentagon asserted that almost 20 nations had made new security support announcements for Ukraine. Denmark has agreed to send Ukraine Harpoon launchers and anti-ship missiles, which might help the country end the blockade and allow food shipments in. In turn, the EU has declared its intention to build a land corridor linking Poland's Baltic Sea ports. At a UN Food and Agriculture Organization summit on May 10, the plan was introduced by Janusz Wojciechowski, the EU's agricultural commissioner. The most likely options, according to Wojciechowski, are the ports of Gdansk and Gdynia.

Major Parties Involved

Russia

The Russo-Ukrainian War, which began in 2014, reached a tipping point on February 24, 2022, when Russia invaded Ukraine. As a result of the invasion, more than eight million Ukrainians fled the country, resulting in the displacement of one-third of the population and the biggest refugee crisis in Europe since World War II. When Russia attacked and annexed Crimea in 2014, separatists with Russian help took control of a chunk of the Donbas region in southeast Ukraine, including the Luhansk and Donetsk oblasts.

By 2021, as part of a massive military buildup, Russia intends to station up to 190,000 soldiers and their equipment close to its border with Ukraine. In a televised speech just before the invasion, Vladimir Putin, the president of Russia, advocated irredentist ideologies, questioned Ukraine's right to statehood, and erroneously asserted that Ukraine was governed by neo-Nazis who persecuted the ethnic Russian minority. On February 21, 2022, Russia recognized the two self-declared separatist statelets in Donbas, the Donetsk and Luhansk People's Republics. The Russian Federation Council sanctioned the use of force the following day, and Russian troops entered both regions in the open.

Ukraine

After a month of combat, it was evident that early Russian predictions of a quick victory in Ukraine were based on incorrect Russian intel. With Ukrainian counteroffensives pushing back Russian front lines around Kyiv, Russia has yet to achieve either of its two primary initial goals, the conquest of Ukraine's two largest cities, Kyiv and Kharkiv, at this time in the war's first thirty days of



fighting. Meanwhile, various news outlets reported that the Russian army was woefully under-equipped, under-fed, and lacking in weapons.

Late in March, Ukrainian forces began reclaiming territory in the Kyiv region previously taken and held by Russian forces. Ukrainian soldiers in the Kyiv region eventually forced the Russian front lines back to the Ukrainian border. Meanwhile, Russia stated that its "retreat" from the Kyiv region had always been part of its policy and that it was just transferring its troops to the Ukrainian east to permit a new attack in the Donbas region.

North Atlantic Treaty Organization

NATO strongly condemned Russia's cruel and unprovoked aggression on Ukraine, a NATO ally and a sovereign, peaceful, and democratic country. The Alliance asked President Putin to end the crisis immediately, withdraw all of his forces from Ukraine, and begin serious diplomatic talks.

NATO is assisting Allies in responding to Ukraine's demands for assistance, in addition to organizing the supply of non-lethal and humanitarian goods. Individual NATO member states are sending a variety of light and heavy military weaponry, such as anti-tank and anti-air systems, howitzers, and drones. NATO partners have already provided Ukraine with military equipment worth billions of dollars. All of this has an impact and helps Ukraine defend its UN Charter-guaranteed right to self-defense on the battlefield every day.

Food and Agricultural Organization (FAO)

The FAO is a UN organization in charge of global initiatives to combat hunger, enhance nutrition, and advance food security. The FAO once had a sizable presence in Ukraine, where it employed 81 people and concentrated on development and recovery efforts. Since the start of the war, the emphasis of FAO's program has switched from scientific to humanitarian programming, and now that employees are in areas where they are often safer, an additional 12 human resources professionals have been employed to help with the scale-up. The FAO created a quick response strategy as part of the UN Flash Appeal, which requested USD 50 million and became public on March 1, 2022 to help about 100,000 people.

World Food Programme (WFP)

The WFP is the United Nations' food assistance agency. It is the world's largest provider of school meals as well as the world's largest humanitarian organization dedicated to fighting hunger



and ensuring food security. Following an official request from the Ukrainian government, the WFP initiated an emergency operation to give food aid to individuals fleeing the conflict both within Ukraine and in neighboring countries. The WFP employs cash transfers in Ukraine and other countries to assist those affected by the global food crisis in meeting their basic needs. In only one month, the WFP raised cash transfers by more than doubling, providing more than one million people with cash and infusing over US\$74 million into the Ukrainian economy. Participants receive their cash within 72 hours of joining, which they can use to cover needs like food, clothing, and medical care.

The European Union (EU)

Some believe that Moscow is attempting to undermine the EU and its response to the Ukrainian crisis by increasing its efforts to weaken the EU and its response to the crisis. Moscow increased these efforts by funding European political movements, increasing its spending on propaganda in European languages, and operating a variety of media outlets broadcasting in EU languages and web brigades. Russia has established close ties with populist and anti-European parties on both political extremes. Despite this, the EU has offered help to Ukraine and relations between the two have become stronger in recent years. The most notable of which being the sanctions put on Russians.

Timeline of Key Events

Date	Description of event
1997	The Treaty on Friendship, Cooperation, and Partnership between Ukraine and the Russian Federation signed
March 31,2022	The Treaty on Friendship, Cooperation, and Partnership between Ukraine and the Russian Federation expired
February 24 th , 2022	Putin announced a special military operation in Ukraine
March 1, 2022	The FAO created a quick response strategy as part of the UN Flash Appeal
April 2022	Food prices at all time high with 276 million suffering from food insecurity
May, 2022	The WFP employs cash transfers in Ukraine
July 2022	Russia and Ukraine sign UN-backed deal to resume grain exports through the Black Sea



UN involvement, Relevant Resolutions, Treaties and Events

- Agriculture development, food security and nutrition, 9 May 2022 (A/76/L.55)
- Protection of Civilians, 24 May 2018, (Security Council Resolution 2417)
- EP Resolution 24 March 2022, on the need for an urgent EU action plan to ensure food security inside and outside the EU in light of the Russian invasion of Ukraine (2022/2593(RSP))

Possible Solutions

Given how interconnected the globe is becoming, it would be irresponsible to brush off issues like hunger and conflict as being the responsibility of other people. The international community must look beyond quick fixes and reconsider the agriculture and energy policies that support our global economy in addition to tackling the underlying causes of these problems. Rich nations like the United States may make a number of crucial short-term decisions that will prevent further economic decline and lower the war in Ukraine's humanitarian consequences around the world. Possible solutions include:

Making sure that the most defenseless people in the world have access to sufficient humanitarian aid and other forms of support.

Prices will rise as a result of Russia's military action, which will also be felt by already overburdened humanitarian agencies. The cost of humanitarian aid has gone up due to rising food, fuel, and transportation prices, leaving organizations with less money to spend on necessities like food, water, agricultural supplies, sanitation, and medical care – all at a time when they are most needed.

Along with increased funds, donor nations should make sure that no commerce in food, humanitarian aid, or essential goods like agricultural inputs, including fertilizer, is subject to sanctions, export restrictions, exorbitant taxes, or penalties. This includes making certain that underdeveloped nations have access to money for food, fuel, and fertilizer. To continue alleviating the load on struggling low-income nations, debt deferment programs started during COVID-19 must be expanded.



Ensuring the continuity of trade and the stability of supply chains.

Important supply lines have been impeded by the Ukrainian situation, which has also increased transportation costs for struggling enterprises that are then passed on to customers. Maintaining unrestricted trade in foods, energy, and fertilizers is crucial to halting the rise in food insecurity in Ukraine and around the world. Securing agricultural production, food supply chains in general, and the infrastructure for storing and shipping food goods outside the country, particularly grains, are all included in this. The blockade on Ukrainian ports must be immediately lifted in order to permit unfettered export of Ukrainian food to the rest of the globe. The ability of the international community to stop further unrest should be strengthened.

Increase awareness of the range of imported agricultural products.

One of the main factors contributing to the current global food crisis is market concentration. For importers who depend on them, any considerable reduction in supplies from even one of the top grain exporters can be fatal.

The rationale for autarky or self-sufficiency is questionable when emerging nations can import goods for less money than they can afford to make them. On the other hand, in order to lessen their reliance on a select group of suppliers, countries can and should diversify their imports. African nations should strive to improve their economic links with other suppliers in the east rather than only relying on Russia and Ukraine for their wheat. Therefore, they can still endure a crisis.

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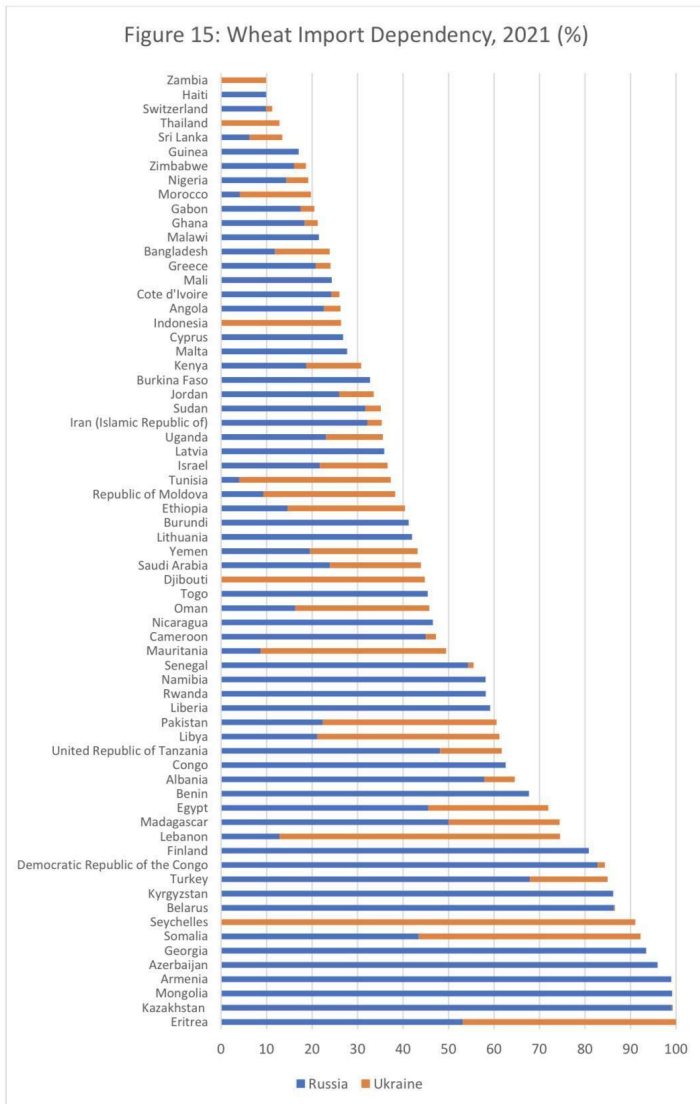
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Appendix

Wheat import dependency from FAO:



Here, you may find a report by the FAO on the importance of Russia and Ukraine on the Global markets as well as how the war is affecting countries worldwide:

https://www.fao.org/fileadmin/user_upload/faoweb/2022/Info-Note-Ukraine-Russian-Federation.pdf

