

# Responses to Food Insecurity in Sri Lanka and the Way Forward

16 September 2022, 14:30, (GMT+8:00, Manila time)

Register in advance via Zoom Meeting ID: 949 1139 8754 Password: RDFSWS2022

#### Rationale

Sri Lanka is facing multiple crises. Among them, the one hitting its population where it hurts the most is food insecurity. As per UN World Food Program's (WFP) report in July 2022, two in five Sri Lankan households are not consuming adequate diets. A majority of the assessed households (61%) are regularly using food-based coping strategies such as reducing the amount of food they eat and eating less preferred and less nutritious food.

Rice is the staple food item of the nation meeting the caloric requirement of rural poor households to a great extent. Sri Lanka had become self-sufficient in rice since 2010 and produced adequate quantities of fruits and vegetables. However, two key policy decisions – first, the replacement of fertilizer subsidy by a coupon system and second, a ban on the use of chemical fertilizers and agrochemicals to promote organic agriculture has led to considerably lower food production.

Although the agrochemical ban was lifted in November 2021, the effect of the ban is likely to persist in the medium term. The 35% drop in fruit and vegetable and 50-60% drop in paddy and maize production during the period of 2020–2021 are indicative of future decline. Tea, the largest foreign exchange earning crop saw a decline of almost 50% as a result.

Since mid-2020, food prices worldwide have been consistently rising. The pandemic, and subsequently, the Russian invasion of Ukraine, have exacerbated food inflation and increased the cost of importing food. Similarly, increased crude oil prices as well as the disruption in fertilizer supplies have raised fertilizer prices. Sri Lanka's dwindling foreign currency reserves in the aftermath of reduced tourist inflows due to the pandemic, further compounded by tax cuts has led to a precarious fiscal position. In this backdrop, importing food and fertilizer is a challenge for Sri Lanka.

As an emergency response, international organizations have begun humanitarian programs targeting the country's vulnerable segments. The WFP has already been distributing food vouchers to pregnant women in underserved districts of Colombo. Further, FAO and WFP are closely monitoring the food security situation in Sri Lanka and have just concluded a Crop and Food Security Assessment Mission (CFSAM). Asian Development Bank, upon the request of the government of Sri Lanka is preparing an emergency assistance package in close coordination with the World Bank, the Asian Infrastructure Investment Bank, IMF, and the United Nations agencies. The package will provide immediate, short-term, and targeted assistance to the poor and vulnerable, especially women and children, while enhancing resilience to future emergencies, including climate-related disasters.

Sri Lanka faces significant threat from climate change. Extreme heat and precipitation risks are high. Without appropriate adaptative action, high temperatures and rainfall are likely to put downward pressure on agricultural yields, including key staples such as rice. This may impact negatively on national and household food security. Sri Lanka is richly endowed with natural capital and its economy significantly depends upon it. Hence, a long-term strategy of combining climate smart agriculture with nature-based solutions enhanced by the adoption of digital technology is, perhaps, the best way forward.

ADB joins six other International Financial Institutions to address food security, which includes the African Development Bank (AfDB), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IDB), World Bank, the International Monetary Fund (IMF), and the International Fund for Agricultural Development (IFAD). ADB is also working to establish a food security support program to mobilize more resources to promote food security and resilience of food system.

#### **Objectives**

The webinar invites expert speakers from the World Food Program, Food and Agriculture Organization, United Nations Development Program and Asian Development Bank to share their perspectives on the food security situation in Sri Lanka, and short-term responses from IFIs and potential long-term solutions. The webinar aims to:

- a. Discuss the genesis, evolution, and the impact of the food security crisis in Sri Lanka
- b. Exchange ideas on appropriate responses and brainstorm on practical solutions
- c. Discuss potential pathways for promoting climate-resilient agriculture and nature-based solutions to achieve long-term food security.

## **Participants**

The event invites representatives from the following organizations engaged in agriculture, natural resources, and rural development:

- government and intergovernmental organizations
- multilateral and bilateral development institutions
- private firms engaged in the agriculture and food business
- · research and development institutions, think tanks, and centers of excellence
- NGOs, civil society, and advocacy organizations other individuals and organizations interested and/or engaged in agriculture and natural resources

### Program

Chair: Qingfeng Zhang, Chief, Rural Development and Food Security (Agriculture) Thematic Group, concurrently OIC, Environment Thematic Group, Sustainable Development and Climate Change Department, Asian Development Bank	
14:30–14:35	Introduction and moderation Qingfeng Zhang, Chief, Rural Development and Food Security (Agriculture) Thematic Group, concurrently OIC, Environment Thematic Group, Sustainable Development and Climate Change Department, Asian Development Bank
14:35 –14:45	<b>Opening Remarks</b> Kenichi Yokoyama, Director General, SARD Bruno Carrasco, Director General concurrently Chief Compliance Officer, SDCC, Asian Development Bank
14.45 – 15.10	<ul> <li>Keynote Presentation by FAO and WFP on findings from "Sri Lanka: Crop and Food Security Assessment Mission"</li> <li>Susana Moreno, Vulnerability Analysis and Mapping Officer, World Food Programme Cristina Coslet, Economist, Global Information and Early Warning System, FAO Carlos Estévez Reyes, Economist, Global Information and Early Warning System, FAO</li> <li>Wrap-up remarks on the study</li> <li>Vimlendra Sharan, FAO Representative for Sri Lanka and Maldives Abdurrahim Siddiqui, Representative and Country Director, WFP, Sri Lanka</li> </ul>
15:10 – 15:25	ADB's response to the Sri Lankan crisisSanath Ranawana, Principal Water Resources Specialist, SARD, Asian Development BankH.D. Sudarshana A. Jayasundara, Senior Social Development Officer (Gender), SARD, AsianDevelopment BankMartin Lemoine, Unit Head, Agribusiness Investment Team, PSOD, Asian Development Bank
15:25 – 15:35	UN's Approach to the crisis Hanaa Singer-Hamdy, UN Resident Coordinator, UNCT, Sri Lanka
15:35 – 15:55	Open discussions and Q&A
15:55 - 16:00	Closing and note of thanks Chen Chen, Country Director, SLRM, SARD, Asian Development Bank