



AMERICA IS FACING AN 8 BILLION MEAL SHORTFALL IN CHARITABLE FOOD

Prior to COVID-19, 37 million people in the U.S. struggled with hunger. Feeding America estimates that as a result of the pandemic, that number may rise to 54 million people, including 18 million children in 2020.

As the nation's largest hunger relief organization, Feeding America is leading the fight to end hunger and the movement to ensure that everyone in America has access to the food they need to thrive.

We are analyzing how our network can meet sustained increases in need as a result of the pandemic. The Feeding America network of food banks estimate seeing an average 50% increase in demand since the start of COVID-19.

Forming this strategy required a calculated assessment of the impact of COVID-19 on a) demand for charitable food over the next year and b) impact on food supply over the next year. McKinsey and Company provided analytical support as Feeding America created a 12-month, scenario-based model of charitable food demand and supply, based on various inputs and conditions. Our goal is to better understand the precise impact of COVID-19 on food insecurity and inform our strategy to address supply gaps.

SUMMARY OF FINDINGS

We are planning for the most serious scenario: the virus is not fully contained this year and a potential virus resurgence could cause demand for charitable food to peak this fall. Sharp declines in supply may soon follow if more food donations and federal commodities are not secured.

- ✓ As of July 2020, Feeding America estimates the total need for charitable food over the next year will be an unprecedented 17 billion pounds, more than three times the food bank network's last annual distribution of 5 billion pounds.
- ✓ Feeding America anticipates 7 billion pounds in food supply next year, largely driven anticipated by federal commodities like Section 32 bonus commodity purchases and other USDA food purchases.
- ✓ This could lead to a 10 billion pound shortfall between now and June of 2021 – the equivalent of 8 billion meals.

KEY INSIGHTS FOR 2020 AS OF JULY:

More than **54 million people** – including **18 million children** – may face hunger because of COVID-19.

Meeting their need for charitable food will require **17B lbs. of food**.

We expect approximately **7B lbs. available to food banks** – well above their collective baseline distribution of 5.3B lbs.

We predict a **10B lbs. gap between demand for charitable food and supply available to the Feeding America network**.

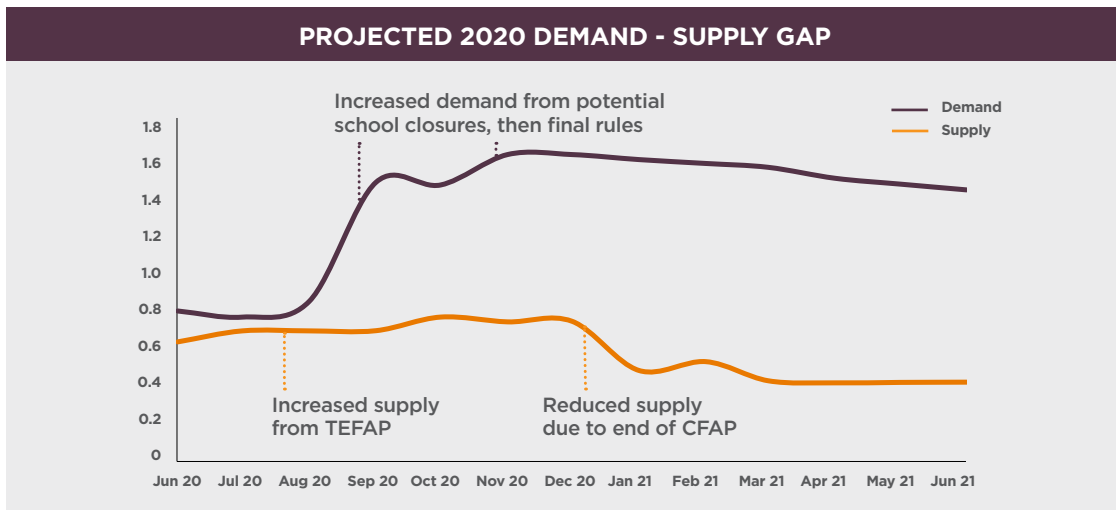
METHODOLOGY

Feeding America considered various scenarios for COVID-19 spread, the public health response and economic policies. Our 12-month forecast is based on informed assumptions about the trajectory of the virus, needs that will compound over time due to sustained unemployment, the availability of food donations, and anticipated changes to federal nutrition programs and other policies as a result of the crisis.

DEMAND FORECASTING: Modeling demand for charitable food began with the **Map the Meal Gap** study, which provides a local level understanding of food insecurity and food costs as of 2018 (the latest year that data are available). We then developed **county-level COVID-19 food insecurity projections**. We also made assumptions regarding the net impact of federal unemployment benefits, SNAP and school lunch policies on the demand for charitable food. Taking these elements together, we estimate the total demand for charitable food may be 17 billion pounds over the next year.

SUPPLY FORECASTING: Our supply model considers donated and purchased food as well as federal commodities. On the donated side, we expect a decline of approximately 5% over the next year. Federal commodities will have a significant effect on the supply available. We included only anticipated federal commodities in our model and expect approximately 7 billion pounds next year. Purchasing food could help fill the gap, but rather than assume increases in purchases, we aim to first maximize donation and federal commodity opportunities and to advocate for increased SNAP benefits and an extension of Pandemic EBT to lessen the demand for assistance.

INTEGRATED VIEW: When we integrate the demand and supply view, we estimate a 10 billion pound gap between nationwide demand for charitable food and estimated supply to the Feeding America network.



As new data becomes available about the near, medium, and long-term impact of the virus on people facing hunger and the federal policies that support them, Feeding America will continue to refine these assumptions. We have also developed tools and resources to support member food banks in replicating this approach and developing a local demand / supply analysis to guide their COVID-19 strategic planning efforts.

IMMEDIATE SOLUTIONS

Fully leveraging the 7 billion pounds of available supply would already be significant growth for our network over our FY19 baseline of 5.3 billion pounds. While other organizations are also working to meet the need, if we alone were to address the 17 billion pound need, it would essentially require tripling the distribution of our network.

Closing the demand-supply gap in charitable food will likely require swift action from all stakeholders, including government. Feeding America believes that supply constraints could be addressed in part by securing more federal commodities and food donations, and there is an opportunity to reduce the need for charitable food by increasing eligibility and benefit levels of programs like SNAP. For example, Feeding America's analysis found that a 15% increase in SNAP benefits in the next year could reduce the need by 4 billion pounds.