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COMMITTEE ON WORLD FOOD SECURITY

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ASSESSMENT OF THE CURRENT WORLD FOOD SECURITY SITUATION
AND RECENT POLICY DEVELOPMENTS

In order to place the annual assessment of the world food security situation in the context of recent policy developments this document attempts to integrate the examination of world food security indicators with the review of steps taken to implement the Plan of Action within the framework of the broadened concept.

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I. SUMMARY AND CONCLUSIONS

1. The world food security situation continues to be marked by a sharp contrast between acute scarcities in many areas and ample supplies at the global level. While world staple food output in 1984 rose by 8 percent, the increase was concentrated in the United States and EEC and a limited number of the larger developing countries. For low-income food-deficit countries as a whole, production increased by only 2 percent, just keeping pace with population growth. The global cereal carryover stocks at the end of the 1984/~85 seasons are expected to return to the level considered adequate for world food security, i.e. 18 percent of forecast consumption in 1985/86. However, despite higher stocks, their effectiveness in preventing the impact of famine in several low-income countries is likely to be limited, reflecting not only the concentration of stocks in a few countries but also the constraints on the economic access to available food supplies.
2. In many low-income food-deficit countries, the per caput food production fell in 1984, resulting in severe food shortages. These problems are most critical in Africa where famine is rife and human suffering has been very heavy with many deaths from starvation. No less than 21 countries face exceptional food shortages in 1984/85, the most acute being Chad, Ethiopia, Mali, Mauritania, Mozambique, Niger and Sudan.
3. Not only are the food aid requirements of the African countries in 1985 substantially greater, but there is also an urgent need for assistance to rehabilitate their agriculture, with a view to avoiding the recurrence of emergencies. Rehabilitation requirements vary from one area to another, with the most serious problems arising where large-scale movements of the rural population have taken place. Seeds are the most widespread requirement but agrochemicals, tools and draught animals are also in short supply in some countries. In a number of countries animal herds need to be protected against disease. The Director-General has convened a meeting of donor countries on 30 January to consider the rehabilitation needs of Ethiopia, and another meeting to consider the needs of the other African countries is scheduled later. The Committee will be informed of the outcome of these meetings.
4. The difficulties in rehabilitating the food production system in many African countries arise not only from the recent drought but also from a longer-run, more deep seated malaise. Per caput food production is currently below the levels attained at the turn of the 1970s in a great many African countries. Soils and pastures have deteriorated and the rate of desertification has risen. In the Harare Declaration, food and agriculture ministers of African countries have pledged themselves to continue to give higher priority to agriculture by adopting more effective policies for food and agricultural development and taking measures to increase the efficiency of resource use in government institutions. However, in implementing these programmes, these countries are facing constraints due to inadequate technical and financial resources which they alone cannot overcome.
5. The food security situation in many low-income food-deficit countries is adversely affected also by the lack of adequate access to the supplies in world markets due to financial constraints. Although international prices of cereals are relatively low, foreign exchange resources of many low-income countries have been under great pressure from large debt servicing charges and from continuing weak markets for many of the commodities exported by them, as well as strong protectionist tendencies in major import markets. Nor are there yet any clear indications that the intensive discussions on international trade, which have taken place in the past two years, will result in effective measures for trade liberalization or market stabilization, at least in the short run.

6. There are a number of developing countries, particularly in Asia and Latin America, which have succeeded in improving their food security situation largely as a result of sustained efforts to increase food production and to build up national stocks. The latest available information shows that developing countries have continued to take important policy measures to strengthen their food security. Measures adopted recently by some selected countries to augment food production include increases in producer/-procurement prices, subsidies for agricultural inputs, extension of infrastructure facilities and increased credit facilities. A large number of countries have also adopted cereal stock policies and practices. But many low-income countries in Africa as well as in other regions are unable to implement effectively their national policies, owing mainly to lack of adequate financial resources, agricultural inputs, infrastructure, institutional facilities and trained manpower.

7. External assistance to agriculture has also ceased to grow. There are indications of possible decline in 1983 in levels of Official Commitments to Agriculture (OCA) narrow definition, particularly its concessional part. Attempts to expand resources of IDA to a proposed level of US\$ 12 billion for the seventh replenishment covering 1985-87 and those of IFAD on the second replenishment also for the same period have so far not been successful. The use of the IMF compensatory financing facility to offset increases in cereal import costs is also inhibited by a number of factors.

8. With the recent recovery in the economies of a number of developed countries, it should be possible for these countries to liberalize trade, increase external financial assistance, and expand food aid and technical assistance to supplement the efforts of low-income countries to strengthen their food security both in the short run and the long run. The developing countries need also to consider enhancing their cooperative activities in food security in order to improve the effectiveness of national programmes and policies.

II. GLOBAL FOOD SITUATION IN 1984/85

9. The world food situation in 1984/85 continues to show the paradox of widespread food scarcities in many countries amidst global plenty. World production of staple foods (cereals, pulses, roots and tubers) is estimated to have risen by 8 per cent in 1984, to reach 1 787 million tons in grain equivalent (Table 1). Most of the increase was concentrated in the developed countries, particularly in the United States and EEC, and in a limited number of the larger developing countries (China, India, Mexico, Brazil). In the developing countries as a whole, production of staple foods rose only by 2 percent in 1984, just keeping pace with the growth of population. While output per caput in the developing countries has fallen, their imports have been constrained by the deterioration in foreign exchange balances and by limited logistic capacity. Without a big increase in food aid and other assistance to the famine-stricken countries in 1984/85, there is a real danger of further suffering and starvation.

10. The concentration of the increase in global production in the United States and the EEC, both exporters of staple foods, together with the limited import demand, is expected to lead to a considerable rise in carryover stocks of cereals in these countries. Aggregate inventories in other countries are forecast to rise only marginally. Overall, it is anticipated that global carryover stocks of cereals at the end of the 1984/85 seasons will rise to 291 million tons, 26 million tons higher than the previous year (Table 2). At this level, cereal stocks at the end of the 1984/85 seasons would thus return to levels considered by the Secretariat as adequate for world food security, i.e. 18 percent of forecast consumption in 1985/86. The largest increase (16 million tons)

TABLE 1 WORLD PRODUCTION, IMPORTS, AND CONSUMPTION OF BASIC STAPLE FOODS 1982/83 TO 1984/85

	PRODUCTION				IMPORTS				CONSUMPTION					
	1982		1983		1984		1985		1982/83		1983/84		1984/85	
	1982	1983	1984	1985	1982/83	1983/84	1984/85	1985	1982/83	1983/84	1984/85	1983/84	1984/85	
Basic staple foods: 1/	1 716	1 644	1 787	216	212	222	1 668	1 691	1 749	809	841	865		
of which:	485	497	516	97	97	99	465	479	500	309	322	331		
Coarse grains	793	691	802	89	89	94	763	758	782	159	169	171		
Rice (milled)	283	301	307	11	11	13	284	298	305	254	263	272		
(paddy)	(423)	(451)	(459)											
Roots and tubers	111	111	117	16	12	13	111	111	117	55	55	59		
Pulses	45	45	45	3	3	3	45	45	45	32	32	32		
Total cereals: 2/	1 561	1 488	1 625	197	197	206	1 513	1 536	1 587	721	753	774		
Developing Countries	698	746	760	106	106	105	766	802	827	561	592	611		
of which: low-income food-	513	568	574	53	46	47	559	597	614	448	477	492		
deficit countries: 3/	(372)	(425)	(435)	(25)	(17)	(14)	(391)	(426)	(442)	(308)	(333)	(349)		
(China and India)	(142)	(143)	(140)	(27)	(29)	(33)	(168)	(171)	(171)	(140)	(144)	(143)		
(Other)														
Other developing countries	184	178	186	53	60	58	206	205	213	113	115	119		
Developed Countries	863	743	865	91	91	101	747	734	760	160	161	163		

1/ Includes Pulses, Roots and Tubers (in grain equivalent), Rice (in milled equivalent) as well as Grains.

2/ Includes Rice in milled equivalent.

3/ Includes all food-deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. with a per caput income of US\$ 790 and below in 1983), which, in accordance with the guidelines and criteria agreed by the CFA, should be given priority in the allocation of food aid.

TABLE 2: WORLD CARRYOVER STOCKS OF CEREALS^{1/}

	CROP YEARS ENDING IN				
	1972/73- 1974/75 average	1979/80- 1981/82 average	1982/83	1983/84 prelim.	1984/85 forecast
	.....million tons.....				
Wheat	76.2	102.9	119.9	131.6	139.9
Rice (milled)	27.8	43.1	43.3	42.8	44.8
Coarse grains	76.0	113.2	160.1	90.4	106.3
Total cereals	180.0	259.1	323.2	264.8	291.0
Main exporting countries	81.0	136.9	200.4	128.0	148.0
of which:					
Australia	1.9	4.4	2.6	8.5	6.8
Canada	15.2	15.2	18.7	13.5	13.1
EEC	16.0	15.1	18.5	13.4	27.4
Thailand	1.9	1.2	0.4	0.9	0.9
USA	35.7	80.7	141.0	73.2	83.9
Others	99.0	122.1	122.8	136.9	143.0
of which:					
Bangladesh	0.2	0.9	0.5	0.6	0.6
Brazil	1.0	2.1	3.1	2.2	2.4
China	31.1	49.4	49.9	56.3	58.9
India	1.7	8.6	8.1	12.7	15.0
Indonesia	0.4	1.3	1.2	1.5	1.4
Pakistan	1.1	1.7	2.7	2.3	1.2
Developed countries	116.6	157.4	217.1	146.2	167.6
Developing countries	63.4	101.7	106.1	118.6	123.4
of which:					
Low-income food- deficit countries ^{2/} (excluding China and India)	47.8	78.0	78.1	93.9	97.9
	(15.0)	(20.0)	(20.1)	(24.9)	(24.0)
	.....percent.....				
Total stocks held by main exporters	45	53	62	48	51
World stocks as a proportion of apparent world consumption	14	18	21	17	18
Exporters' stocks as percentage of requirements for con- sumption and export					
Wheat	24	23	27	25	26
Coarse grains	13	15	24	11	14
Rice	10	11	13	11	12

1/ Totals computed from unrounded data

2/ Includes all food deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. with a per caput income of US\$ 790 and below in 1983) which in accordance with the guidelines and criteria agreed by the CFA should be given priority in the allocation of food aid.

NOTE: Stock data are an aggregation of figures giving national carryover stocks at end of national crop years and should not be construed as representing world stock levels at a fixed point in time.

would be in coarse grains, which at the beginning of the season were at their lowest level since the world food crisis. Wheat carryovers are forecast to grow for the fourth consecutive year to reach 140 million tons, while rice stocks are anticipated to reach 45 million tons, 2 million tons higher than in 1984.

11. Following the large increase in world production, exportable supplies of staple foods should be more than sufficient to meet the increase in import demand, which is forecast to rise to 222 million tons of grain equivalent in 1984/85. The increase would mainly reflect higher purchases by the USSR, which would account for over 20 percent of world cereal imports. The developing countries are expected to import marginally less, despite their sluggish production performance in 1984. While this reduction is partly due to the lower requirements of China and India, it also reflects the continuing difficulties that most developing countries face in financing their imports, because of deteriorating economic conditions.

12. While global utilization of staple foods is expected to rise by over 3 percent to reach almost 1 750 million tons in grain equivalent, the increase is concentrated in the developed countries mainly due to a greater use of cereals as animal feed, and in a limited number of developing countries, particularly China and India. Reflecting low production, static imports and inadequate stocks, the quantities available for consumption in many other developing countries are expected to be insufficient and a fall in per caput consumption is anticipated in several of them. The situation is particularly serious in Africa.

13. Reflecting the increase in global cereal supplies, world grain prices are likely to remain low in dollar terms during most of 1984/85. By mid-November, wheat export prices were at the same level as in the previous year while prices of coarse grains and rice had declined substantially. Despite the general weakening of international food prices, not only of cereals but also fats and oils, and pulses, the relatively strong position of the United States dollar during most of 1984 meant that import prices in the national currencies of many countries did not fall to the same extent, and actually increased in some cases.

III. FOOD SITUATION IN LOW-INCOME FOOD-DEFICIT COUNTRIES

Cereal Production

14. The output of cereals, which are the main dietary staples in most of the 65 low-income food-deficit countries, is estimated at 574 million tons in 1984, 7 million tons or one percent higher than in the previous year (Table 3). The rate of increase was below trend and less than the growth rate of population. Excluding China and India, where output rose, the aggregate cereal production in the other low-income countries fell by over 2 percent in 1984, implying a 5 percent decline in per caput terms.

15. One third of the 65 low-income food-deficit countries had smaller crops in 1984. The cereal crops in several of the more arid countries in the Sahel and Eastern and Southern Africa were badly hit by drought in 1984. Millet and maize, the traditional cereals in these areas, were the most affected. The output of Ethiopia's main traditional grain, teff, also fell heavily. Production also declined in the Near East, principally due to a large shortfall in the Sudan. In the Far East, in contrast with long run trends, 1984 was a poor year in several countries, including Bangladesh, Kampuchea, and Vietnam. By contrast, some recovery took place in Latin America as a result of more favourable weather conditions, particularly in Bolivia and Haiti. For many of the low-

TABLE 3: LOW-INCOME FOOD-DEFICIT COUNTRIES BASIC STAPLES PRODUCTION AND SHARE OF CONSUMPTION

	PRODUCTION 1/												SHARE OF CONSUMPTION 1979-81			
	Cereals				Roots and Tubers				Pulses				Cereals	Roots and tubers	Pulses	
	1969-71 average	1983	1984 pre-liminary	Growth rates 1969-71 to 1983	1969-71 average	1983	1984 pre-liminary	Growth rates 1969-71 to 1983	1969-71 average	1983	1984 pre-liminary	Growth rates 1969-71 to 1983				
	(...million tons...)	(...million tons...)	(...million tons...)	(...percent...)	(...million tons...)	(...million tons...)	(...million tons...)	(...percent...)	(...million tons...)	(...million tons...)	(...million tons...)	(...percent...)	(...percent...)	(...percent...)	(...percent...)	(...percent...)
TOTAL	357.5	567.6	574.3	3.6 1.2	45.4	56.1	58.9	1.6 5.1	24.0	25.8	25.8	0.5 0.2	...	...	...	...
FAR EAST	306.1	512.3	520.5	4.0 1.6	33.2	39.1	40.9	1.3 4.5	19.3	20.1	20.1	0.3 -0.1	...	...	...	...
Bangladesh	11.2	16.2	15.0	2.9 -7.4	0.3	0.4	0.4	0.6 -1.2	0.3	0.2	0.2	-2.6 -0.5	85.4	2.0	1.2	...
China	160.0	288.3	296.5	4.6 2.8	26.7	30.5	31.6	1.0 3.8	6.5	6.0	6.0	-0.5 -0.7	66.4	12.1	2.1	...
India	90.2	136.5	138.1	3.2 1.2	2.3	3.4	3.5	2.8 4.3	11.4	12.5	12.6	0.8 0.6	66.6	2.0	5.8	...
Indonesia	15.3	28.9	30.0	5.0 3.5	2.8	2.8	3.2	-0.0 13.9	0.3	0.3	0.3	1.8 -0.6	68.3	8.4	0.7	...
Kampuchea	2.1	1.1	0.9	-5.1 -17.3	-	-	-	7.3 13.8	-	-	-	0.6 -3.5	81.7	4.1	1.4	...
Nepal	2.7	3.4	3.5	1.7 2.7	0.1	0.1	0.1	2.7 0.7	-	0.1	0.1	2.6 1.5	85.0	1.8	1.3	...
Pakistan	10.5	17.4	16.1	3.9 -7.5	0.1	0.1	0.1	3.3 2.2	0.7	0.7	0.7	0.1 -6.6	63.1	0.5	2.2	...
Philippines	5.4	8.2	8.5	3.3 3.6	0.3	0.7	0.7	8.3 0.4	-	-	-	3.2 0.0	59.5	7.2	0.4	...
Sri Lanka	1.0	1.7	1.6	4.3 -8.7	0.1	0.2	0.2	4.6 0.6	-	-	-	14.5 3.5	56.7	4.1	1.0	...
Vietnam	6.9	9.8	9.5	2.7 -2.6	0.4	1.0	1.0	6.5 6.1	0.1	0.1	0.1	3.4 -1.5	69.7	12.1	0.9	...
Others ^{2/}	0.7	0.8	0.9	1.2 11.6	-	-	-	7.7 6.4	-	-	-	4.2 4.2	...	...	...	...
NEAR EAST	13.3	15.1	14.8	1.0 -1.6	0.2	0.4	0.4	5.2 2.3	0.5	0.5	0.6	0.5 2.6	...	...	...	...
Egypt	6.5	7.9	7.9	1.5 -0.7	0.1	0.3	0.3	6.3 2.9	0.4	0.4	0.4	-0.1 1.1	64.0	1.5	2.1	...
Sudan	2.1	2.3	1.9	0.7 -17.7	0.1	0.1	0.1	0.6 -0.7	0.1	0.1	0.1	1.4 -1.1	51.7	1.8	1.7	...
Others ^{3/}	4.7	4.9	5.1	0.3 4.5	0.1	0.1	0.1	6.3 2.6	0.1	0.1	0.1	2.1 13.4	...	...	...	...
AFRICA^{4/}	36.3	38.2	36.6	0.4 -4.4	11.4	16.0	17.0	2.6 6.4	4.1	4.9	5.0	1.4 1.0	...	...	...	...
Benin	0.3	0.3	0.4	1.7 24.6	0.2	0.3	0.3	1.1 7.2	-	-	-	0.7 12.1	34.6	37.1	2.7	...
Ghana	0.7	0.4	0.7	-4.4 68.7	0.5	0.5	0.6	0.4 20.4	-	-	-	-1.3 9.1	32.9	36.7	0.4	...
Ivory Coast	0.5	0.9	0.9	3.8 7.2	0.5	0.7	0.8	3.3 14.8	-	-	-	1.0 0.0	37.8	27.3	0.3	...
Madagascar	1.4	1.4	1.4	0.3 -1.3	0.4	0.6	0.6	3.6 0.3	0.1	0.1	0.1	-0.9 3.5	60.3	17.2	1.7	...
Malawi	1.1	1.5	1.6	2.2 5.6	-	-	-	1.5 4.8	0.2	0.2	0.2	2.0 3.2	69.4	2.3	8.2	...
Nigeria	7.9	7.2	8.2	-0.8 14.4	4.1	5.7	6.6	2.6 15.9	0.8	0.8	1.0	-0.1 13.1	42.2	25.4	2.8	...
Uganda	1.5	1.5	1.4	0.2 -8.0	0.4	0.5	0.5	2.5 0.8	0.3	0.4	0.4	3.6 -1.4	30.1	18.5	9.9	...
Zaire	0.6	0.9	0.9	3.1 1.3	2.1	3.1	3.1	2.8 0.3	0.1	0.2	0.2	1.6 -0.7	14.5	58.4	1.8	...
"Seriously affected countries" ^{5/}	20.6	22.6	19.4	0.7 44.0	2.6	3.9	3.7	3.0 -3.0	2.5	3.1	3.0	1.7 -2.4	...	...	...	...
Others ^{6/}	1.7	1.5	1.6	-0.9 5.7	0.6	0.8	0.7	1.2 -0.4	0.1	0.1	0.1	1.4 6.7	...	...	...	...
LATIN AMERICA	1.9	2.0	2.4	0.5 21.4	0.3	0.3	0.3	-1.5 28.1	0.2	0.2	0.2	1.3 5.1	...	...	...	...
Bolivia	0.5	0.5	0.8	-0.0 68.9	0.2	0.1	0.2	-4.3 66.7	-	-	-	5.5 10.0	42.1	11.6	1.2	...
El Salvador	0.5	0.6	0.7	1.1 11.8	-	-	-	5.7 3.2	-	-	-	2.6 4.8	55.1	0.9	3.7	...
Others ^{7/}	0.9	0.9	1.0	0.3 3.8	0.1	0.1	0.2	1.4 1.1	0.1	0.1	0.1	0.4 4.5	...	...	...	...
OCEANIA^{8/}	-	-	-	3.2 -16.7	0.2	0.3	0.3	1.8 0.6	-	-	-	5.5 0.0	...	...	...	...

FOOTNOTES:

- 1/ Cereals include rice milled basis; roots and tubers in grain equivalent.
- 2/ Bhutan, Lao and Maldives.
- 3/ Afghanistan, Yemen Arab Rep. and Yemen P.D.R.
- 4/ Countries are shown in three groups. Selected larger countries; the seriously affected countries for which full details are given in Table 7, and the remaining other countries.
- 5/ Angola, Burkina Faso, Burundi, Cape Verde, Chad, Ethiopia, Kenya, Lesotho, Mali, Mauritania, Morocco, Mozambique, Niger, Rwanda, Senegal, Somalia, Tanzania and Zambia.
- 6/ Central African Rep., Comoros, Djibouti, Equatorial Guinea, Gambia, Guinea, Guinea Bissau, Liberia, Sao Tome and Principe, Sierra Leone and Togo.
- 7/ Haiti and Honduras
- 8/ Kiribati, Vanuatu, Samoa, Solomon Isl., Tonga and Papua New Guinea.

income food-deficit countries the decline in 1984 reflected the long-term failure of production to increase adequately. Cereal output per head in 1984 was lower than in 1969-71 in 42 countries.

Production of Other Staple Foods

16. Aggravating the cereal shortages has been the poor performance of other staple foods in 1984. These often account for a significant share of the food consumed, particularly roots and tubers in the humid tropical zone of Africa, and play a crucial role in the nutritional balance of the diet e.g. pulses, edible oilseeds, vegetable oils and livestock products.

17. The output of roots and tubers is estimated to have increased by over 5 percent in 1984 owing to particularly large crops in several Asian countries (e.g. China and Indonesia), a partial recovery in Bolivia's potato harvest, and larger plantings in some West African-producing countries, particularly the Ivory Coast and Nigeria. However, once again the output of roots and tubers in a number of African low-income countries was disappointing. Despite programmes adopted by the main producing countries to introduce higher yielding varieties and to control pests and diseases, the output of cassava remained depressed. Production is estimated to have recovered in Ghana and Tanzania but pests continued to be a serious problem in other parts of the region, particularly in Mozambique as well as Burundi, Guinea and Uganda. Even in those countries where output did recover, the prices were often reported to be high, with the result that these traditional staple foods were beyond the means of the poor in several countries.

18. The production of pulses in the low-income countries also failed to increase in 1984 and heavy reductions occurred in a number of countries including Burundi, Kenya and Rwanda. Output of edible fats and oils is estimated to have risen only slightly to reach 13.8 million tons. There was a sharp rise in output in India, and, to a lesser extent, in Indonesia. However, production fell in a number of other countries, including China, Pakistan, Philippines, Sri Lanka and in many countries in Africa.

19. The widespread drought in large parts of Africa not only affected crops but also pastures, particularly in parts of the Sahelian zone and Eastern/Southern Africa, with adverse consequences for the livestock sector and hence for the nomadic population. In addition, rinderpest has seriously affected livestock in a number of African countries, which has resulted in losses of meat and milk as well as draught power needed for crop production.

Imports

20. Following a rather sharp decline in 1983/84, the imports of cereals by the low-income food-deficit countries are forecast to rise slightly to 47 million tons in 1984/85 (Table 3a). As the imports of pulses and roots and tubers only amount to around 700 000 tons, production shortfall in staple food supplies are met largely by cereal imports.

21. Although the low-income food-deficit countries as a group rely on cereal imports to meet only 7 percent of their total staple food supplies, many individual countries and regions are more heavily dependent on imports and in several regions this dependence has been growing. Thus, in Africa cereal imports are forecast to account for 18 percent of staple food consumption in 1984/85 (compared with 5 percent in 1969-71); in the Near East

TABLE 3a LOW-INCOME FOOD-DEFICIT COUNTRIES: Staple Food Production, Cereal Imports and Food Aid Received.

	ALL STAPLE PRODUCTION ^{1/}			CEREAL IMPORTS ^{2/}					FOOD AID RECEIVED			
	1969/71 Average	1983	1984 Preliminary	GROWTH RATES		1969-71 Average	1983/84	1984/85 Preliminary	GROWTH RATES		1970/71	1983/84
				1969-71 to 1983	1983 to 1984				1969-71 to 1983	1983 to 1984		
(.....million tons.....)				(.....percent.....)		(.....million tons.....)			(.....percent.....)		(.....thousand tons.....)	
TOTAL	427.0	649.5	659.1	3.3	1.5	20.6	46.2	47.2	6.4	2.2	6 696	8 784
FAR EAST	358.6	571.6	581.5	3.4	1.7	15.0	25.0	22.9	4.0	-8.5	5 481	3 106
Bangladesh	11.8	16.8	15.6	2.7	-7.2	1.3	2.3	2.9	4.5	25.6	-	1 163
China	193.2	324.8	334.1	4.1	2.9	5.2	14.3	13.7	8.0	-3.8	28	209
India	103.9	152.4	154.2	3.0	1.2	3.6	2.9	0.6	-1.9	-80.4	2 384	371
Indonesia	18.4	32.1	33.5	4.4	4.4	1.3	2.1	2.3	4.2	6.9	1 155	461
Kampuchea	2.2	1.1	0.9	-4.9	-16.3	-	0.2	0.2	15.8	7.0	11	37
Nepal	2.8	3.5	3.6	1.8	2.6	-	-	-	25.9	30.0	1	29
Pakistan	11.3	18.2	16.8	3.7	-7.4	0.2	0.4	0.5	6.3	19.1	1 004	380
Philippines	5.7	9.0	9.3	3.6	3.3	0.9	1.4	1.5	4.7	1.6	43	54
Sri Lanka	1.1	1.9	1.6	4.4	-7.7	1.0	0.6	0.6	-4.0	-3.4	216	391
Vietnam	7.4	10.9	10.7	3.0	-1.9	1.6	0.7	0.6	-6.6	-23.1	632	2
Others ^{3/}	0.7	0.9	1.0	1.5	11.2	0.1	0.2	0.2	6.2	-1.3	7	9
NEAR EAST	14.0	16.0	15.8	1.0	-1.4	2.5	9.6	10.1	11.1	5.4	411	2 356
Egypt	7.0	8.6	8.5	1.6	-0.5	1.8	8.1	8.5	12.4	5.8	254	1 783
Sudan	2.2	2.5	2.0	0.7	-16.7	0.2	0.5	0.6	8.4	10.6	28	452
Others ^{4/}	4.8	5.0	5.3	0.4	4.6	0.5	1.0	1.0	5.8	-1.0	129	121
AFRICA^{5/}	51.8	59.1	58.5	1.0	-1.0	2.7	10.5	13.1	11.1	25.5	779	2 610
Benin	0.5	0.6	0.7	1.4	16.6	-	0.1	0.1	11.9	-11.1	1	6
Ghana	1.2	0.9	1.3	-2.2	41.8	0.1	0.3	0.2	7.0	-21.8	98	74
Ivory Coast	1.0	1.6	1.7	3.6	10.5	0.2	0.5	0.6	9.6	13.6	3	-
Madagascar	1.8	2.1	2.1	1.0	-0.7	0.1	0.3	0.3	11.4	10.0	9	74
Malawi	1.4	1.8	1.9	2.2	5.3	0.1	-	-	-2.1	-75.0	1	3
Nigeria	12.8	13.7	15.7	0.5	15.0	0.4	2.4	2.4	14.9	2.1	60	-
Uganda	2.2	2.5	2.4	1.1	-5.1	-	-	-	-6.3	19.1	57	10
Zaire	2.9	4.1	4.1	2.8	0.5	0.2	0.3	0.3	3.4	1.8	17	53
"Seriously affected countries" ^{6/}	25.7	29.5	26.2	1.1	-11.4	1.4	5.9	8.5	11.9	43.6	489	2 197
Others ^{7/}	2.4	2.3	2.4	-0.2	3.8	0.2	0.7	0.7	7.9	4.9	44	193
LATIN AMERICA	2.4	2.5	3.0	0.3	20.8	0.4	0.9	0.9	7.5	-7.4	25	711
Bolivia	0.7	0.6	1.0	-0.9	66.6	0.2	0.3	0.3	4.3	3.1	9	280
El Salvador	0.5	0.6	0.7	1.2	11.2	0.1	0.2	0.2	9.5	-11.2	5	262
Others ^{8/}	1.2	1.2	1.3	0.5	3.6	0.1	0.4	0.3	10.2	-14.0	11	169
OCEANIA^{9/}	0.2	0.3	0.3	1.8	0.2	0.1	0.2	0.2	4.6	0.0	-	1

1/ Includes cereal (rice, milled basis), roots and tubers (grain equivalent) and pulses.

2/ July/June for wheat and coarse grains, calendar year of the second year shown for rice.

3/ Bhutan, Lao and Maldives.

4/ Afghanistan, Yemen Arab Republic and Yemen P.D.R.

5/ Countries are shown in three groups. Selected larger countries; the seriously affected countries for which full details are given in Table 7, and the remaining other countries.

6/ Angola, Burkina Faso, Burundi, Cape Verde, Chad, Ethiopia, Kenya, Lesotho, Chad, Mauritania, Morocco, Mozambique, Niger, Rwanda, Senegal, Somalia, Tanzania and Zambia.

7/ Central African Republic, Comoros, Djibouti, Equatorial Guinea, Gambia, Guinea, Guinea Bissau, Liberia, Sao Tome and Principe, Sierra Leone and Togo.

8/ Haiti and Honduras.

9/ Kiribati, Vanuatu, Samoa, Solomon Isl., Tonga and Papua New Guinea.

39 percent (16 percent) and Latin America 29 percent (15 percent). By contrast, in the Far East the reliance on external cereal supplies has remained at only 4 percent since the beginning of the seventies, reflecting the progress that has been made in food production in a number of countries. Throughout this period, food aid accounted for little over one percent of staple food consumption in the low-income countries, although it made up about 20 percent of their imports.

22. The small increase in aggregate cereal imports of low-income food-deficit countries in 1984/85 mainly reflects the lower requirements of China and India. The imports of other low-income food deficit-countries are estimated to have increased by 4 million tons to reach nearly 33 million tons in 1984/85. Even so, this was not enough to prevent consumption from falling, as many of these countries were not in a position to purchase all they required, nor were food aid shipments sufficient to make up the full difference.

23. In Africa cereal imports are forecast to rise by 2.6 million tons to reach nearly 13 million tons in 1984/85 - five times the quantity imported in 1969-71. Much larger quantities may be required by those countries suffering from abnormal food shortages, but it is feared that these needs may not be fully met reflecting financial constraints and logistic problems. In the Near East imports may also rise while in the Far East, they are expected to fall by 2 million tons to 23 million tons.

Access to Commercial Imports

24. The access of most low-income food-deficit countries to food imports continues to be limited by economic and financial constraints. Because of the decline in cereal prices in terms of United States dollars, the cost of commercial imports of cereals by the low-income food-deficit countries is expected to be slightly lower in 1984/85. However, it would still total over US\$ 7 billion or one quarter of their current account deficit. The cost of commercial purchases of low-income food-deficit countries other than China and India would be US\$ 4.8 billion, close to the highest level in recent years.

25. Although the prices of the principal commodities exported by the developing countries rose slightly in 1984, they are still about 14 percent below their 1979-81 level. At the same time import prices have not fallen to the same extent, so that the terms of trade for developing countries have deteriorated (Table 4). Reflecting the slight rise in export prices in 1984, earnings from merchandise exports rose by an estimated 11 percent. However, despite some decline in interest rates, debt servicing continued to be a major problem for the low-income countries and as a result many countries were forced to curtail imports of necessities, including food and agricultural inputs. Because of the curtailment in imports and the slight improvement in export earnings, both the trade and the current account deficits (which includes net payment for services and other remittances) were smaller.

26. Increased access to food supplies in the international market depends heavily on an improvement in the international economic environment. After three years of decline, the global economy improved somewhat in 1983 and 1984. The recovery was stronger than expected in the United States, but has not been equally strong elsewhere among the OECD member countries and among the developing countries. Only very limited action has yet been taken to reduce trade barriers to imports from developing countries and in several product sectors protectionist measures have been intensified. Commodity negotiations, both under the UNCTAD Integrated Programme for Commodities and elsewhere have come to a standstill.

TABLE 4: LOW-INCOME FOOD-DEFICIT COUNTRIES: FINANCIAL AND ECONOMIC INDICATORS, 1979-84

	1979	1980	1981	1982	1983	1984 forecast
	(.billions US\$)					
Merchandise Exports <u>1/</u>	85.9	112.6	106.5	95.6	91.9	101.9
Imports <u>1/</u>	-96.2	-123.5	-130.8	-123.8	-115.3	-118.4
Trade Balance <u>1/</u>	-10.3	-10.9	-24.2	-28.2	-23.4	-16.4
Current Account Balance <u>1/</u>	-17.6	-19.3	-32.8	-35.2	-28.8	-22.8
	. . . . . Indices					
Export Price Index <u>2/</u>	97	110	93	79	83	86
Unit Value Index of Exports <u>3/</u>	83	100	94	86	85	...
Imports <u>3/</u>	76	100	102	98	93	...
Terms of Trade <u>3/</u>	109	100	92	88	91	...
Wheat Indicator Price <u>4/</u>	165	183	182	164	165	160

1/ Excludes information for Angola, Mozambique, Kiribati and Tonga.

2/ Index of Free Market Prices of Principal Commodity Exports of Developing Countries, January-August 1984.

3/ UNCTAD Unit Values of Developing countries other than major petroleum exporting countries.

4/ IWC indicator export price, which is the arithmetic average of seven widely traded wheats, is expressed in US dollars per ton calculated on a weekly basis and represented by US, Canadian and Australian f.o.b. quotations. For 1983, average January to November.

27. Since the inception of the IMF food financing facility, a measure intended to improve access to food, only six countries (Bangladesh, Ghana, Kenya, the Republic of Korea, Malawi and Morocco) have made use of it. The latest country to avail itself of this facility is Ghana. The FAO Council, at its Eighty-sixth session in November 1984, noted that wider use of the facility was inhibited by relatively low cereal prices in recent years and the fact that it was part of IMF's compensatory facility for export earnings. It was hoped that the projected review by the Executive Board of the IMF of the facility in 1985 would provide the opportunity for its improvement.

Food Aid

28. In view of the continuing economic difficulties of the low-income food-deficit countries, many countries have to rely on food aid to meet their basic food needs. Although food aid this year is currently estimated at 10.4 million tons (Table 5), thus expected to reach the minimum annual target of 10 million tons for the first time since it was set by the World Food Conference in 1974, total food aid needs remain considerably above these levels.^{1/} Assuming that the share of the low-income countries in total food aid remains at 86 percent of the total i.e. the same as in the previous five years, food aid would account for 19 percent of their total cereal imports in 1984/85. This would be slightly more than in recent years but below the recent peak of 25 percent in 1977/78.

29. Although the response to emergencies has been on the whole generous, yet the needs of a number of affected countries could not be met fully. Contributions of cereals to the International Emergency Food Reserve (IEFR) in 1984 amounted to about 600 000 tons, 20 percent above the minimum target of 500 000 tons. In addition, about 41 000 tons of non-cereal foodstuffs were contributed. The increased level this year was partly due to additional contributions amounting in all to 64 000 tons, made by a number of countries in response to a special appeal by the Director-General. In view of the rapid depletion of the WFP resources available for emergency assistance, the CFA at its Eighteenth Session in October 1984 also agreed that an additional US\$ 10 million from the Programme's regular resources be allocated to its emergency allocation of US\$ 45 million for 1984. For the current biennium advance pledges to the IEFR as of mid January 1985 amounted to 332 500 tons of cereals and 17 850 tons of non-cereal commodities for 1985, and 255 000 tons of cereals and 1 250 tons of non-cereal commodities for 1986.

^{1/}According to the USDA, the food aid requirements of a total of 67 low-income countries in 1984/85 amounted to 11.7 million tons. This estimate is referred to as a status quo assessment and corresponds to that level of food aid required to sustain aggregate food availability at 1980/81-1983/84 average levels. USDA's nutrition-based assessment of food aid requirements for the same 67 low-income countries in 1984/85 amounts to 25.8 million tons of cereals. The latter corresponds to food aid required to meet average minimum WHO/FAO dietary standards. The FAO/WFP Secretariat's estimate of 20 million tons, which the CFA considered as a useful indicator of food aid requirements of developing countries by 1985 covered a total of 111 countries and was based on an assessment of effective demand plus requirements for nutritional intervention programmes for which absorptive capacity exists and requirements for meeting excessive crop shortfalls of an emergency nature. Thus given the larger country coverage and the fact that some needs over and above effective demand are covered, the Secretariat figure continues to provide a useful indicator of the total requirements.

TABLE 5: FOOD AID IN CEREALS

	FOOD AID			Total Imports LIFDC	Share of Food Aid in Imports of LIFDC	Value of Commercial Cereal Imports of LIFDC	
	Total	To LIFDC	Under IEFR ^{1/}			Total	Excluding China & India
	(.....million tons.....)				(..percent..)	(.....US\$ billion.....)	
1979/80	8.9	7.3	0.39	41.6	17	7.8	4.7
1980/81	8.9	7.2	0.61	45.9	16	9.0	4.9
1981/82	9.1	7.5	0.46	48.9	15	8.9	4.6
1982/83	9.2	7.7	0.50	52.6	15	8.7	4.4
1983/84	9.8	8.8	0.61	47.3	18	7.8	4.9
1984/85 (estimated)	10.4	9.3	-	46.9	19	7.4	4.8

^{1/} Food aid shipments under the IEFR are included in the total and correspond to the calendar year of the second year shown.

Food Consumption Levels in 1984/85

30. At currently estimated levels of production and trade, per caput staple food consumption in the low-income food-deficit countries would rise only marginally in 1984/-85 (Table 6). Gains of around 2 percent each are expected in China and India, but average per caput food consumption is forecast to fall elsewhere to a level which would be marginally below that of 1969-71. In Africa, per caput staple food consumption levels are expected to decline in 19 of the 37 low-income countries, and in 24 of them the level will be below that in 1969-71. In the Near East, per caput food consumption is also anticipated to decrease, mainly reflecting the sharp decline faced by the Sudan. In the Far East, per caput consumption is expected to fall in over half of the countries in 1984/85, with particularly large declines in Bangladesh, Sri Lanka and Kampuchea. In Latin America, a marked recovery is forecast for Bolivia and consumption in most of the other countries is close to last year's level.

31. In total, 33 out of the 65 low-income food-deficit countries are expected to suffer a decline in their per caput consumption of staple foods in 1984/85. In order to keep consumption in these countries from falling, an additional 6 million tons of staple foods (in grain equivalent) would be required in the current year. When compared with the volume of their imports of 11 million tons, the difficulties in even maintaining the levels of per caput food consumption, let alone bringing them up to nutritionally adequate levels, are therefore very great.

TABLE 6: LOW INCOME FOOD DEFICIT COUNTRIES STAPLE FOOD PER CAPUT CONSUMPTION

	TOTAL STAPLE FOODS			GROWTH RATES	
	1969-71 average	1983/84	1984/85	1969-71 to 1983/84	1983/84 to 1984/85
	(.....kg/year.....)			(.....percent.....)	
TOTAL	212.3	245.3	247.6	1.1	1.0
Cereals	179.1	215.9	217.8	1.5	0.9
Roots and Tubers	21.7	20.3	20.9	-0.5	3.1
Pulses	11.5	9.3	9.2	-1.6	-1.7
FAR EAST	210.4	254.4	257.5	1.5	1.2
China	234.8	318.5	326.2	2.4	2.4
India	194.6	201.2	204.4	0.3	1.6
Others	178.9	199.7	194.4	0.9	-2.5
NEAR EAST	239.4	278.0	272.9	1.2	-1.9
AFRICA	221.4	188.9	188.8	-1.2	-0.0
"Seriously affected"	225.6	205.4	195.5	-0.7	-4.8
Others	217.6	174.2	182.9	-1.7	5.0
LATIN AMERICA	177.8	123.7	138.9	-2.8	12.3
OCEANIA	116.2	116.8	112.0	0.0	-4.1

IV. THE FOOD EMERGENCY IN AFRICA

32. Once again in 1984, harvests in many low-income countries of western, eastern and southern Africa were well below normal because of adverse weather conditions. The FAO/WFP Special Task Force on Africa has identified 21 countries which face exceptional food supply problems in 1984/85 or 1985. Fifteen countries which were already affected in 1983/84 are again considered to be facing exceptional food shortages in 1984/85 (Angola, Botswana, Burkina Faso, Cape Verde, Chad, Ethiopia, Lesotho, Mali, Mauritania, Mozambique, Senegal, Somalia, Tanzania, Zambia and Zimbabwe). A further six countries which were not in the list of 24 affected countries in 1983/84 now have exceptional needs (Burundi, Kenya, Morocco, Niger, Rwanda and Sudan). Out of the 21 countries identified as facing exceptional difficulties in 1984/85, FAO considers the problems to be most acute in Chad, Ethiopia, Mali, Mauritania, Mozambique, Niger, and Sudan.

33. Widespread crop failures occurred in the northern areas of the Sahelian countries and the final output of the 1984 cereal crops was even worse than the drought-reduced crops of last year. In the Sudanian zones of the same countries, the aggregate output was no better than last year. In eastern Africa, the 1984/85 food supply problem due to drought and/or civil strife is more severe and more widespread than during the previous year, especially in Ethiopia where over 7 million people are affected by the current food shortages. Most countries of southern Africa in 1984 harvested poor crops for the third consecutive year. In addition, farmers have experienced shortages of seeds and other inputs and low carryover stocks.

34. The aggregate 1984 production of cereals in the 21 affected countries is provisionally estimated at 22.6 million tons. This is some 3.4 million tons, or 13 percent, below their drought-reduced output in the previous year and 20 percent below the average annual production for the previous five years. The condition of pastures has also severely deteriorated, especially in the sub-Saharan areas where substantial migration of people and cattle has been reported, further aggravating the already serious situation of the southern areas which are the major crop-producing regions. Deaths from starvation have already been reported in some of the most seriously affected countries. The situation is expected to deteriorate further in 1985 due to the virtual absence of pastures and forage as the countries enter the lean period preceding the next harvest.

35. The 1984/85 cereal import requirements of the 21 affected countries are currently estimated at 11.8 million tons, compared with actual imports in 1983/84 of 7.2 million tons. Food aid requirements for the 21 countries are provisionally estimated at 6.6 million tons, or about 3.2 million tons more than the food aid received by the same countries in 1983/84. This estimated food aid requirement of 6.6 million tons includes 0.7 million tons, which FAO considers to be needed by Chad, Ethiopia and Mali but which can be delivered only if exceptional measures, e.g. airlifts, are taken by the international community.

36. Against the total aggregate food aid requirement of 6.6 million tons, donor pledges reported to the FAO Global Information and Early Warning System in mid-January amounted to 4.4 million tons, thus leaving an aggregate of 2.2 million tons still to be met. (Table 7)

37. As at mid-January 1985 less than half of the known pledges of food aid to the affected countries had been received and it is essential that steps be taken to expedite the delivery of pledges already made. In southern Africa and some countries of eastern Africa, the cereal food aid pledged against the 1984/85 food emergency is needed before May, when the next harvest becomes available for consumption.

38. In many Sahelian countries it is important that as much food aid as possible be received and distributed to the food-deficit areas before the onset of the 1985 rains, which are expected from June.

39. In addition to the immediate emergency food aid needs, most affected populations also need assistance in their special efforts to rehabilitate the agriculture and live-stock sectors from the consequences of natural and/or political adversities as quickly as possible. Post-emergency rehabilitation includes the supply of seeds, fertilizers and other additional supplies for agriculture as well as vaccines, equipment and related facilities for the control of rinderpest and other animal diseases. Immediate practical action is also required to improve the internal distribution infrastructure whose backwardness is today hampering national and international food assistance efforts.

40. As far as the outlook for the 1985 harvest is concerned, the conditions for the crops to be harvested in April/May in southern and eastern Africa have been favourable so far in most countries of the region. However, as at mid-January 1985, the final outcome is still uncertain and depends crucially on the performance of the rains in the coming weeks.

TABLE 7: Cereal Supply Position for 1984/85 or 1985 in 21 African Countries with abnormally High Cereal Import Requirements (in thousand tons)

Country	Marketing Year	Cereal 1/ production		1983/84 or 1984 Cereal imports 2/			1984/85 or 1985 Cereal import requirements 3/			Known food aid pledges				
		1984 Prelim. '000 tons	Index (1979- 83=100)	Total	Commer- cial imports	Food aid	Total	Commer- cial imports	Food aid require- ments	Total 4/	of which:			Food aid gap
											Rec'd so far	Undeli- vered pledges	Undeli- vered pledges	
North Africa		3 715		2 192	1 810	382	2 520	2 120	400 5/	334	134	200	66	
Morocco	July/June	3 715	96	2 192	1 810	382	2 520	2 120	400 5/	334	134	200	66	
West Africa		3 598		1 655	830	825	2 640	955	1 685	508	146	362	1 177	
Burkina Faso	Nov/Oct	1 100	96	163	60	103	300	115 9/	185	17	3	14	168	
Cape Verde	Jan/Dec	3	75	90	15	75	65	5	60	26	7	19	34	
Chad	Nov/Oct	315	57	127	50 16/	77	330 6/	280 7/	113	113	30	83	167	
Mali	Nov/Oct	700	73	292	133	159	550 8/	140 9/	410 10/	92	38	54	318	
Mauritania	Nov/Oct	20	41	270	78	192	235	80 9/	155	52	10	42	103	
Niger	Oct/Sept	780	58	31	11	20	600	125	475	140	39	101	335	
Senegal	Nov/Oct	680	92	682	483	199	(560)	(440)	(120)	68	19	49	52	
East Africa		11 940		1 940	415	1 525	4 565	1 156	3 409	1 814	720	1 094	1 595	
Burundi	July/June	323	80	26	20	6	85	20	(65)	16	13	3	49	
Ethiopia	Jan/Dec	(5 000)	80	502	53	449	1 700	(200)	1 500 11/	583	104	479	917	
Kenya	July/June	(1 850)	72	185	5	180	900	475	425	364	212	152	61	
Rwanda	July/June	249	83	27	13	14	80	17	(63)	25	18	7	38	
Somalia	Jan/Dec	(418)	111	330	70	260	(220)	(70)	150 14/	137	15	122	13	
Sudan	July/June	1 650	55	515	80	435	(1 150)	(200)	(950)	566	283	283	384	
Tanzania	June/May	(2 450)	100	355	174	181	430	174	256	123	75	48	133	
Southern Africa		3 409		1 425	817	608	2 070	976	1 095	954	622	332	141	
Angola	April/March	335	93	285	217	68	300	217	83	76	69	7	7	
Botswana	July/June	8	30	189	152	37	185	152	33	19	15	4	14	
Lesotho	July/June	140	82	187	141	46	180	120	61 17/	61	52	9	-	
Mozambique	May/April	378	85	468	109	359	620	120 9/	500 12/	425	267	158	75	
Zambia	June/May	920	95	205	129	76	335	129	206	163	99	64	43	
Zimbabwe	Apr./Mar.13/	1 628	80	91	69	22	450	238	212 17/	210	120	90	2	
Unallocated pledges 15/							800	-	800				-800	
Total 21 countries		22 662	80	7 212	3 872	3 340	11 795	5 207	6 589	4 413	1 622	2 788	2 179	

Footnotes on following page.

Note: Figures in parenthesis are early forecasts. Totals may not add up because of rounding.

1/ Includes paddy in milled equivalent.

2/ Figures represent estimates of imports actually effected in 1983/84 or 1984.

3/ Estimates of total cereal import requirements are based on estimates of total utilization less domestic availability. For most countries it is assumed that commercial imports in 1984/85 will be the same as estimated actual imports for 1983/84, with food aid requirements calculated as the residual. Where there has been an FAO/WFP or Multi-Donor Assessment Mission, the estimates are based on their findings. So far, for 1984/85 there have been seven such assessment missions to Burkina Faso, Cape Verde, Chad, Kenya, Mali, Morocco and Niger. The mission's estimates are revised subsequently to reflect the latest information available on production, import plans, food aid flows and the overall food supply situation. Already for Kenya, some downward revision has been made to reflect the improvement in the crop situation. For Senegal and Sudan, provisional estimates have been made pending the findings of the assessment missions.

4/ Includes about 270 000 tons of pledges made against the 1983/84 requirement but not delivered by the end of the marketing year.

5/ Includes 120 000 tons for drought relief requirement as assessed by the FAO/WFP Food Supply Assessment Mission which visited Morocco in April 1984.

6/ Total cereal import requirement not taking into account present logistic constraints. See footnote 7/.

7/ Total food aid requirement; however owing to logistic constraints the FAO/WFP Multi-Donor Food Supply Assessment Mission has estimated that only 125 000 tons can be delivered unless exceptional measures are taken by the donor community.

8/ Total cereal import requirement not taking into account present logistic constraints. See footnote 10/.

9/ Planned commercial imports.

10/ Total food aid requirement; however, owing to logistic constraints it may not be possible to deliver this amount in full. Preliminary indications are that only 200 000 tons can be delivered unless exceptional measures are taken by the donor community.

11/ Total food aid requirement not taking into account present logistic constraints. It is estimated that only 1.2 million tons can be delivered using the present logistic capacity and with the improvements specified by the Special Representative of the UN Secretary-General and being considered by donors. The delivery of additional quantities would require further exceptional measures by the international community.

12/ Includes about 260 000 tons for rural famine relief.

13/ Refers to coarse grains and rice. For wheat the marketing year is October/September.

14/ The estimate of food aid requirements reflects mainly the continuing need of refugee population.

15/ Includes unallocated food aid pledges of 400 000 tons by EEC and its member states, 250 000 tons by the United States, 100 000 tons by India and 50 000 tons by China.

16/ Estimated unofficial imports.

17/ Food aid pledged so far.

V. SELECTED POLICY MEASURES TO STRENGTHEN FOOD SECURITY

41. Many of the problems identified in the previous section can be addressed satisfactorily only if specific policy measures are adopted at national, regional and global levels to strengthen food security within the framework of the broadened concept covering production, stability, and access. Current developments concerning the policy environment are reviewed in this section.

Measures at National Level

42. There is an increasing awareness among governments of the need to take appropriate policy measures to strengthen food security. In this connection the Harare Declaration on the Food Crisis in Africa adopted by the governments of African countries at the Thirteenth FAO Regional Conference in Harare, Zimbabwe, July 1984 is particularly important. In this Declaration the Ministers have pledged to accord the highest priority to agriculture, to adopt more effective policies for food and agricultural development and to take measures to increase efficiency of resource use in government institutions.

43. This year's review focuses on two important types of national policy measures to strengthen food security, namely, food stock policies and food production policies with special reference to producer price policies.

44. Food production policies. While it is not possible to give a full account of the food production policies adopted by governments, the available information indicates that a number of governments have adopted measures to encourage food production in the current year, including increases in support/procurement prices, subsidies for agricultural inputs, improved supply of agricultural inputs, extension of irrigation facilities and increased credit facilities.

45. Among the various measures, the establishment of producer prices to encourage production is receiving particular attention. While many countries have now adopted support prices for cereals, and have increased the level of this support in 1984/85, there has been a tendency for inflation to erode these increases. As a result, real increases in support prices have been limited. An analysis of trends in support prices for wheat, rice and maize since the beginning of the 1970s^{1/} shows that the support prices of wheat, rice and maize increased substantially over the 1970s in almost all developing countries for which information was available.^{2/} However, in real terms support prices of wheat rose in only half of the countries studied, remained stable in about one fifth of them and declined in the remaining 30 percent. Similarly, real support prices of rice rose in one third of the cases, remained steady in another one third, and declined in the remainder. In the case of maize, although real support prices rose during 1970-83 in about 80 percent of the countries studied, in half of them the average increase was only marginal.

46. The effectiveness of the support prices in providing an incentive to producers depends not only on the level of these prices but also on other factors including the relationship of support prices to prices of inputs. A comparison of changes in support prices with changes in fertilizer prices suggests that price policy may have provided increased stimulus to fertilizer use on rice in recent years.

^{1/} See documents CCP:GR 82/4, Farm Support Prices for Wheat; CCP: RI 82/7, General Review of Farm Support Prices for Rice; CCP: GR 84/6 Farm Support Prices for Maize. The periods covered were 1970-80 for wheat, 1970-81 for rice and 1970-83 for maize.

^{2/} Twenty-four developing countries were covered for wheat, 44 for rice and 30 for maize.

47. National cereal stock policies. Since the Committee's last review of the progress of the implementation of the Plan of Action at its Ninth Session, five more countries 1/ have indicated that they pursue cereal stock policies or practices. (Table 8) The fact that there are now 112 2/ countries (24 developed, 3 centrally planned and 85 developing) which are known to have adopted stock policies or pursue stock practices signifies that there is a widespread awareness among governments of the usefulness of maintenance of stocks to safeguard food security. However, efforts of an increasing number of low-income food-deficit countries, particularly those in Africa, to build reserves were thwarted by the recurrence of natural and man-made calamities superimposed on the long-term difficulties relating to food production, foreign exchange constraints, and the lack of adequate infrastructure and institutional facilities in these countries.

48. The developed countries, in aggregate, are holding sufficient cereal stocks to meet the objectives of their national stock policies or practices although a number of them have not set targets. It is anticipated that carryover stocks of cereals at the close of 1984/85 seasons for the two main exporters - the United States and the EEC - will increase by 26 million tons, as a result of substantial rise in production in these countries and limited import demand.

49. In the developing countries, total carryover stocks at the end of 1984/85 seasons are anticipated to increase by 4 million tons to 123 million tons, mainly reflecting a further increase in holdings in China and India. Although stocks had been drawn down during the past few years in India, they exceeded the target level of 21 million tons as at 1 July 1984, and may be maintained at a level close to the target at the end of 1984/-85. Inventories may also increase in some other countries, including Bangladesh, Brazil, Indonesia, the Republic of Korea, and Mexico. In Bangladesh, notwithstanding fall in production, carryover stocks with the government at the end of 1984/85 season are expected to rise to almost 1 million tons - nearly 80 percent of the target, largely as a result of substantial imports. In Indonesia, too, stocks exceeded the target of 2 million tons by October 1984 and may be built up further by the end of 1984/85 season.

50. Stocks are, however, expected to decline sharply in several other developing countries. In Argentina inventories of cereals, which in the past have been considerably in excess of the target of 700 000 tons, are expected to decline to a level close to the target as a result of fall in cereal production for two consecutive years. In Pakistan cereal stocks are being drawn down to cover the shortfall in wheat production in 1984; it is anticipated that government carryover stocks of wheat, which at the beginning of 1984/85 season amounted to 90 percent of the target of 2 million tons, will decline substantially by the end of the season.

51. In most developing countries, particularly in Africa, stocks remain at levels that leave little or no margin for food security. In Kenya cereal stocks are likely to decline by the end of 1984/85 season to one third of the target of 460 000 tons. Also, in Sudan, the actual level of carryover stocks may be only one third of the target, while in Zambia and Zimbabwe it may be only about half. Also, in several other African countries facing food emergencies, stocks have fallen to precariously low levels.

1/ Bolivia, Congo, Lebanon, Sierra Leone and Zaire.

2/ Countries for which information is not available.

TABLE 3
NATIONAL CEREAL STOCK POLICIES AND PRACTICES

COUNTRY	Explicit stock policy	Stock practices	Objectives of stock policy and practices						Target for carry-over stocks (2)	Stock target adequate?	Actual Stocks		Constraints in attaining stock target							
			To maintain supplies to domestic and export markets	To meet emergencies	To stabilize prices	To meet public distribution programmes	To meet international commitments such as food aid or long-term contracts	Strategic considerations			Percent of target (%)	Date	Stock ownership Government (G) Private (P)	Inefficient domestic production	Lack of foreign exchange to import	Lack of storage facilities	Transportation difficulties	Technical problems of stock management	Other financial or organizational problems	
Algeria	X		X	X	X	X	X	2,000 £	R + W	Yes	...	...						
Argentina	X		X	X	X	X	X	700	R + W	Yes	271	Sept. 84	G + P							
Australia	X	X	X	X	X	X	X	...	R + W	...	...	...	G + P							
Austria	X		X	X	X	X	X	210	R + W	...	...	...	P							
Bangladesh	X		X	X	X	X	X	1,230	R + W	No	...	...	P							
Barbados	X		X	X	X	X	X	4-10	R + W	...	...	...	P							
Benin	X		X	X	X	X	X	35	R + W	...	...	...	G							
Burkina Faso	X		X	X	X	X	X	5	R + W	Yes	...	...	G							
Burundi	X		X	X	X	X	X	...	R	Yes	...	...	G							
Botswana	X		X	X	X	X	X	30	R	Yes	...	...	G							
Brazil	X		X	X	X	X	X	4,080	R + W	Yes	...	...	G + P							
Burkina Faso	X		X	X	X	X	X	70	R	Yes	...	...	G							
Burundi	X		X	X	X	X	X	6	R	Yes	...	...	G							
Cameroon	X		X	X	X	X	X	10,000	R	Yes	125	July 84	P							
Canada	X		X	X	X	X	X	25	R	...	...	...	...			
Cape Verde	X		X	X	X	X	X	40	R	...	...	...	...			
Chad	X		X	X	X	X	X	...	R	...	...	...	...			
Chile	X		X	X	X	X	X	470	R + W	Yes	...	...	P							
Colombia	X		X	X	X	X	X	...	R + W	Yes	...	...	G + P							
Congo	X		X	X	X	X	X	...	R + W	...	...	...	G							
Costa Rica	X		X	X	X	X	X	40	R + W	Yes	...	...	G + P							
Cyprus	X		X	X	X	X	X	100	R + W	No	113	Dec. 84	G							
Dominican Rep.	X		X	X	X	X	X	80	R + W	Yes	...	...	G							
Ecuador	X		X	X	X	X	X	50	R + W	Yes	...	...	G + P							
EEC	X		X	X	X	X	X	7,500	R + W	Yes	172	Aug. 84	G + P							
Egypt	X		X	X	X	X	X	1,070	W	Yes	100	June 84	G							

Footnotes at the end of this table.

NATIONAL CEREAL STOCK POLICIES AND PRACTICES (cont'd)

COUNTRY	Explicit stock policy ^a	Stock practices ^b	Objectives of stock policy and practices					Target for carry-over stocks ^c		Stock target adequate? ^d	Actual Stocks		Constraints in attaining stock target						
			To maintain supplies to domestic and export markets	To meet emergencies	To stabilize prices	To meet public distribution programmes	To meet international commitments such as food aid or long-term contracts	Strategic considerations	Total ('000 MT)		Reserve (R) Working (W)	Percent of target (%)	Date	Stock ownership Government (G) Private (P)	Inefficient domestic production	Lack of foreign exchange to import	Lack of storage facilities	Transportation difficulties	Technical problems of stock management	Other financial or organizational problems
Zaire	X	X	X	X	X	X	X	X	600 ^e	R + W	12.5	June 84	G	X	X	X	X	X	...
Zambia	X	X	X	X	X	X	X	440	R + W	...	...	...	C	X	X	X	X	...	...
Zimbabwe																			

Source: - Replies by governments to the questionnaires on National Food Stock Policies and Practices;
 - FAO Food Security Assistance Scheme;
 - International Wheat Council, "National Stockholding Policies", Secretariat paper No. 13, April 1983; and
 - other official and unofficial sources.

Explanatory Notes:
 Figures have been rounded.
 X means statement under relevant column prevails in the country concerned.
 ... information not available.

Definitions:
 Stock policy is defined as a definite course or method of action established by a government in order to guide, influence or determine the level of stocks in the country concerned in accordance with certain objectives.
 Stock practices refer to acquisition, maintenance and release of stocks which are followed in the course of implementing other policies in the fields of production, pricing and marketing of cereals.
 Carryover stocks consist of supplies from harvests of previous seasons (or from imports) that remain available in a country at the beginning of the new crop season. They comprise both 'working stocks' and 'reserve stocks'.
 Working stocks are stocks required to assure a smooth and uninterrupted flow of supplies from the farmer or point of import to the final consumer. Working stocks comprise stocks held by farmers, processors and merchants, including the quantities in transit or afloat, as well as those held by governments for sale through public distribution systems and for intraseasonal supply and price stabilization.
 Reserve stocks are that part of the carryover which is in excess of working stocks. They include stocks which can be drawn on to meet unexpected deficits in supplies due to crop shortfalls, emergency food shortages and other contingencies.

Footnotes:
 a/ Estimated on the basis of official target expressed in percentage of annual consumption. b/ Figure shown is not a target but the level below which carry-over stocks have not declined during the last ten years. c/ Figure shown is not a target but minimum stocks to be maintained. d/ Target relates to wheat and coarse grains only; target for rice under review. e/ Target relates to maize only. f/ Target relates to rice only. g/ Inclusive of a food security reserve up to 4 million tons of wheat and a farmer-owned reserve which varies in size depending on supply-demand and price situations, the upper limit of which may not be less than 19.1 million tons for wheat and 25.4 million tons for coarse grains.

52. Impact of national policies on food security. The need to bring about a greater harmonization of national policies on the production, consumption and stocks of basic foods was highlighted by the Committee at its Eighth Session. In this connection, the Committee gave general support to a request to the Intergovernmental Group on Grains for a study on the effects of national policies of major cereal producing and trading countries on production, consumption and trade. It was felt that such a study could assist the Committee in evaluating the impact of such policies on world food security. The Twenty-second Session of the Intergovernmental Group on Grains considered a paper on "Impact of National Grain Policies of Selected Countries on World Grain Supplies and Prices" ^{1/}. The main conclusions of the Group on this paper are summarized below.

53. The Group agreed that one of the principal causes of instability in cereal markets, trade and prices had been the variability of production, particularly as variations in output had tended to move in the same direction in several major producing countries simultaneously. It noted that the extent to which these fluctuations were transmitted onto world markets depended significantly on national grain policies, including stock policies. The nine countries covered by the study had, as a result of their policies, held back part of their production fluctuations during the period 1970/71 to 1982/83. Consequently, consumption and stocks in these countries had varied by more than what might be expected in a more open trading system. At the same time the degree of absorption of external production fluctuations was found to be less than would be expected under free trade.

54. The Group also noted that these countries had all adopted policies to mitigate the effects of fluctuations in production and consumption on world markets. However, it recognized that developing countries were not in a position to offset much of the impact of production fluctuations on consumption, and that their ability to stabilize consumption needed to be strengthened by measures to reduce output fluctuations, to build up stocks and to facilitate imports. The Group agreed that in formulating their national grain policies developed countries should pay special attention to the food security needs of the low-income food-deficit countries.

55. The Group recognized the crucial role of stock management in making the transmission of national production fluctuations more responsive to world market conditions and in enabling countries to absorb a greater share of production fluctuations in the rest of the world. It agreed that an increase in such absorption could contribute to the reduction of world market instability and hence to improved world food security, but that it was unlikely that countries would take steps in this direction unless a framework of coordinated action at the international level existed. The Group agreed that there was some scope for improvements within the existing institutional framework for a greater exchange of information and harmonization of national stock policies. However, most delegates emphasized the essential need to conclude as soon as possible a new International Wheat Agreement with effective economic provisions, which could take into account the interests of the developing countries.

Measures at Regional and Sub-Regional Levels

56. The Council at its Eighty-sixth Session stressed the need for strengthening regional and sub-regional cooperation in food security among developing countries and agreed that such efforts should complement and not substitute for national efforts. A

^{1/} CCP:GR 84/3 which covered Argentina, Australia, Canada, China, EEC, India, Japan, the United States and the USSR.

number of developments have taken place during the past year which are expected to foster such cooperation.

57. In the sub-region covered by the Southern African Development Coordination Conference (SADCC), while efforts have recently centred largely on immediate measures to deal with the hardship and economic dislocation caused by three consecutive years of severe drought, work has also proceeded on long-term measures for improved productivity, crop forecasting, storage and distribution. The studies of the nine projects aimed at strengthening the food security of the sub-region have been completed and some are already under implementation.

58. The Council of Ministers of the Economic Community of the Great Lakes Countries (CEPGL) favourably considered a report of a joint ECA/FAO mission which stressed that cooperative action in food security should start in setting up national early warning systems. The Committee on Agricultural Cooperation of the Preferential Trade Area for Eastern and Southern African States (PTA), at its second meeting in May 1984 in Lusaka, adopted a proposal for a pre-feasibility study for establishing a sub-regional food security for the PTA member countries. The proposal awaits possible funding by donors.

59. The Action Committee for Regional Food Security (CASAR) within the framework of the Latin American Economic System (SELA) organized a meeting of managers of State marketing agencies of basic foodstuffs of the Latin American and Caribbean countries. The meeting agreed on concrete steps to promote trade in basic foodstuffs among agencies and to exchange technical personnel in food matters among the marketing agencies.

60. The Commission of the Board of the Cartagena Agreement (Junta del Acuerdo de Cartagena) organized a technical meeting in Lima in June 1984 which exchanged information on the food security policies and programmes followed by member countries and defined activities to be undertaken at the sub-regional level. A Workshop was convened in August 1984 which emphasized, inter alia, the potential role of a food-oriented approach in creating employment opportunities.

61. The second meeting of the FAO Regional Commission on Food Security for Asia and the Pacific is scheduled to be held in June 1985. In line with the recommendation of the first meeting of the Commission for undertaking further studies on the proposal on the South Asian Food Security Reserve, FAO, through its Regional Office for Asia and the Pacific, has planned to undertake a project for determining optimum levels of national food reserves in the South Asian countries.

62. Following a recommendation by the Committee at its Sixth Session, FAO organized two workshops on national preparedness to cope with acute and large-scale food shortages - one for Asia and the Pacific countries in May 1983, and the other for Eastern and Southern African countries in September 1984. A similar workshop for Western African countries is planned to be held in 1985.

Measures at Global Level

63. Developments in international assistance. In the field of international assistance, the most recent information indicates a possible decline in 1983 in the levels of Official Commitments to Agriculture (OCA) "narrow" definition. This decline reflects budgetary stringencies in the major donor countries in the early 1980s. The concessional part of these commitments (ODA) also appears to have declined, affecting in particular

the low-income countries which rely on such assistance for expanding their investment in agriculture.

64. The resources of the International Development Association (IDA), the soft loan affiliate of the World Bank, seem likely to be limited to US\$ 9 billion for the seventh replenishment covering 1985-87, against the original proposal to expand its resources to US\$ 12 billion for this period. Attempts to bridge the gap have so far not been successful. Also, despite six consultations, spanning more than one year, on the second replenishment of the resources of the International Fund for Agricultural Development (IFAD), no agreement had been reached by the end of 1984 on provisions for financing the organization's programme for 1985/87. As a consequence, IFAD estimated that resources available for 1985 would cover only one third of the planned programme amounting to about US\$ 300 million.

65. International wheat agreement. Although there was no consensus regarding the resumption of negotiations for a new International Wheat Agreement with economic provisions and taking account of the interests of developing countries, there was a general agreement on the usefulness of strengthening further and consolidating the consultative mechanisms under the present Convention. At its 101st Session, held during December 1984, the Council established a Working Group to consider future activities of the Council and the possibilities of improving the existing Agreement due to expire on 30 June 1986.