



## The challenges of Food Security

World Food Day took place in October, drawing attention to the condition of many people on the planet who lack access to enough food and hence go hungry.

## The influence of circumstances

Numerous sectors have endeavoured to recover from the devastating effects of COVID-19 and return to normal production levels. Unfortunately, since COVID-19, more unpredictably occurring factors like the situation in Ukraine have added to the threat of food security.

Globally the persistent extreme weather conditions reduce crop yields, ruin lives and living conditions and interfere with supply chain and food production.





# The consequences

When the lockdown restrictions ended, household spending patterns shifted, which was another aftermath that had an impact on the inflation rate. The growing customer demands for goods were beyond the capacity of factories and the supply chain. Prices increased and shortages occurred as a result. For example, shipping prices soared, and factories found it exceedingly difficult to fulfil orders due to the limited availability of raw materials.

Furthermore, because Russia and Ukraine are two of the world's main producers of wheat, the Russian-Ukrainian War severely disrupted the food supply.

## Locally: The Issues

Locally we have had the added impact of loadshedding disrupting manufacturing, production and supply of food and aligned goods like packaging. Food producers, retailers, and consumers face the choice of either high priced imported goods or disruptive local supply due to the ever changing loadshedding schedules.

The current poverty line, which is the money required to buy basic foodstuff to survive in South Africa is R663 per person per month (Source: Isobel Frye World Bank Blogs). According to a global food security index, in 2022 South Africa was the most food secure country in Sub-Saharan Africa and second in Africa after Morocco (Source: Wandile Sihlobo Agricultural Economics Today).

## Inflation.....



Inflation also made its mark on the local market. In 2022 food price inflation rate increased by 3% to 9,5% (Source: Wandile Sihlobo Agricultural Economics Today). During the first 8 months of 2023 food price inflation rose to 12,2% (Wandile Sihlobo Agricultural Economics Today). The current unemployment rate is estimated 32% and 13.8 million people are experiencing food poverty (Source: World Bank 2023). A large portion of the population are food insecure, of which 60% live in urban areas (Source: ASSAF Oct 2023). Food insecurity is defined as limited dietary diversity, high malnutrition, obesity, and hunger where food accessibility and affordability are a problem.

# The Result

Unfortunately, during hard economic times with high food and fuel prices the most vulnerable and poor portion of the population are severely affected as a large share of their income is spent on food.

Even the middle-class income group are feeling the pressure of double-digit inflation and the high cost of living and as a result debt levels have increased to pay monthly financial commitments.

According to the South African Household Affordability Index indicated that the same basket of food in December 2021 increased by 13,5% in December 2022.

The quality and amount of food available also influences general health and physical growth. The increasing amount of obese people is commonly caused by incorrect diet or malnutrition.

Globally we have the situation where on the one side of the scale with extreme weather conditions a decrease in agricultural supply and on the other side with increased world population an increase in demand for food.

Loadshedding is a huge negative factor and disrupts production flow. With frequent and long hours without electricity makes any back up plan difficult to sustain. For example, long periods using a generator the diesel cost can outstrip the profitability and viability of production.



With unreliable power supply, poor infrastructure and logistic problems makes it very challenging for food production in South Africa. For various reasons the municipalities are struggling to provide basic services required by food producers to operate.

Food waste has a huge impact on food security. According to the South Africa's Council of Scientific and Industrial Research more than 9 million tonnes of food is wasted annually. There are numerous ways to combat food waste. See Green Gazette October 2020.





## What now?

Properly managed climate action needs to be implemented to assist in the complete agricultural spectrum from food production, to improved crop yields, to water management, to implementing latest skills.

Sustainable food policies that improve and encourage agricultural productivity from subsistence to commercial farming.

To make local production more affordable by keeping input costs under control. For example rebates for diesel used for electricity generation.

The agricultural sector and food industries are major sources for employment. Skill training and job opportunities can be offered.

To promote where possible to create urban and backyard gardens. Community gardens can provide fresh food to the local society.

To improve and expand infrastructure for produce to arrive at markets, stores and outlets on time and in good condition.

To have the food packed in the correct packaging to avoid damage to contents and extend shelf life.

To be aware of food waste and implement ways to reduce food waste

## Sources:

- SA Food Security under threat S Jacobs
- SA Food shortage in 2022 Evelyn Smail
- ASSAF Oct 2023
- Christo van der Rheede Agri SA
- Isobel Frye World Bank Blogs
- Wandile Sihlobo Agricultural Economics Today



At Rialto, we provide the South African market with an assortment of superior food products. Our products are available at food shops and retailers countrywide. The right packaging is essential to food freshness. We provide a large selection of packaging that is appropriate for the retail, foodservice, and quick service restaurant sectors.