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We will have a first round of the panel of six minutes each, and thank you in advance for your discipline! I shall then just put a short question to you before we turn to the audience. Without any further consideration, are you ready to start, Máximo?

Máximo Torero Cullen

Thank you so much, it is a pleasure to be here again. I will present a very brief presentation showing the situation today and tomorrow so that we can open the discussion.

This slide, Economic Inequalities, is a photograph of today. We have 733 million people in chronic hunger, which is the midpoint estimated in the latest survey. We have 2.3 billion people who lack regular access to food and affordable subsidized access for 2.8 billion people. When we look at the emergency world where we use the concept of acute food insecurity, which is a short-term concept, we are talking about 281.6 million people. The numbers are terrible and have stayed basically the same in the last three years without any significant improvement, although there are some improvements, especially in the South. This is in a context where conflicts have been increasing, climate events have been increasing in frequency and intensity and, of course, we have the economic and financial situation, which I will elaborate on a bit. It is also in a context where we have huge inequalities.

This is a map of the Global Food Crises Report, with the dark blue showing where there are permanent crises and the lighter blue is crises because of, for example, migration as in the case of the Andean countries in South America because of the migration from Venezuela. This is 281.6 million people.

However, the most important thing is that the prevalence rate has remained stubbornly high at between 21% and 23% for consecutive years, despite record levels of humanitarian finance. That tells you a lot because it tells you that these needs will continue to increase. Not only that, but it also tells you that 36 countries and territories have featured in this report for the past eight years, highlighting the difficulty of exiting acute food insecurity conditions once they become acute. Countries repeat and 19 are defined as both projected and major food crises. Many of these 59 countries come back again and again, and we cannot resolve that problem yet.

In terms of climate, we have trespassed six of the nine planetary boundaries and this tells us that the physical dynamics are no longer linear, and the speed of the problems will increase, exponentially and they could be crossing points. What we are certain about is that the frequency of the climate and the intensity of climate events will continue to increase.

For example, if we look at daily temperature anomalies, the next slide shows that in 2015, we already had days above 1.5°C for the first time, and in February 2024 we had four consecutive days above 2°C. Therefore, these climate demands will happen, so we need to be prepared for that and to increase our resilience, and regardless of the corrective measures over time, it will take time to return to the level we need.

The other important element is to understand that these climatic shocks will increase inequalities more, specifically with regard to women-led households, who we know are significantly more vulnerable to climate distress. For example, heat distress will impact women more than men by 8%, which is around USD 37 billion and extreme annual precipitation will affect women 3% more than men. We know that a 1°C increase in average temperature will affect women's incomes by 34% more than men and 24% of farm income. This will certainly exacerbate the inequalities we are seeing in the current situation.

If we look at the next slide, the projections we have for tomorrow, which result from the situation of today, is that around 581.7 million people will be facing hunger by 2030. That is 130 million more than there would have been if there had been no Covid-19. The war in Ukraine had a significant impact but the impact of Covid-19 was significantly bigger because of the intensity and the effect it had over countries.

When it comes to what will happen in the three key drivers of country, climate and economic crises, the first is that conflicts are historical and there are significant new political instabilities. This will continue to increase unless we have an extra process and we have been seeing what is happening right now in Africa but also in Syria, etc. We have a big problem in South Sudan, significant problems in the DRC and, of course, Gaza and the dramatic situation there. The geopolitical situation is critical and will have significant effects, but it is important to understand that the world will change because there will be bigger sites of conflict. We can try to see if there are any opportunities to reduce the conflicts happening right now and we are working today to predict those.

As I said before, the frequency and intensity of climate events will increase and, in terms of economic crises, there are big problems for all countries because they are debt distressed and a significant number of LDCs and countries are in that situation. This means that when the price of food increases, it is not only the impact of the price of food, it is also the impact of exchange rate devaluation because of the increase in the global interest rate, which in turn has an impact on the debt they have to take on to cover their import bills, plus the debt they already have to service, not only from international organizations but also private debt. That means that they cannot be sure to cover the cost of food imports, which will create significant problems in terms of access to food and access to quality food, which is a major challenge.

I will not go into detail, but I think the major job is to know that these risks are going to happen, and so what we can do to minimize them. That is what we call resilience which has two

components, minimizing risks being preventive and increasing capacity of absorption, so if the shock happens, we are better ready to resolve it.

I will stop there.

Jean-Michel Severino

Thanks, Máximo, for the way forward but unfortunately, those sobering views on where we stand. Philippe, would you follow up?