

Waste Not, Warm Not: Poverty, Hunger and Climate Change in a Circular Food System



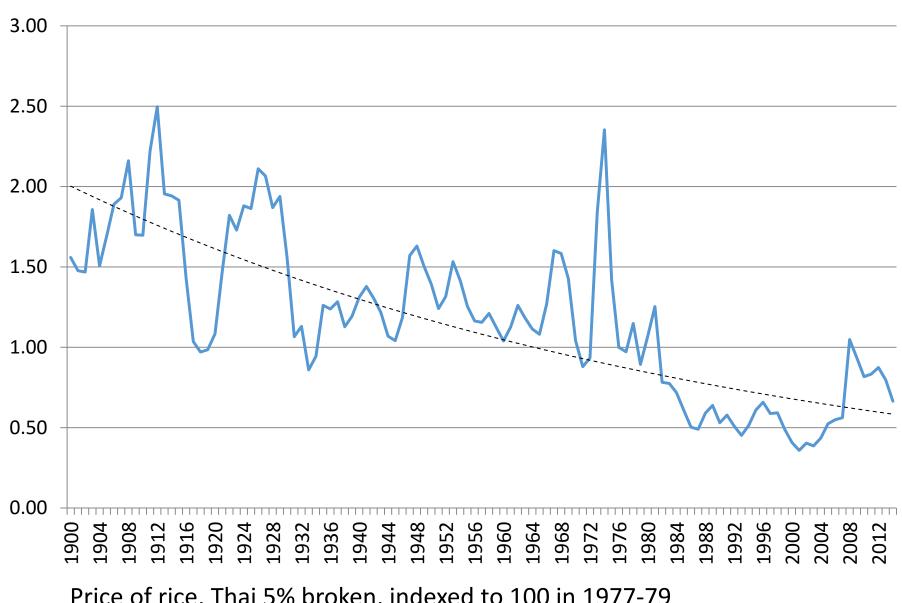
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The Crawford Fund Annual Conference "Waste Not, Want Not: The Circular Economy to Food Security"

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Attention to food loss and waste tracks spikes in prices



Price of rice, Thai 5% broken, indexed to 100 in 1977-79

Need **steady attention** and **clarity** about what problem we are solving in order to make progress:

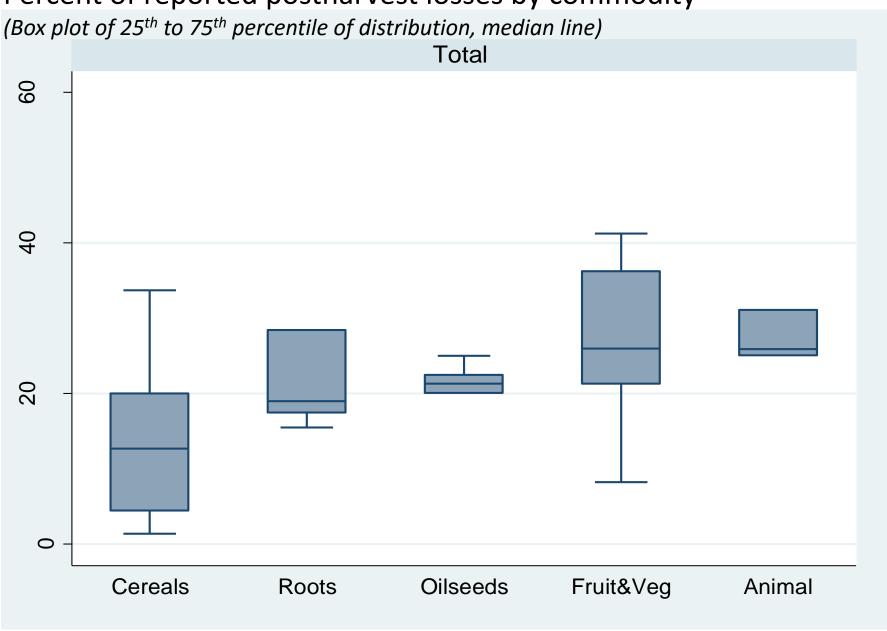
Hunger? Poverty? Environment? Climate change?



Diagnosis: How much?

Literature review shows wide variation

Percent of reported postharvest losses by commodity

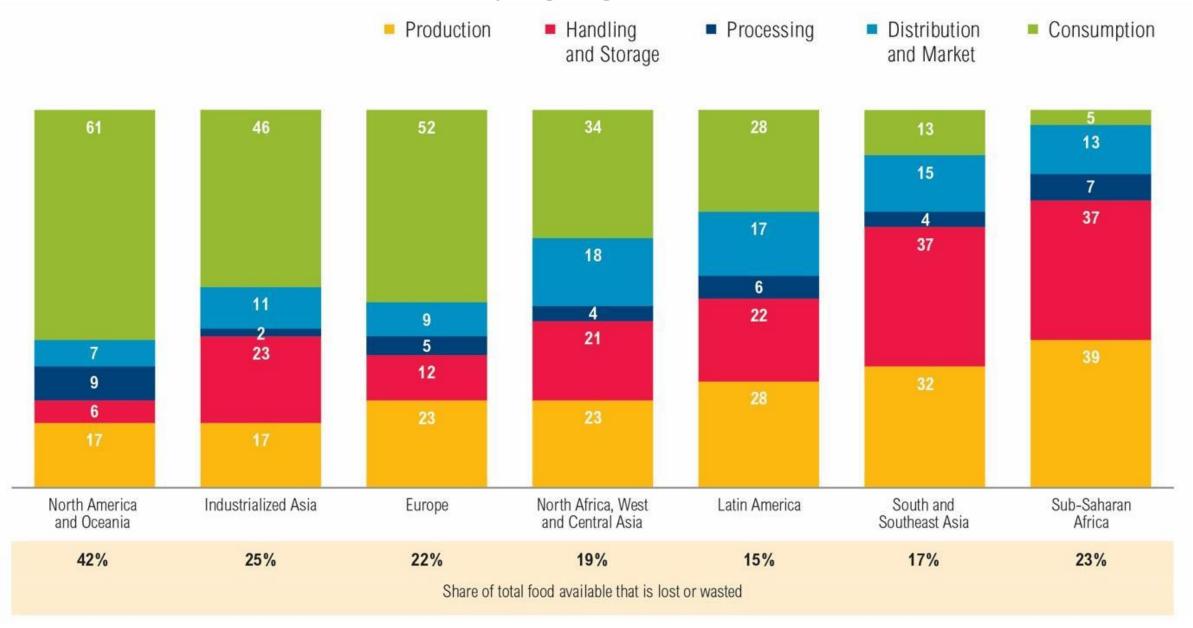


Source: Rosegrant et al., 2015. Returns to Investment in Reducing Postharvest Food Losses and Increasing Agricultural Productivity Growth. Food security and nutrition assessment paper. Copenhagen Consensus Center.



Diagnosis: Where?

Food loss and waste occurs more 'near the fork' in developed regions and more 'near the farm' in developing regions (Percent of kcal lost and wasted)



Note: Number may not sum to 100 due to rounding.





Diagnosis: Why?

	PRODUCTION	POSTPRODUCTION	PROCESSING	DISTRIBUTION	CONSUMPTION
VALUE CHAIN STAGES	Preharvest Harvest Breeding	Handling Storage Transport	Canning Packaging Transformation	Retail Transport	Preparation Table
CAUSES OF LOSS	Damage/spillage Left behind in fields Pests/diseases Weather Wrong inputs	Degradation Pests Premature animal death Spillage	Degradation Discard Spillage	Degradation Discard Excess supply Spillage Spoilage	Discard Excess preparation Spoilage

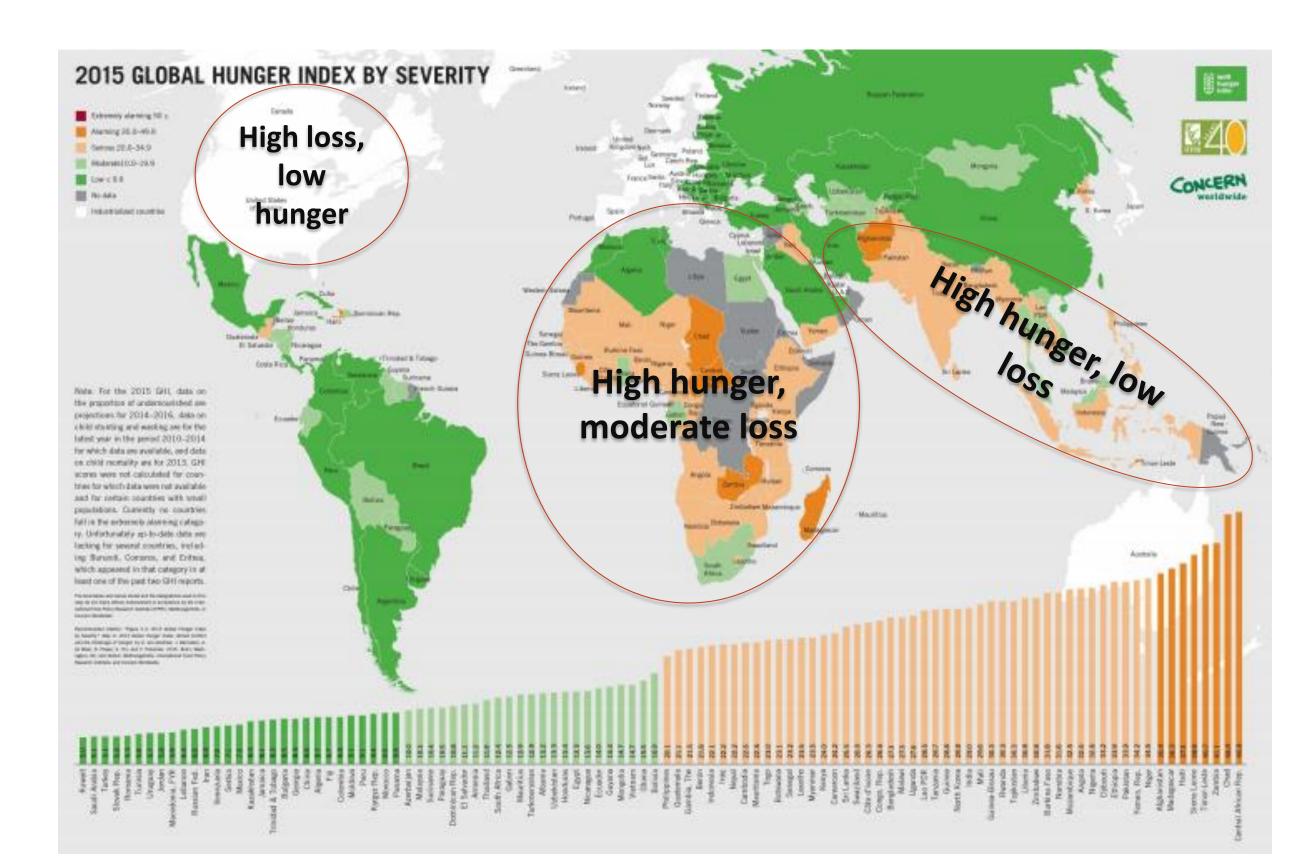
http://dx.doi.org/10.2499/9780896295827

Remedies

Infrastructure New technology Policy Regulation Education



Are today's hungry people in areas where losses are high?





Consider reduction of loss and waste as equivalent to a productivity shock: a one time boost to agricultural output

Who gains and how much? (closed economy example)

Shock equivalent to 1% of GDP

Poverty falls by just under 1 percentage point (-.86). Individuals...

- ...gain as consumers
- ...lose as producers (prices fall more than output rises)
- ...gain as wage earners

Poverty reduction would reduce hunger, but distribution of gains and losses depends on relative importance at the household level of consumption, production, and wages.

Component	Agriculture		
Agricultural profits	0.32		
Other profits	-0.33		
Cost of food consumption	-0.93		
Cost of other consumption	0.37		
Wage earnings	-0.29		

Source: Maros Ivanic and Will Martin, 2014. Sectoral Productivity Growth and Poverty Reduction: National and Global Impacts. World Bank.



Can we feed the hungry in 2050 by reducing loss and waste?

Population at Risk of Hunger in 2050

	Million People				% Change from baseline		
Region	Baseline	Reduced losses, developing world (6% by 2025)	Reduced losses, global (10% by 2030)	Faster productivity growth, no change in losses (.4% crops, .2% livestock)	Reduced losses, developing world	Reduced losses, global	Faster productivity growth, no change in losses
East Asia and Pacific	126	118	116	115	-6.3	-7.5	-8.6
Europe and Central Asia	38	37	37	37	-2.9	-3.7	-4.1
LAC	48	45	44	44	-6.0	-7.7	-8.6
MENA	38	37	36	36	-3.9	-4.9	-5.8
South Asia	162	138	134	131	-15.3	-17.6	-19.2
SS Africa	137	116	112	108	-15.8	-18.6	-21.2
Developing	509	452	442	434	-11.2	-13.1	-14.7
Developed	59	56	55	55	-4.7	-6.1	-6.9
World	568	508	497	489	-10.5	-12.4	-13.9

Calculations from IFPRI IMPACT Model version 3. Source: Rosegrant et al., 2015. Returns to Investment in Reducing Postharvest Food Losses and Increasing Agricultural Productivity Growth. Food security and nutrition assessment paper. Copenhagen Consensus Center.



Avoided loss can help feed the hungry...

...but will not do the full job and costs money.

Even with lower food prices, many poor people will be hungry.

Access matters!
Feeding programs,
food stamps, and
special distribution
networks must
improve access.



School feeding program in Kibera slums, Nairobi, Kenya GPE/Deepa Srikantaiah, 2012. Flickr



What about middle and high income countries?

Poverty: Income inequality

Access: Food deserts

Skills: Food preparation



What role for reduced waste?

Prices: Modest

Food stamps: Major, but not enough

Special distribution: Food pantries, kitchens: important, innovations

appearing



Summary message on the "want not" agenda

Increased supply helps consumers, but does not necessarily reach the hungry

Producers often lose income as prices fall, whether from productivity growth or reduction of losses

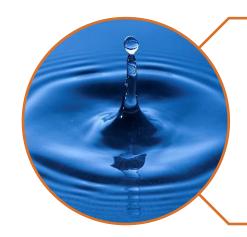
Ownership matters: The owner of avoided losses (together with consumers) reaps benefits

Investment in agricultural research and increased trade should complement reduction of loss

Safety nets, special stores or distribution centers, and feeding programs must channel help to the hungry; general market measures will not be sufficient



The circular economy focuses attention on environmental aspects of waste and loss



Resources used in production (environmental externalities, such as water)



Environmental footprint of disposal



Greenhouse gas emissions from production, marketing, disposal

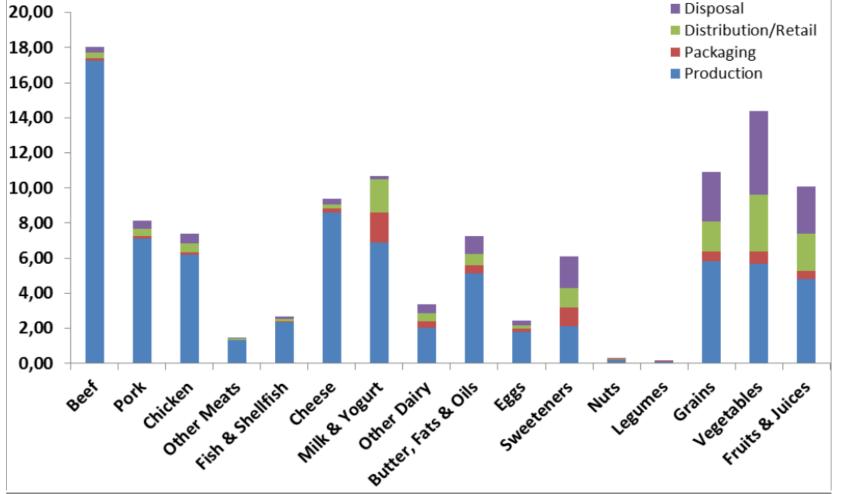


Greenhouse gas and climate change

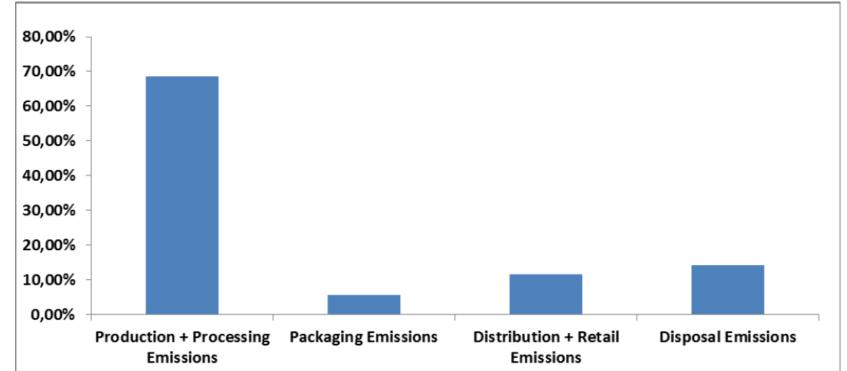
Led by IFPRI

Kumar Venkat / Int. J. Food System Dynamics 2 (4), 2011, 431-446

US national GHG emission from avoidable food waste in 2009 (MMT CO2e/year)



Components of US national GHG emissions from avoidable food waste in 2009



These emissions are equivalent to 2% of net US **GHG** emissions for 2009 based on the national emissions inventory published in the US **Environment Protection** Agency (EPA, 2011)



Combined attention to hunger and environment warrants sustained attention to loss and waste, not episodic preoccupation then neglect

The "want not" and "warm not" agendas complement each other

 The combination of food security and environmental management should underpin action

Action requires multiple interventions:

- Good measurement: how much, how, where
- Increased investment in multi-purpose infrastructure
- Increased investment in agricultural research, particularly climate smart technologies
- Targeted assistance to the poor and hungry
- Innovation in the retail and hospitality sectors
- Price incentives—taxes and subsidies—to reduce loss and waste and encourage adoption of climate smart agriculture
- Awareness and behavior change by producers and consumers



Thank you!

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