



Crop Prospects and Food Situation

HIGHLIGHTS

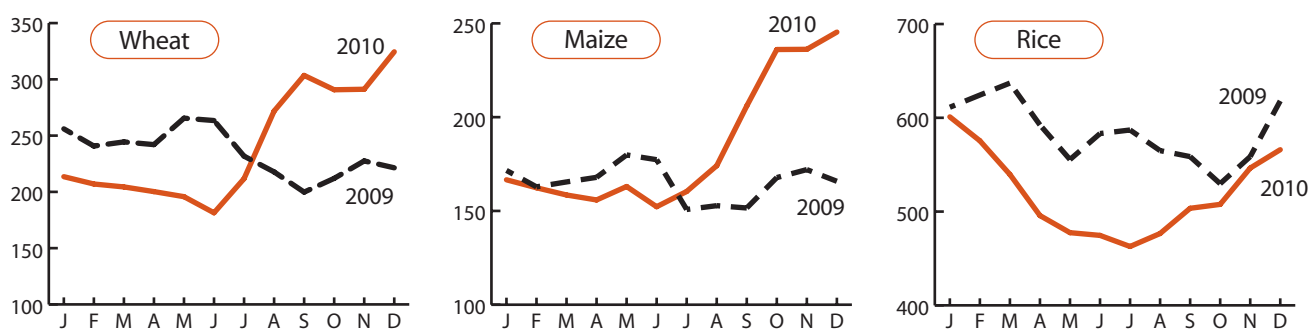
- **FAO's latest estimate of the world cereal production in 2010 stands at 2 229 million tonnes**, slightly more than the previous forecast in November but still 1.4 percent down from the previous year.
- **Most of the decline is among the major exporting countries while in the Low-Income Food-Deficit countries (LIFDC), cereal output is forecast to increase by 2.5 percent, marking a third consecutive year of sustained growth.** The largest increase is estimated for Africa, with record crops in all subregions except North Africa.
- **Early prospects for the 2011 global wheat production are uncertain.** Winter wheat plantings in the northern hemisphere are tentatively estimated up marginally from the previous year but crop conditions are mixed in some main producing areas. Overall, wheat production in 2011 will depend on the weather in the coming months. The bulk of the coarse grains and paddy crops are not due to be planted for several months.
- **International cereal prices continue to increase in the first half of December. Prices of wheat and maize are about 50 percent higher than a year ago.** Rice prices have strengthened in recent months but are still below the level of a year earlier. Price developments in the remainder of the 2010/11 marketing season will depend greatly on prospects for 2011 cereals crops.
- **The cereal import volume in LIFDCs as a group will decline in 2010/11 but their cereal import bill is forecast to increase by 11 percent because of higher international prices.**
- **In developing countries, domestic coarse grains prices have generally declined and are at low levels in Africa but in Asia prices of rice are increasing.** Prices of wheat in importing countries stabilized in November.
- **Despite record or bumper 2010 cereal harvests in most regions, 29 countries around the world face food difficulties and are in need of external food assistance.**

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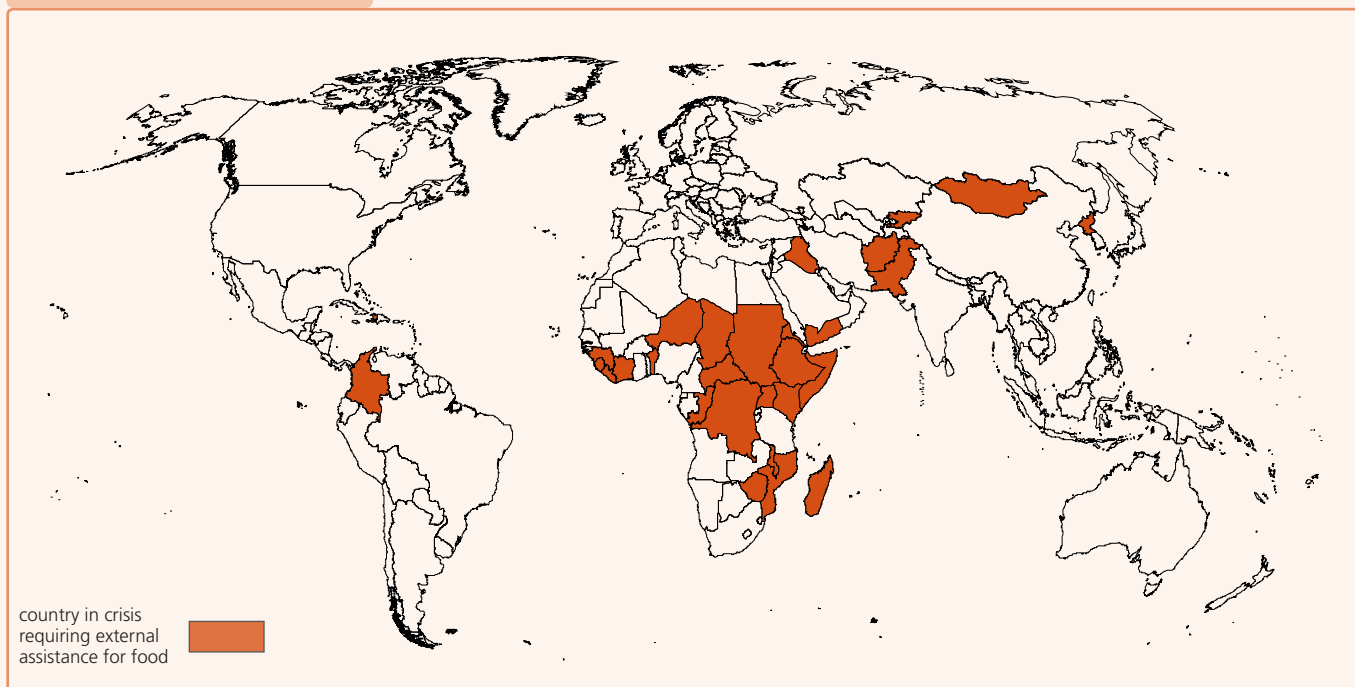
International cereal prices

(benchmark monthly averages, USD per tonne)



Countries in crisis requiring external assistance for food¹

World: 29 countries



AFRICA (20 countries)

Exceptional shortfall in aggregate food production/supplies

Zimbabwe

An estimated 1.68 million persons in rural and urban areas require food assistance despite overall improved food security conditions

Widespread lack of access

Eritrea

High levels of food insecurity persist due to economic constraints and large numbers of internally displaced persons. Recent good rains improved pasture/water availability in previously dry pastoral areas

Liberia

Slow recovery from war-related damage. Inadequate social services and infrastructure, as well as poor market access

Niger

In spite of a record 2010 crop, assistance is still needed due to the lingering effects of the 2009/10 food crisis which resulted in depletion of household assets, including loss of animals and high levels of indebtedness

Sierra Leone

Slow recovery from war-related damage. Depreciation of currency led to higher inflation rates negatively impacting households' purchasing power and food security conditions

Somalia

About 2 million people are in need of food assistance due to the ongoing conflict. Conditions improved following good cereal production in the 2009/10 secondary "deyr" and 2010 main "gu" seasons

Severe localized food insecurity

Benin

Severe flooding affected 680 000 people causing damage to housing, infrastructure, crops and livestock

Central African Republic

Civil insecurity restricts access to agricultural land, while volatile prices hamper food access

Chad

Large numbers of refugees located in southern and eastern regions - approximately 270 000 Sudanese and 82 000 from Central African Republic. Drought and lack of pasture led to serious livestock deaths and damage in 2009/10, notably in west-central areas of the country

Congo

Influx of more than 100 000 refugees since the end of 2009, increased pressure on limited food resources

Côte d'Ivoire

Conflict-related damage. Agriculture seriously damaged in recent years due to the lack of support services in certain parts of the country (mainly in the northern regions)

Dem. Rep. of Congo

Civil strife, internally displaced persons, returnees and high food prices

Ethiopia

Good 2010 "belg" and "meher" harvests have improved food security conditions but the estimated number of people requiring food assistance is still estimated at 2.3 million, mainly in Somali, Tigray and Oromia states

Guinea

Access to food is negatively affected by high prices and inflation rates

Kenya

An estimated 1.6 million people are food insecure, mainly in north-western pastoralist and agro-pastoralist areas, and south-eastern and coastal lowlands. Good 2010 "long rains" harvest in October-November has improved the food security situation

Madagascar

Food insecurity persists in southern municipalities, due to a 2010 poor crop production, tightening market supplies and increasing prices

Malawi

Severe crop losses recorded in southern districts, but food security conditions have improved due to new food supplies from the winter harvest and the commencement of food aid distributions. The number of people estimated to be food insecure has been reduced to 508 000 down from 1 million

Mozambique

About 335 000 persons in need of assistance during peak lean season, down from the initial assessment findings

Sudan

About 6.4 million people in need of food assistance, due to a combination of factors, including civil strife (Darfur), insecurity (southern Sudan) and high food prices

Uganda

Number of people in need of food assistance in the north and Karamoja region is significantly declining following good 2010 main season production

**Mongolia**

Lingering effects of the extreme cold (Dzud) last winter resulted in death of nearly six million heads of livestock out of a total of 44 million and has adversely affected the livelihoods of some 500 000 people

Severe localized food insecurity**Afghanistan**

Conflict, insecurity and high food prices. Moderately food insecure areas are in the centre and north-east of the country

Kyrgyzstan

Effects of social unrest, recent ethnic conflicts, internally displaced persons

Pakistan

The lingering effects of severe flooding, which affected some 18 million people causing damage to housing, infrastructure and crops

Yemen

Effects of recent conflict, internally displaced persons (about 300 000 people still in camps) and refugees

**ASIA (7 countries)****Exceptional shortfall in aggregate food production/supplies****Iraq**

Severe civil insecurity

Widespread lack of access**DPR Korea**

Economic constraints and lack of agricultural inputs continue, leading to inadequate food production and aggravated food insecurity

**LATIN AMERICA AND THE CARIBBEAN (2 countries)****Severe localized food insecurity****Colombia**

Severe flooding affected around 2 million people causing damage to housing, infrastructure, crops and livestock

Haiti

Food consumption improves, but levels of food insecurity remain higher than those prior to the earthquake

**Countries with unfavourable prospects for current crops²****AFRICA (1 country)****Burundi**

Insufficient rainfall forecast for the 2011A season could affect crop production and exacerbate current food insecurity conditions

**ASIA (3 countries)****Cambodia**

Delayed and erratic monsoon rains

Lao People's Dem. Rep.

Delayed and erratic rains

Pakistan

Severe flooding

**Key - Changes since last report (September 2010)**

No change ■ Improving ▲ Deteriorating ▼ New Entry +

Terminology

¹ **Countries in crisis requiring external assistance for food** are expected to lack the resources to deal with reported critical problems of food insecurity. Food crises are nearly always due to a combination of factors but for the purpose of response planning, it is important to establish whether the nature of food crises is **predominantly** related to lack of food availability, limited access to food, or severe but localized problems. Accordingly, the list of countries requiring external assistance is organized into three broad, not mutually exclusive, categories:

- Countries facing an **exceptional shortfall in aggregate food production/supplies** as a result of crop failure, natural disasters, interruption of imports, disruption of distribution, excessive post-harvest losses, or other supply bottlenecks.
- Countries with **widespread lack of access**, where a majority of the population is considered to be unable to procure food from local markets, due to very low incomes, exceptionally high food prices, or the inability to circulate within the country.
- Countries with **severe localized food insecurity** due to the influx of refugees, a concentration of internally displaced persons, or areas with combinations of crop failure and deep poverty.

² **Countries facing unfavourable prospects for current crops** are countries where prospects point to a shortfall in production of current crops as a result of the area planted and/or adverse weather conditions, plant pests, diseases and other calamities, which indicate a need for close monitoring of the crops for the remainder of the growing season.

Global cereal supply and demand brief

World cereal production in 2010 to decline slightly less than was anticipated in November

The estimate for world **cereal production** in 2010 has been revised upwards slightly since the previous update (released on 17 November in Food Outlook) to 2 229 million (including rice in milled terms). At this level, world cereal production would be 1.4 percent below 2009 but still the third highest on record. This month's upward revision mostly reflects higher estimates for production in a few countries, in particular Australia, Canada, Mexico and Nigeria that have more than compensated reduced estimates for India and Kazakhstan. This year's decline in cereal production will be entirely due to lower output in developed countries while in developing countries production is forecast to rise by a significant 3.8 percent. World **wheat production** is currently

forecast to reach 653 million tonnes, down 4 percent from the previous year. Global **production of coarse grains** is expected to register a small decline to 1 110 million tonnes, while **rice production** is put at 466 million tonnes, up 2.3 percent from 2009 but slightly less than was reported in November.

Prospects for 2011 cereal production

At this stage of the season, with less than half of the world's 2011 cereal crops in the ground and the bulk of the coarse grains and paddy crops not due to be planted

for several months, it is too early for even a preliminary forecast of output in 2011. An added element of uncertainty for the 2011 harvest will be the development of the current La Niña event, which has already affected some producing areas.

Early prospects for winter wheat in the northern hemisphere are uncertain. Preliminary estimates indicate marginally larger plantings than last year but crop conditions are mixed. However, much will depend on the weather in the coming months.

In the southern hemisphere where the main coarse grain crops have already been planted, early prospects are uncertain in South America due to lower plantings in Brazil and delayed sowing in Argentina. In South Africa, reduced incentive for maize production has led to lower plantings. (See box on page 7 for details.)

Table 1. Basic facts of world cereal situation
(million tonnes)

	2008/09	2009/10 estimate	2010/11 forecast	Change: 2010/11 over 2009/10 (%)
PRODUCTION¹				
World	2 285.7	2 260.5	2 229.4	-1.4
Developing countries	1 240.4	1 236.1	1 282.6	3.8
Developed countries	1 045.3	1 024.3	946.8	-7.6
TRADE²				
World	281.3	272.6	268.6	-1.5
Developing countries	72.1	73.5	77.5	5.4
Developed countries	209.2	199.1	191.1	-4.0
UTILIZATION				
World	2 181.2	2 220.6	2 259.5	1.8
Developing countries	1 332.6	1 353.3	1 395.1	3.1
Developed countries	848.5	867.3	864.4	-0.3
Per caput cereal food use (kg per year)	152.4	151.9	152.9	0.7
STOCKS³				
World	521.2	557.1	524.8	-5.8
Developing countries	352.4	374.5	387.3	3.4
Developed countries	168.8	182.6	137.5	-24.7
WORLD STOCK-TO-USE RATIO%	23.2	24.0	23.0	-4.2

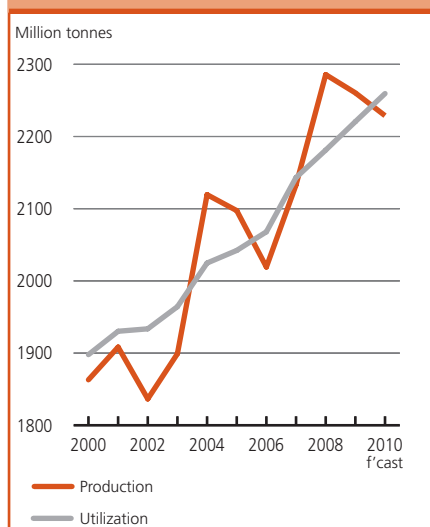
Note: totals computed from unrounded data.

¹ Data refer to calendar year of the first year shown and include rice in milled terms.

² For wheat and coarse grains, trade refers to exports based on July/June marketing season. For rice, trade refers to exports based on the calendar year of the second year shown.

³ Data are based on an aggregate of carryovers level at the end of national crop years and, therefore, do not represent world stock levels at any point in time.

Figure 1. World cereal production and utilization



Overall, in order to meet trend-based utilization requirements for 2011/12 and avoid a further drawdown of carryover stocks total cereal production in 2011 would need to increase by a minimum of 2 percent with larger increases required for wheat and maize in particular.

Tight cereal supply demand balance and expectations of stock reductions result in high prices

In spite of the latest upward revision of this year's cereal production, the world supply and demand balance for cereals is still expected to tighten considerably with total utilization exceeding world production in the 2010/11 marketing year. As a result, a reduction of some 6 percent (or over 32 million tonnes) in carryover stocks will be required to meet consumption needs.

The tightening of the cereal market anticipated in the 2010/11 marketing year has already resulted in a sharp increase in **world prices** of all major cereals in recent months with wheat and coarse grains currently trading at around 50 percent above the previous year's levels. The **FAO Cereal Price Index** gained nearly 5 points in November, to reach 225 points, its highest value since

September 2008. Price developments in the remainder of the 2010/11 marketing season will depend greatly on prospects for **2011** cereals crops which are mixed so far. Any significant deterioration in crop prospects

would add new impetus to the price spiral.

World **cereal utilization** in 2010/11 is currently forecast to reach 2 260 million tonnes, up 1.8 percent from the previous season. The projected growth is slightly

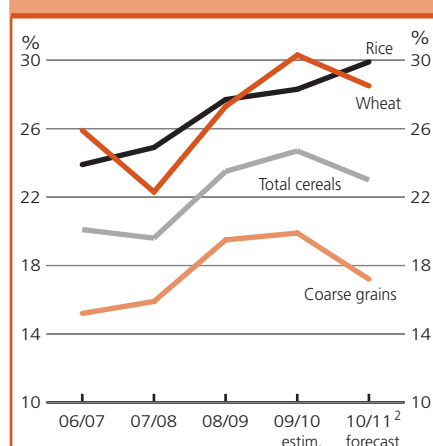
Table 2. World wheat balance
(million tonnes)

	2007/08	2008/09	2009/10 estimate	2010/11 forecast	Change: 2010/11 over 2009/10 (%)
Production¹	611	685	682	653	-4.3
Supply²	772	829	862	833	-3.4
Utilization	629	647	659	667	1.2
Trade³	112	139	128	122	-4.6
Ending stocks⁴	144	180	202	189	-6.4
- major exporters ⁵	30	47	56	53	-5.4
World stock-to-utilization ratio %	22.2	27.1	30.2	27.7	-8.3

Table 3. World coarse grain balance
(million tonnes)

	2007/08	2008/09	2009/10 estimate	2010/11 forecast	Change: 2010/11 over 2009/10 (%)
Production¹	1 082	1 143	1 123	1 110	-1.1
Supply²	1 242	1 316	1 340	1 335	-0.4
Utilization	1 073	1 090	1 113	1 133	1.8
Trade³	131	113	114	116	1.9
Ending stocks⁴	173	217	225	199	-11.4
- major exporters ⁵	70	81	82	51	-38.1
World stock-to-utilization ratio %	15.8	19.2	19.1	17.9	-6.3

Figure 2. Ratio of world cereal stocks to utilization¹



¹ Compares closing stocks with utilization in following season.
² Utilization in 2010/11 is a trend value based on extrapolation from the 1999/00-2009/10 period.

Table 4. World rice balance
(million tonnes, in milled terms)

	2007/08	2008/09	2009/10 estimate	2010/11 forecast	Change: 2010/11 over 2009/10 (%)
Production¹	440	458	455	466	2.3
Supply²	544	569	580	591	1.8
Utilization	436	445	449	460	2.5
Trade³	30	29	31	31	-1.0
Ending stocks⁴	111	125	130	136	4.8
- major exporters ⁵	27	33	30	30	0.7
World stock-to-utilization ratio %	24.9	27.4	27.2	29.0	6.6

¹ Data refer to the calendar year of the first year shown.

² Production plus opening stocks.

³ July/June for wheat and coarse grains, January/December for rice.

⁴ May not equal the difference between supply and utilization due to differences in individual country marketing years.

⁵ Argentina, Australia, Canada, the EU and the United States for wheat and coarse grains; India, Pakistan, Thailand, the United States and Viet Nam for rice.

Table 5. Cereal export prices*
(USD/tonne)

	2009			2010		
	Dec.	Aug.	Sept.	Oct.	Nov.	Dec.
United States						
Wheat ¹	221	272	303	291	291	324
Maize ²	166	174	206	236	236	245
Sorghum ²	182	185	215	231	234	244
Argentina³						
Wheat	240	277	299	294	295	300
Maize	166	198	229	248	246	253
Thailand⁴						
Rice, white ⁵	618	472	499	509	541	566
Rice, broken ⁶	394	373	414	431	430	426

*Prices refer to the monthly average. For December 2010, two weeks average.

¹ No.2 Hard Red Winter (Ordinary Protein) f.o.b. Gulf.

² No.2 Yellow, Gulf.

³ Up river, f.o.b.

⁴ Indicative traded prices.

⁵ 100% second grade, f.o.b. Bangkok.

⁶ A1 super, f.o.b. Bangkok.

higher than was anticipated earlier, with food and feed utilization of major cereals keeping pace with recent trends. Among the major cereals, in percentage terms, the largest increase in utilization is forecast for rice but wheat and coarse grains usages are also expected to increase. Most importantly, the growth in food use of cereals is likely to slightly surpass the pace in population growth, resulting in a slight increase in per caput cereal consumption as food to around 153 kg per annum.

World **cereal stocks** for crop seasons ending in 2011 are likely to fall to 525 million tonnes, down nearly 6 percent from their relatively high opening levels. Coarse grain stocks are forecast to decline most, by over 11 percent, and wheat inventories could decrease by 6 percent but rice stocks are expected to increase by 5 percent. Based on the current expectations for production and utilization this season, world **cereal stocks-to-use**

ratio in 2010/11 is forecast to decline by almost 2 percentage points to 23 percent but would still be well above the 30-year low of 19.6 percent registered in 2007/08.

World **cereal trade** in the 2010/11 marketing year is forecast to contract by around 1.5 percent, to nearly 269 million tonnes, reflecting mostly a decrease in wheat trade but also slightly lower shipments of rice. These declines would more than offset the anticipated increase in world trade of maize.

International cereal prices remain firm

International prices of **wheat** increased 11 percent in the first half of December compared to their November average. The benchmark US wheat price (US No2 Hard Red winter) reached USD 325 per tonne, about 70 percent higher than at the beginning of the marketing

season in July. The market is supported by concerns over the quality of the Australian wheat crop after heavy rains at harvest. Dry weather conditions for the 2011 winter crop in some main producing countries also added support to markets. In the first half of December, the benchmark US wheat price was 47 percent above its value during the corresponding period a year ago, although still 33 percent below the record reached in March 2008.

Export prices of **coarse grains** that were firm in November increased 4 percent in the first half of December. At this level, prices are 50 percent higher than at the beginning of the 2010/11 marketing season in July. The recent strengthening of prices follows some concerns about the potential impact of dry weather on the final area sown and yields in Argentina. Higher wheat prices also provided support. In the first half of December, the benchmark US maize price (US No2, Yellow) averaged USD 245 per tonne, 48 percent higher than a year earlier and only 13 percent below the peak reached in June 2008.

International **rice** prices have been on a steady upward trend since June, with growth accelerating in November and the first half of December when the benchmark Thai price (Thai100%B) reached USD 566 per tonne. At this level, however, the Thai export rice price was still 8 percent lower than a year earlier and 41 percent below its peak of mid-2008. The recent increase in prices reflects a tightening of supplies in Thailand and Vietnam together with a sustained import demand, including by key importers such as Bangladesh, Indonesia and the Philippines.

Early prospects for 2011 crops

Planting of the winter grain crops is almost complete in the *northern hemisphere*. In Europe, the winter grain planting was completed under favourable conditions in western parts of the **EU** but in the central and eastern states adverse weather hampered fieldwork and the areas sown are estimated to be less than earlier expected. Although some wheat is also spring sown, the winter crop accounts for the bulk of the annual output and the overall wheat area for the 2011 harvest is now forecast to increase only marginally by about 1 percent. In the far eastern part of Europe, after initial delays because of adversely dry weather, the winter cereal planting for the 2011 harvest has been completed. Early indications are that sowings were reduced in the **Russian Federation** and close to last year's levels in **Ukraine**. Crop conditions as of early December were mostly satisfactory. In North America, the **United States'** winter wheat planting was completed in early November and the area is reported to have increased significantly by about 2 to 3 million hectares from last year's 40-year low level. However, the condition of crops in some major producing areas is reported to be far from ideal due to adverse dry weather. In Far East Asia, early indications for the 2011 wheat crop, to be harvested from next April, are mostly positive. Good crops similar to the 2009 bumper levels are expected in **China** and **India**. In **Pakistan**, the Government has set a target to produce a record 25 million tonnes of wheat in 2011, but this may not materialize due to the flood-damaged irrigation infrastructure. In the Asian CIS, plantings of the winter wheat crop are estimated to be down by 5 to 7 percent compared to the previous year. However, prospects for the subregion's 2011 cereal crop will depend on plantings in **Kazakhstan**, the main producer in the group, where most of the crop will be sown in the spring. In North Africa, weather conditions have been favourable so far for planting in most countries, although heavy rains in **Morocco** have caused some damage to crops.

In the *southern hemisphere*, sowing of the main maize crops for harvest in 2011 is also mostly completed. In South America, early prospects for the 2011 maize crop in **Argentina** are uncertain due to recent dry weather linked to the La Niña phenomenon (see Box on La Niña) that has delayed field operations and early crop development. As of mid-December, 20 percent of farmers' intentions had still not been planted but, should they materialize, the overall area is forecast to be 9 percent up from last year. In **Brazil**, the first season maize crop area, mostly in southern parts of the country, is estimated to have declined by some 3 percent compared to last year due to earlier dry weather that delayed the start of the planting season. The latest official forecast for the total 2011 maize area, including the second season crop to be sown next year, indicates a 2 percent decline in overall area compared to the good level of 2010.

In Southern Africa, planting of the main season maize crop is well advanced or complete in most countries. Early rains in November, although lower than normal in some areas, were favourable for maize plantings in **Angola, Botswana, Mozambique, South Africa, Zambia** and **Zimbabwe**. Although actual area estimates are not yet available, planting intentions in South Africa, the subregion's largest producer, indicate a likely reduction of about 10 percent from last year, mainly reflecting low prices for maize following two consecutive bumper harvests. In many other countries in the subregion, government-sponsored input subsidies programmes are expected to continue to support agriculture production in the 2010/11 crop year. However, the main determinant for 2011 maize production in the subregion will be the development of the rains over the next two months. Expectations are that rains will be above average, a pattern associated with the prevailing La Niña conditions.

Overall, preliminary estimates indicate marginally larger wheat plantings than last year but crop conditions are mixed. However, on the assumption of normal weather for the remainder of the growing season, unlike last year when drought affected some major producing areas in eastern Europe and Asia, some increase in output could occur in 2011. For coarse grains, with the bulk of the crops not due to be planted for several months, it is too early for even a preliminary forecast of output in 2011.

Low-Income Food-Deficit Countries food situation overview¹

Early prospects for the 2011 cereal crops positive for LIFDC's

The early outlook for the 2011 cereal crops already in the ground is promising. In Southern Africa, good rains have aided planting and early development of the main summer maize crops in most countries. Weather conditions have also been mostly favourable for winter cereal sowings in the Asian CIS countries where, however, some reduction in area is reported, and in North Africa, in spite of localized flood damages.

Cereal production of LIFDCs as a group increased in 2010

Latest reports indicate that the increase in cereal production in 2010 in LIFDCs countries was larger than anticipated. In aggregate, cereal production of the 77 LIFDCs is now estimated to have risen by 2.5 percent in 2010, marking a third consecutive year of sustained growth. Most LIFDCs regions with the exception of the Asian CIS and Europe (Republic of Moldova) had larger crops in 2010. The largest percentage increase among LIFDCs groups was in Africa (+ 5.7 percent) and in the Far East (+ 2.2 percent) while in the Near East and Latin America the increase was only slight. As a result of the improved supply situation, per capita cereal consumption levels in the 2010/11

marketing year are expected to increase slightly in the LIFDCs.

Within regions, however, there are some marked differences in individual countries. In Africa, a sharp decline in cereal production is estimated in the North Africa subregion, mainly reflecting drought reduced wheat crops in **Morocco**. By contrast, a record aggregate cereal harvest - better than earlier anticipated - is estimated for Southern Africa, despite poor outcomes in **southern parts of Madagascar, Mozambique, Malawi and Zimbabwe**. In spite of serious localized damage to households and crops caused by floods this season, harvests of record crops have just been concluded in most countries in Eastern and Western Africa, and also Central Africa had a good harvest, as weather has been beneficial overall for cereal production this year.

In Asia, the 2010 cereal output is expected to be lower than the 2009 bumper crop levels in countries of CIS Asia, particularly in **Kyrgyzstan, Tajikistan, Georgia, Armenia and Azerbaijan**, but larger in **Turkmenistan and Uzbekistan**. In the Near East, unfavourable growing conditions also reduced wheat production in the **Syrian Arab Republic**, but good crops were harvested in **Afghanistan and Iraq**. All these countries will continue to be heavily dependent on wheat imports and their import bill is expected to rise in 2010/11 owing to the higher prices of this commodity in the export markets this year. In Far East Asia, this year's cereal output was better than the previous year overall, but poor rice crops are being harvested in **Pakistan**, where the recent floods caused large losses, as well as in the **Republic of Korea, Lao People's Democratic Republic, Myanmar and Thailand**, due to delayed and erratic rainfall. Production is forecast to rise significantly in **Bangladesh, Cambodia, India, Indonesia, Nepal, the Philippines, Sri Lanka and Viet Nam**. Production prospects in **China, Mongolia and Myanmar** are also positive.

In Central America and the Caribbean, despite severe localized floods, good cereal

Table 6. Basic facts of the Low-Income Food-Deficit Countries (LIFDCs)¹ cereal situation (million tonnes, rice in milled basis)

	2008/09	2009/10	2010/11	Change: 2010/11 over 2009/10 (%)
Cereal production²	947.3	954.6	978.4	2.5
<i>excluding China Mainland and India</i>	310.3	328.7	336.8	2.5
Utilization	984.0	1 002.0	1 033.5	3.1
Food use	675.3	681.0	698.2	2.5
<i>excluding China Mainland and India</i>	291.6	297.9	306.5	2.9
Per caput cereal food use (kg per year)	156.3	155.4	157.0	1.0
<i>excluding China Mainland and India</i>	161.1	161.5	162.8	0.8
Feed	174.7	180.7	187.0	3.5
<i>excluding China Mainland and India</i>	46.3	48.7	49.5	1.6
End of season stocks³	293.2	320.5	334.3	4.3
<i>excluding China Mainland and India</i>	57.1	65.9	66.0	0.2

¹ The Low-Income Food-Deficit (LIFDC) group of countries includes food deficit countries with per caput annual income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 735 in 2006), which is in accordance with the guidelines and criteria agreed to by the CFA should be given priority in the allocation of food aid.

¹ Includes food deficit countries with per caput annual income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 735 in 2006).

² Data refer to calendar year of the first year shown.

³ May not equal the difference between supply and utilization because of differences in individual country marketing years.

outputs are expected in most countries. But lower cereal production is estimated in **Cuba** due to drought that affected the paddy crop and in **Haiti** where the second crop season has been severely affected by hurricane Tomas.

In the **Republic of Moldova**, the only LIFDC in Europe, cereal output in 2010 fell by 18 percent due to hail and flood damage.

Cereal imports volumes to decline in 2010/11 but import bill to increase sharply

In view of the improved domestic production in 2010, the cereal import requirements of the LIFDCs, as a group, in marketing year 2010/11 or 2011 are forecast to fall to some 86 million tonnes, 11 percent lower than in the previous two years. Lower cereal imports are expected in the Asian LIFDCs and in most of the African LIFDCs, with the exception of North Africa due to the expected sharp rise in import needs by **Morocco**. Cereal import needs in other LIFDCs subregions are expected to remain mostly unchanged from the previous year.

The sharp increase in international cereal prices since the beginning of the 2010/11 marketing season and the expectation that prices will remain strong for the remainder of the season is going to seriously reduce the positive impact of the improved 2010 production on food security in LIFDCs. In spite of the lower volumes of cereal imports by LIFDCs this season, their import bill is forecast to increase by 11 percent from 2009/10 to USD 29.6 billion. This follows a decrease of 12 percent in the previous season. The anticipated increase in the import bill would be on account of higher expected prices of wheat and coarse grains, while

Table 7. Cereal production¹ of LIFDCs
(million tonnes)

	2008	2009	2010	Change: 2010 over 2009(%)
Africa (43 countries)	124.2	130.1	137.5	5.7
North Africa	26.7	31.4	28.3	-9.9
Eastern Africa	33.2	32.7	35.8	9.5
Southern Africa	11.7	15.0	15.9	6.0
Western Africa	49.3	47.9	54.0	12.7
Central Africa	3.3	3.1	3.4	9.7
Asia (25 countries)	818.4	820.3	837.1	2.0
CIS in Asia	13.1	14.4	14.0	-2.8
Far East	796.2	791.8	808.9	2.2
- China (Mainland)	419.7	421.9	425.0	0.7
- India	217.3	204.0	216.6	6.2
Near East	9.0	14.1	14.3	1.4
Central America (3 countries)	1.8	1.9	1.9	0.0
Oceania (5 countries)	-	-	-	-
Europe (1 country)	3.0	2.2	1.8	-18.2
LIFDC (77 countries)	947.3	954.6	978.4	2.5

Note: Totals computed from unrounded data.

¹ Includes rice in milled terms. '-' means nil or negligible.

Table 8. Cereal import position of LIFDCs
(thousand tonnes)

	2008/09 or 2009	2009/10 or 2010				2010/11 or 2011	
	Actual imports	Requirements ¹		Import position ²		Requirements ¹	
		Total imports:	of which food aid	Total imports:	of which food aid pledges	Total imports:	of which food aid
Africa (43 countries)	46 897	43 261	2 926	38 331	2 788	43 442	2 549
North Africa	20 767	18 897	0	18 897	0	20 396	0
Eastern Africa	8 855	7 945	2 051	7 541	1 994	6 920	1 806
Southern Africa	3 705	2 977	358	2 977	358	2 816	288
Western Africa	11 639	11 563	343	7 910	298	11 392	311
Central Africa	1 932	1 880	174	1 006	138	1 918	145
Asia (25 countries)	44 760	43 820	621	42 582	620	40 694	1 026
CIS in Asia	6 219	5 643	32	5 643	32	5 564	43
Far East	21 808	22 752	335	22 608	333	21 783	843
Near East	16 733	15 425	254	14 332	254	13 347	140
Central America (3 countries)	1 734	1 807	116	1 807	116	1 826	168
Oceania (5 countries)	391	391	0	253	0	401	0
Europe (1 country)	102	75	0	75	0	64	0
Total (77 countries)	93 884	89 354	3 663	83 048	3 524	86 427	3 743

¹ The import requirement is the difference between utilization (food, feed, other uses, export plus closing stocks) and domestic availability (production plus opening stocks).

² Estimates based on information available as of early November 2010.

Note: Totals computed from unrounded data.

the cost of rice imports may actually decrease by 5 percent, largely because of the anticipated decline in the volume of rice imports. The forecast cereal import bill of the LIFDCs would still be below the record level reached during the food crisis in 2007/08, but the new increase in cereal costs combined with that of other food imports by these countries is cause of concern.

Food prices at overall low levels in Africa but those of rice increasing in Asia

In Africa, prices of main staple coarse grains are generally stable or declining in most subregions reflecting the bumper harvests of this year. Overall, prices of maize, millet and sorghum are around their levels of the pre-food crisis of late 2007.

In Eastern Africa, maize prices, which have seasonally increased in most countries of the subregion in recent months, stabilised in November in Ethiopia, Kenya and Tanzania. Prices of sorghum and millet declined in Sudan. However, in Somalia, prices of coarse grains surged in November on concerns about the impact of dry weather on the 2010/11 secondary crop season to be harvested from March. In Western Africa, prices of cereals that have been decreasing since September further declined in November, except

Table 9. Cereal import bill in LIFDCs by region and type
(July/June, USD million)

	2005/06	2006/07	2007/08	2008/09	2009/10 estimate	2010/11 f'cast
LIFDC	16 486	22 903	37 672	30 342	26 641	29 618
Africa	8 280	10 437	19 236	15 129	12 950	14 847
Asia	7 831	11 968	17 512	14 586	13 046	14 043
Latin America and Caribbean	288	397	630	471	500	567
Oceania	77	92	171	121	119	133
Europe	9	10	123	35	26	28
Wheat	10 085	13 439	22 992	20 046	1 543	17 469
Coarse grains	2 254	3 311	4 442	4 349	3 522	4 848
Rice	4 147	6 156	10 237	5 946	7 689	7 301

in Benin affected by floods in October. In Southern Africa, maize prices remain low in most countries but continue to rise in Mozambique reflecting localized production deficits this year and sustained demand from the feed industry.

In Asia, domestic prices of rice have increased in the past months in several countries, including in exporters such as Thailand and Viet Nam. In Viet Nam domestic prices of rice were 50 percent higher in November than in July. Prices of rice are also increasing in India, Sri Lanka and in key importers such as Indonesia, and Bangladesh. Prices of wheat and wheat flour that increased since July in importer countries of the Far East and CIS stabilized at high levels in November following trends in international prices.

Similarly, in the domestic markets of exporter countries such as Ukraine and Kazakhstan prices remained firm last month.

In Central America, prices of staple beans are at record levels as a result of unfavourable prospects for the on-going main harvest. By contrast, maize prices have declined in October and November as a result of a good 2010 production. In Haiti, prices of mostly imported rice have sharply increased in the past two months. In South America, price of wheat flour that increased in September and October in importing countries, remained firm in November. In Andean countries, prices of potatoes are on the rise or at high levels, following reduced 2010 production in the subregion.

Regional reviews

Africa

North Africa

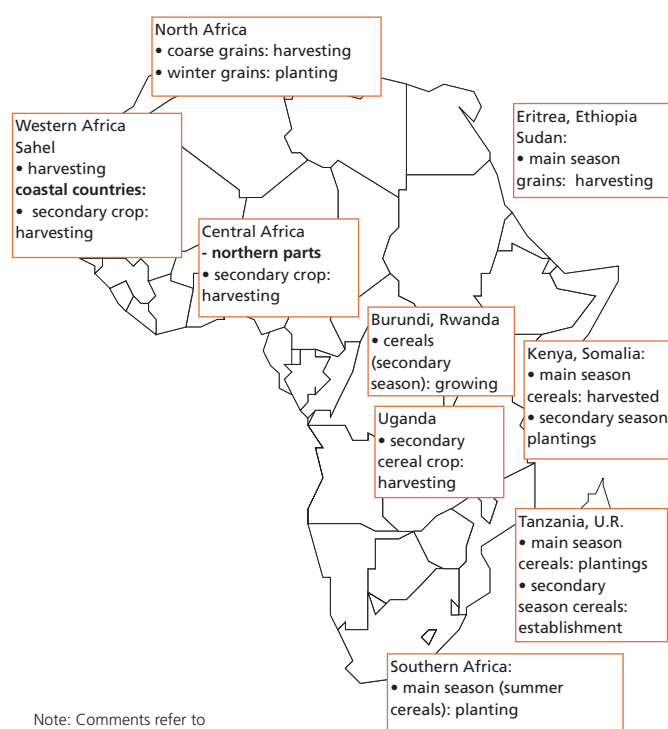
Harvesting of the 2010 summer coarse grain and paddy crops is nearly complete while planting of the 2011 winter wheat and coarse grains is underway throughout the subregion. Weather conditions have been favourable so far for planting in most countries, although heavy rains and floods caused considerable human casualties and damage to crops in Morocco.

Decline in wheat production in 2010

FAO's latest estimates put the subregion's aggregate output of wheat (the main crop) at 17.5 million tonnes, 11 percent down from the record crop of 2009, while that of coarse grains is estimated at some 13.6 million tonnes, about 14 percent down from 2009. The drop in production is the result of insufficient soil moisture at planting and subsequent erratic rains in the main growing areas of Morocco and Tunisia, which adversely affected yields in these countries. In **Morocco**, wheat production is estimated to be 24 percent below last year's good crop. In **Tunisia**, wheat output is estimated to have dropped by about 46 percent compared to 2009 and 35 percent compared to the five-year average, the lowest level of the past eight years. By contrast, in **Algeria**, a record wheat crop was gathered for the second year running. In **Egypt**, the largest producer in the subregion, where most of the wheat is irrigated, wheat production is estimated at 8.6 million tonnes, which is close to last year's good crop.

Cereal import bills forecast to increase significantly in 2010/11

North African countries rely heavily on wheat imports from the international market to cover their consumption needs, with **Egypt** being the world's largest wheat importer, with about 10



million tonnes of wheat imported in marketing year 2009/10 (July/June). **Algeria**, **Morocco** and **Tunisia** imported about 4.7 million, 2 million and 1.4 million respectively, in spite of the bumper crops gathered in 2009. Imports levels are anticipated to be much higher during 2010/11 in countries affected by a reduced crop this year. Consequently, the recent sharp increase in export prices has raised serious concerns over the food supply outlook in the subregion. The major impact will be on countries' food import bills.

In **Egypt**, where provision of subsidized bread is crucial to Government food policy and the food security of the poor, over two-thirds of wheat imports in recent years had been coming from Russia, but in view of the reduced supply from this country this year, alternative sources are being used. The increase in world prices of wheat will add substantially to the cost of Egyptian wheat imports in 2010/11 and to the expenditure for the

Table 10. North Africa cereal production

(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
North Africa	13.9	19.6	17.5	11.2	15.9	13.6	7.3	5.6	4.5	32.4	41.1	35.7	-13.1
Algeria	1.1	3.0	3.0	0.9	2.3	1.5	-	-	-	2.0	5.3	4.5	-15.1
Egypt	8.0	8.5	8.6	8.4	8.6	8.9	7.3	5.5	4.5	23.6	22.7	22.0	-3.1
Morocco	3.8	6.4	4.9	1.5	4.0	2.8	-	-	-	5.3	10.4	7.7	-26.0
Tunisia	0.9	1.7	0.9	0.3	0.9	0.3	-	-	-	1.2	2.5	1.2	-52.0

Note: Totals computed from unrounded data, '-' means nil or negligible.

Government's bread subsidy programme. For consumers, while for bread the high cost of imported wheat will not be felt in view of the country's safety net programme, there will be increases in the non-subsidized wheat flour price which has already caused prices of wheat products such as pasta, biscuits and cookies to go up. The sudden rise in international wheat prices occurred against a background of increases also in other domestic food prices, notably of rice, meat and vegetables. The year-on-year rate of inflation in the food sector increased from 18 percent in July to 22 percent in September. The recent jump in domestic rice prices was driven by a lower supply following the Government efforts to reduce area planted to rice in order to reduce water use.

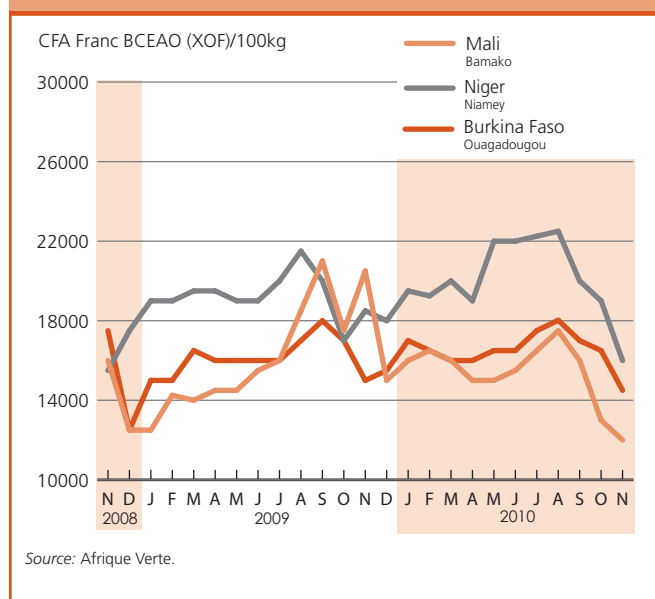
Western Africa

The 2010 cereal harvest is complete in the Sahel, while in the coastal countries along the Gulf of Guinea harvest of the second season cereal crops is in progress. Joint CILSS/FEWSNet Crop Assessment Missions to the nine Sahelian countries (Burkina Faso, Cape Verde, Chad, the Gambia, Guinea Bissau, Mali, Mauritania, Niger and Senegal) and eight coastal countries (Benin, Côte d'Ivoire, Ghana, Guinea, Liberia, Nigeria, Sierra Leone and Togo) have recently been completed. The Missions reviewed the evolution of the 2010 cropping season and preliminary cereal production estimates prepared by the national agricultural statistics services. FAO participated in some of these missions.

Record harvest expected in most Sahelian countries

According to preliminary findings, a good 2010 aggregate cereal output is anticipated as a result of regular rains throughout the growing season as well as various productivity enhancing safety net programme provided by governments. A record crop is expected in most Sahel countries including **Burkina Faso, Chad, the Gambia, Guinea-Bissau, Mali, Niger and Senegal**. Harvest prospects are also good in the coastal countries along the Gulf of Guinea, notably in **Nigeria**, the largest producer in

Figure 3. Millet prices in selected Western African markets



the subregion, whose agricultural sector can strongly affect the food supply position of its neighbouring Sahel nations. The main exception is **Benin** where cereal production is forecast to drop by over 10 percent due to irregular rains and floods during the growing season. Overall, FAO forecasts the subregion's aggregate cereal output in 2010 at a record 59 million tonnes, 12.5 percent up from last year's crop and 20 percent above the previous five-year average.

Coarse grains **prices** started declining from September, reflecting the arrival of new harvests into the markets. For example, after peaking in July-August, millet prices dropped by over 40 percent in November in Maradi and Zinder (Niger). Millet prices declined by 31 percent and 20 percent over the same period in Bamako (Mali) and Ouagadougou (Burkina Faso), respectively. Similar downward trends were observed in the coastal countries

along the Gulf of Guinea with the exception of Benin where recent floodings led to reduced supplies and slight increases in food prices in few markets. In view of this year's good output, regional trade is expected to follow the normal market pattern, which in the eastern part of the subregion allows traders to move grains from central and northern Nigeria to Niger and southern Nigeria,

Table 11. Western Africa cereal production

(million tonnes)

	Coarse grains			Rice (paddy)			Total cereals ¹			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
Western Africa	42.5	40.6	46.1	10.5	11.4	12.4	53.2	52.1	58.6	12.5
Burkina Faso	4.2	3.4	4.2	0.2	0.2	0.2	4.4	3.6	4.4	22.2
Chad	1.6	1.4	2.4	0.2	0.1	0.2	1.8	1.6	2.7	68.8
Ghana	2.0	2.2	2.3	0.3	0.4	0.4	2.3	2.6	2.7	3.8
Mali	2.7	3.0	3.1	1.6	2.0	2.3	4.4	5.0	5.4	8.0
Niger	5.0	3.4	5.5	0.1	0.1	0.1	5.0	3.5	5.6	60.0
Nigeria	21.5	21.1	22.4	4.2	4.3	4.5	25.8	25.5	27.0	5.9

Note: Totals computed from unrounded data, '-' means nil or negligible.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

reflecting the relative supply/demand positions in each zone. However, reduced crop in Benin will limit maize exports to Niger.

Recent floods and lingering effects of earlier drought affect large number of people

Substantial localized flooding has been reported across the subregion in the past months with considerable human casualties and damage to crops and livestock, notably in **Benin**, the most affected country, where over 680 000 people are estimated to be affected, about 140 000 animals killed and over 133 000 hectares of crop land (maize, rice, sorghum, cassava, millet and yam) lost, causing a serious deterioration of the food situation in parts of the country. In **Niger**, over 226 000 people have been affected and thousands of animals killed mostly in Agadez, Diffa and Zinder regions. In **Chad** and **Burkina Faso**, over 108 000 and 105 000 people have been affected respectively, according to OCHA. Floods have also affected parts of **Guinea-Bissau, Ghana, Nigeria** and **Liberia**.

Moreover, the severe food crisis that struck **Niger** and **Chad** in 2009/10 has uprooted large segments of the rural population and had serious income, livelihoods and nutritional effects. In these countries, in spite of this year's record crop and favourable food supply prospects, implementation of income generating and asset reconstitution activities is recommended to protect the livelihoods of food insecure and vulnerable people.

Central Africa Favourable prospects for current crops

In **Cameroon** and the **Central African Republic**, harvesting of the second 2010 maize crop (planted from August-September) is about to start in the south and overall prospects are favourable reflecting adequate rains throughout the cropping season. In the north, characterized by only one rainy season, harvesting of millet and sorghum is underway and output is forecast to be above average.

Civil insecurity still major cause of food insecurity

Persistent civil insecurity continues to impede agricultural recovery and restrict humanitarian work in the region. Armed clashes in the Equateur province in the **Democratic Republic of Congo**

Table 12. Central Africa cereal production
(million tonnes)

	Coarse grains			Rice (paddy)			Total cereals ¹			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
Central Africa	3.0	2.8	3.1	0.4	0.5	0.5	3.4	3.3	3.5	6.1
Cameroon	1.6	1.3	1.6	0.1	0.1	0.1	1.6	1.5	1.7	13.3
Central Africa Rep.	0.2	0.2	0.2	-	-	-	0.2	0.2	0.2	0.0

Note: Totals computed from unrounded data, '-' means nil or negligible.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

has led to more than 100 000 civilians crossing the border into the **Republic of Congo** and the **Central African Republic** since the end of 2009. The influx of refugees has placed additional demand on the already strained food supply situation of Likouala Province, in the north-east of the Republic of Congo, causing a deterioration of the food security of both refugees and host populations. A WFP Emergency Operation to distribute food to the affected population in the Republic of Congo is currently underway and will run until December 2010. A similar situation is reported in eastern and northern parts of the **Central African Republic**, where civil conflict has exacerbated the already poor food security situation. Some 100 000 IDPs and 30 000 refugees and asylum seekers from DRC, Chad and Sudan continue to require food assistance.

Eastern Africa

Harvesting of main season cereal crops is well underway in **Ethiopia, Sudan, Kenya, Eritrea** and **Uganda**, while it has already been completed in **Somalia** ("gu" harvest) and the **United Republic of Tanzania** ("masika" and "msimu" harvests).

Record cereal production estimated for 2010

Early estimates for the subregional cereal production in 2010 indicate a record crop of about 36.6 million tonnes, about 10 percent above the previous five-year average; mainly due to the average to above average rainfall in most parts of the subregion

Table 13. Eastern Africa cereal production
(million tonnes)

	Wheat			Coarse grains			Total cereals ¹			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
Eastern Africa	3.8	3.9	4.1	28.1	27.5	30.4	33.9	33.4	36.6	9.6
Ethiopia	2.7	3.1	3.0	12.7	13.1	12.8	15.4	16.3	16.0	-1.8
Kenya	0.3	0.2	0.2	2.5	2.6	3.2	2.9	2.9	3.5	20.7
Sudan	0.6	0.4	0.6	4.9	3.1	4.9	5.5	3.6	5.6	55.6
Tanzania U.R.	0.1	0.1	0.1	4.6	4.3	4.7	6.1	5.7	6.2	8.8
Uganda	-	-	-	2.5	3.1	3.4	2.7	3.3	3.6	9.1

Note: Totals computed from unrounded data, '-' means nil or negligible.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

that enhanced planted area and yields. However, in August-September, heavy rains in Ethiopia's highlands caused some water logging and flooding in downstream areas both in Somalia and eastern Sudan, causing damage to infrastructure and standing crops. More floods have been reported in riverine areas of western Sudan (especially in Northern Bahr el Gazal state and Darfur region), in Tigray, Amhara and Oromia regions of Ethiopia and in central and eastern Kenya. However, the abundant precipitations improved availability of pasture and water in most pastoralist areas such as southeastern Ethiopia and Somalia (except North-eastern and Central regions) with positive effects on animal body conditions and milk production.

Developing "La Niña" phenomenon is a concern and may reverse recent improvements in food security

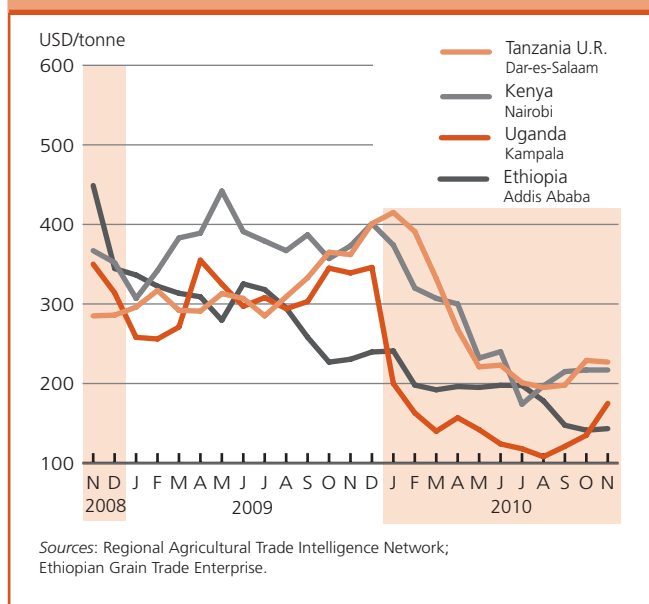
The current 2010 October-December short-rains season is being characterized by "La Niña" meteorological phenomenon that has already resulted in drier than average weather conditions in south-central Somalia, south-eastern Ethiopia (mainly Somali region and east SNNPR), northern and eastern Kenya and inland Djibouti. Pasture and water conditions in these areas are likely to deteriorate from December 2010 to March 2011, if dry weather conditions persist. At the same time, "La Niña" is resulting in enhanced off-season precipitations in western and northern sectors of the subregion (mainly South Sudan, western Ethiopia, north rift Kenya and Karamoja region in Uganda), that may improve yields of crops still to be harvested and pasture conditions. However, if rains become excessive, they may increase the likelihood of floods that may cause crop losses, disrupt access to markets and restrict humanitarian operations.

Recent improvements in food security conditions are likely to be reversed in the coming months in pastoralist and agro-pastoralist areas in the eastern sectors of the Horn of Africa as they are expected to receive below-average precipitations due to the "La Niña" phenomenon.

Despite a decline in the number of people in need of assistance, food insecurity persists in the subregion

Current levels of food insecurity have generally declined due to the recently completed or still ongoing harvests. The total number of food insecure people in need of humanitarian assistance in the subregion is estimated at about 13 million people, about 3 million people less than previous FAO estimates. The decline is mainly due to recent significant revision in Ethiopia of the number of vulnerable people in need of assistance, from 5.2 million to 2.3 million. The majority of the people in need of assistance are concentrated in southern Sudan, eastern Ethiopia, central and northern Somalia and

Figure 4. Maize prices in selected Eastern African markets



northeastern Uganda. Civil insecurity and conflicts continue to negatively impact on the food security situation of the subregion, disrupting local livelihood systems and affecting trade and food aid distribution. Insecurity is still a main concern in most areas of southern and central Somalia and in Darfur in North Sudan, with increasing number of displaced population.

Cereal prices at low levels in main markets of the subregion

In **Kenya**, **United Republic of Tanzania** and **Uganda**, following the good 2009 secondary season production harvested in early 2010, maize prices declined steadily until July-August 2010 when, entering the lean season, they started to increase. In October 2010, prices of maize were respectively 24, 17 and 25 percent higher than the minimum level registered two/three months before, but still around their pre-crisis levels of late 2007. In **Ethiopia**, since the end of 2009, wholesale prices of wheat and maize have steadily declined, showing the effect of three consecutive favourable seasons and, in October 2010, they were almost 40 percent below their level of one year before. In **Sudan**, in Khartoum market, after registering record high levels in the first semester of 2010, the price of sorghum has declined by about 33 percent from May to October. In southern states of Sudan, food prices are expected to increase in the coming months as traders may decide to reduce imports due to security uncertainty related to the secession referendum scheduled at beginning of January 2011.

Southern Africa

Early rains support planting activities for 2010/11 season in most countries

Preparation and planting for the 2010/11 main season's cereal crops is underway in most areas across Southern Africa. In **South Africa**, the subregion's largest producer, the start of the season has been uneven due to erratic precipitation. Heavy rains towards the end of November and the beginning of December, which helped to offset early season deficits in some areas supported planting activities in southern parts of **Mozambique**, **Zimbabwe**, **Botswana**, as well as the northern Maize Triangle in South Africa. Good rains were also recorded in western regions of **Zambia** and central **Angola** over the same period. Rainfall forecasts for the three month period from December to February indicate a higher probability of above-average rainfall, a climate pattern that is generally associated with the current prevailing conditions of La Niña.

Although it is too early to estimate the extent of the subregion's maize sowings this year, planting intentions in South Africa for the 2010/11 season indicate a likely reduction of about 10 percent from last season, principally attributed to the current low domestic market prices and expected weaker profits for the crop. In many countries in the subregion, governments and partner organizations are continuing to intervene in the agriculture sector, through the provision of subsidised fertilizers and seeds, to support cereal production growth. Many of the schemes, such as in Malawi and Zimbabwe, have implemented a voucher system for the local purchase of subsidized inputs which has led to a wider use of inputs and increased plantings. However, input prices have remained high and this may affect the level of plantings of farmers not benefiting from the input subsidy programmes.

Production gains for the 2009/10 season

Latest production estimates for Southern African countries confirm that the 2009/10 season was good, with the maize

harvest expanding by 9 percent compared to the previous season's output, despite the mid-season dry-spell that led to localized crop losses. In aggregate, the subregion's 2010 coarse grain harvest is estimated at 26.5 million tonnes, 7.2 percent above the previous year's level and 33 percent over the five-year average (2005-2009). By contrast, the 2010 wheat harvest in South Africa - which was completed in November and accounts for some 90 percent of the subregion's aggregate output - is estimated to fall by about 20 percent relative to last season. This is due to lower plantings marking a continuation of the declining trend in wheat sowings in South Africa which began in the late 1980s. Subregional rice production in 2010 is estimated to be slightly above the 2009 output, primarily on account of an overall good harvest in **Madagascar** following favourable rains in the main northern producing regions. Elsewhere, rice production declined, particularly in Mozambique, or remained stable.

Large maize supplies sufficient to cover deficit countries' import requirements

The aggregate maize import requirement for the subregion (excluding South Africa) in the 2010/11 marketing year is forecast at 1 million tonnes for the 2010/11 marketing year, down from the previous year due to improved production levels; in particular, Zambia has an exportable surplus estimated at 1 million tonnes. Given these good production levels and the consequential build-up of stocks, the governments of **Zambia** and **Malawi** have authorized the export of maize, in contrast to previous years when exports were restricted. Reflecting the improved domestic supplies there has been a decline in informal cross border trade in cereals, principally attributed to the larger domestic cereal supplies. By contrast, estimates indicate that, as of mid-November, informal trade in maize meal is higher this marketing year relative to the last, particularly between South Africa and Zimbabwe, and Zambia and the Democratic Republic of Congo. Overall, maize supplies in the subregion are sufficient to cover the import requirement of deficit countries.

Table 14. Southern Africa cereal production

(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
Southern Africa	2.4	2.3	1.8	21.8	24.7	26.5	4.3	5.0	5.1	28.5	31.9	33.4	4.7
- excl. South Africa	0.3	0.3	0.3	8.8	11.6	12.5	4.3	5.0	5.1	13.3	16.8	17.9	6.5
Madagascar	-	-	-	0.4	0.4	0.5	3.9	4.5	4.8	4.4	4.9	5.2	6.1
Malawi	-	-	-	2.9	3.7	3.5	0.1	0.1	0.1	3.0	3.9	3.6	-7.7
Mozambique	-	-	-	2.1	2.4	2.3	0.2	0.3	0.2	2.3	2.6	2.5	-3.8
South Africa	2.2	2.0	1.6	13.0	13.1	13.9	-	-	-	15.2	15.1	15.5	2.6
Zambia	0.2	0.2	0.2	1.5	2.0	2.9	-	-	0.1	1.7	2.2	3.1	40.9
Zimbabwe	-	-	-	0.8	1.5	1.6	-	-	-	0.8	1.6	1.6	0.0

Note: Totals computed from unrounded data, '-' means nil or negligible.

Table 15. Southern Africa (excluding South Africa and Mauritius) 2009/10 estimated imports, 2010/11 import requirements and current import position

	Estimated imports 2009/10 ('000 tonnes)	Import requirements 2010/11 ('000 tonnes)	Change: 2010/11 over 2009/10 (%)	Imports contracted/pledged/received as of early November 2010 ('000 tonnes)	Imports contracted/pledged/received as of early November 2010 (%)
CEREALS					
TOTAL	3 551	3 317	-7	952	29
Commercial	3 183	3 015	-5	927	31
Food aid	368	302	-18	25	8
MAIZE					
TOTAL	1 063	997	-6	409	41
Commercial	977	891	-9	396	44
Food aid	86	106	23	13	12

Source: FAO/GIEWS

Note: Totals computed from unrounded data.

Food security conditions remain stable

Given the adequate national and subregional cereal supplies, food security conditions are generally satisfactory in most countries. However, in localized areas – particularly in southern regions of **Malawi** and the arid and semi-arid zones of **Mozambique** that suffered production shortfalls – food insecurity conditions continue although the situation has improved from earlier reports. In the case of Malawi, a good winter crop and lower-than-expected maize prices have

improved conditions in the vulnerable southern regions. In November, the Malawi Vulnerability Assessment Committee (VAC) revised the number of people estimated to be food insecure down to 508 088, from 1.1 million. In Mozambique, the national VAC has revised downwards the number of people in need of food assistance from the initial figure of 456 000 to 350 000; this reflects the mobilization of foods from surplus areas and the availability of imported cereals

which have contributed to maintain adequate market supplies; however, access to staple foods by poor households remains constrained due to high prices in some areas. In **Zimbabwe** stable maize prices and adequate market supplies in recent months have further improved food security conditions.

Maize prices remain generally low

Prices of maize, the most consumed cereal in the subregion, generally declined following the main harvest in March-April,

Figure 5. Southern Africa - Cereal import requirements for 2010/11, the percentage change from 2009/10 and current import position

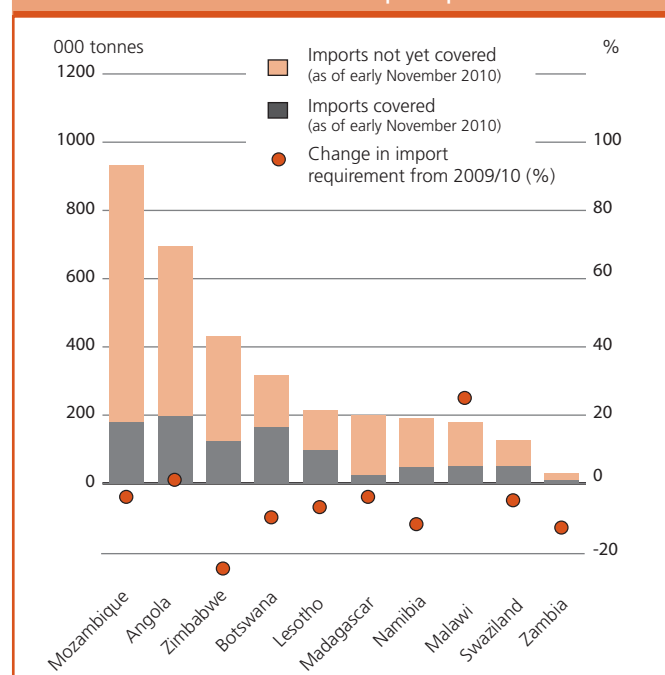
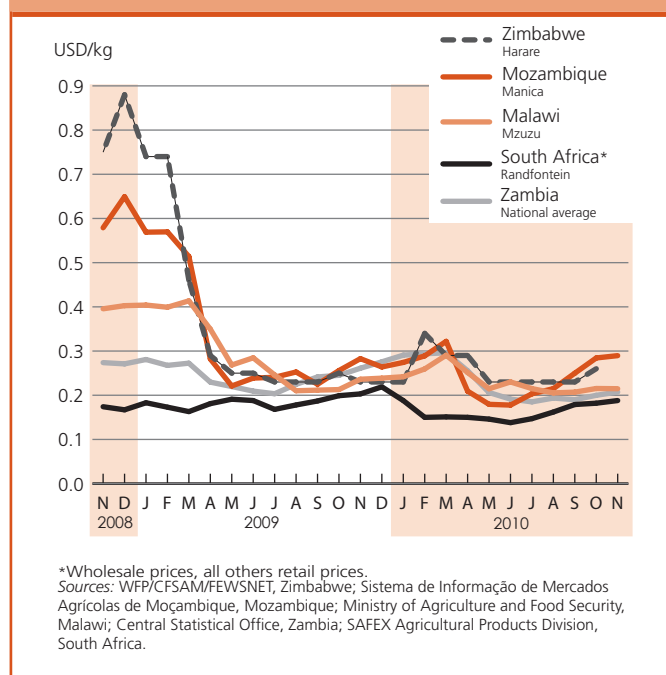


Figure 6. White maize prices in selected Southern African markets



*Wholesale prices, all others retail prices. Sources: WFP/CFSAM/FEWSNET, Zimbabwe; Sistema de Informação de Mercados Agrícolas de Moçambique, Mozambique; Ministry of Agriculture and Food Security, Malawi; Central Statistical Office, Zambia; SAFEX Agricultural Products Division, South Africa.

reflecting good production levels in most countries, and have remained comparatively stable through November; however, prices have strengthened in recent months following seasonal price movements, most notably in central Mozambique. In **South Africa**, which is the largest exporter of maize for the subregion, prices remain low, under pressure from consecutive bumper harvests and large domestic stocks. Rice prices remain persistently high in Mozambique, reflecting the poor national production and the depreciation of the national currency that has increased the price of imported supplies.

Great Lakes Region

In **Burundi** and **Rwanda**, planting of the 2011A cereal and beans season began in September under erratic rainfall conditions. Prospects for this season, scheduled to be harvested from early 2011, are mixed due to the prevailing conditions of La Nina that are generally associated with below normal rainfall. The Government of **Rwanda** distributed 8 000 tonnes of seeds to assist farmers for the 2011A season through the Crop Intensification Programme (CIP). This programme, which has been in operation for a few years, has supported improved production levels and yields for the 2010B harvest. Most food prices in Rwanda have remained comparatively stable following

the good July 2010B harvest and by October they were generally lower than in the same month last year; however prices of sweet potatoes - an important staple for rural households - increased by one-fifth between September and October. In **Burundi**, prices of beans, after falling in April due to the availability of new supplies from the 2010B harvest, have been increasing since July and are currently at a higher level than last year.

In the **Democratic Republic of Congo** harvesting of 2010 cereal crops in northern provinces is complete, following below average rainfall from the end of July to the beginning of October. Prices of imported rice have remained comparatively stable, increasing only marginally between beginning of the year and October 2010. This reflects the relative stability of the exchange rate; approximately one-third of the total national cereal supply is imported. However, at about Franc Congolais (CDF) 1 035 per kg, latest available prices of rice in Kinshasa are still above last year's level. In Bunia and Kisangani, rice (local) prices are now close to the same time last year, having dropped by about 10 percent between June and October. The persistent conflict continues to constrain agriculture production and exacerbates food insecurity conditions, with seven territories of the Orientale Province currently categorized as severely food insecure.

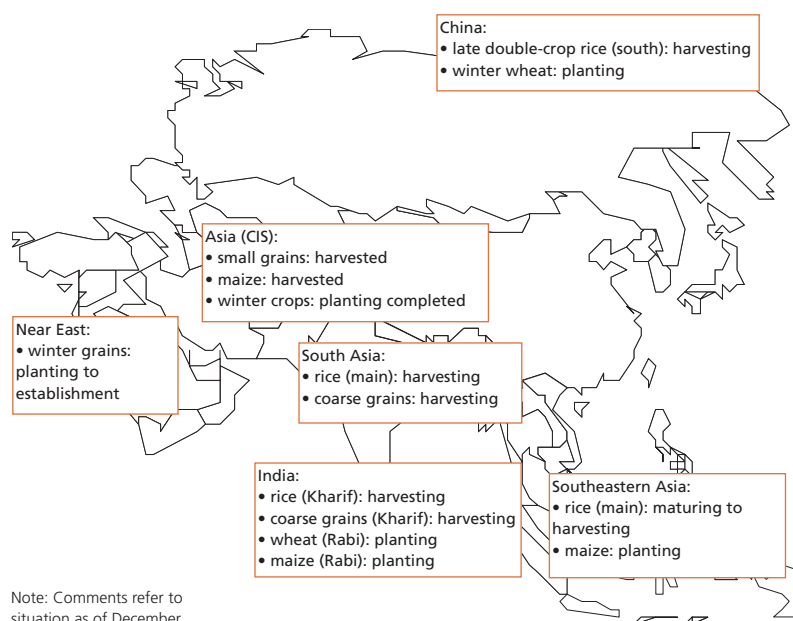
Asia

Far East

Cereal production increased in 2010

Harvesting of the 2010 main season rice and other cereals is nearing completion and winter wheat and barley were harvested earlier in the year. FAO estimates the 2010 aggregate output of cereals (including rice in paddy terms) at 1.11 billion tonnes, about 2 percent above the 2009 harvest that was reduced by a drought-affected rice crop in India. The monsoon this year had a mixed performance, with an overall positive effect. However, late heavy rains and flooding resulted in a downward revision of the earlier FAO production forecast. The preliminary estimates indicate significant improvement in this year's national aggregate cereal outputs in **Sri Lanka, India, Nepal, the Philippines, Bangladesh, Viet Nam, Japan** and **Indonesia**. However, a poor harvest is expected in **Pakistan** due to severe flooding, while delayed/erratic rains impaired the crop in the **Republic of Korea** the **Lao People's Democratic Republic** and **Thailand**. In **China**, cereal production is marginally higher than the previous year's record level.

Harvest of rice, the major staple cereal in the subregion, accounting for more than 50 percent of the total, is forecast at a record level of 627 million tonnes or 2.1 percent over the harvest of 2009 mainly reflecting a recovery in India and the Philippines. The harvest of 2010 winter wheat, gathered earlier in the year, at about 224 million tonnes was marginally higher than the previous



year's record level but well below the population growth rate. Early forecast for the 2011 wheat harvest points to a crop about the same as the 2009 record. Good outputs in 2011, similar to the bumper harvest of 2009 wheat crop, are forecast for India and China. However, poor harvest is foreseen in Pakistan unless significant improvements in the flood damaged irrigation and other farm infrastructure is achieved.

Exports and imports of rice expected to be lower in 2010/11

Trade in rice, the main food commodity in the region, is expected to be sluggish in 2011. Rice exports are anticipated to be lower due to the decline in supplies in some of

Table 16. Far East cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
Far East	215.7	223.5	223.8	261.3	254.1	260.0	618.4	610.8	627.2	1 095.4	1 088.4	1 111.0	2.1
Bangladesh	0.8	1.0	1.0	1.4	1.1	1.1	47.0	48.4	50.3	49.2	50.4	52.3	3.8
Cambodia	-	-	-	0.6	0.9	0.9	7.2	7.6	8.0	7.8	8.5	8.9	4.7
China	112.5	115.1	115.1	175.9	173.2	175.5	193.4	196.7	197.9	481.7	485.0	488.5	0.7
India	78.6	80.7	80.7	39.5	34.2	37.9	148.8	133.7	147.0	266.9	248.5	265.6	6.9
Indonesia	-	-	-	16.3	17.6	17.8	60.3	64.4	66.0	76.6	82.0	83.8	2.2
Korea Rep. of	-	-	-	0.4	0.4	0.4	6.5	6.6	5.9	6.9	7.0	6.3	-10.0
Korea DPR	0.2	0.1	0.2	1.8	1.8	2.0	2.0	2.3	2.4	4.0	4.3	4.6	7.0
Myanmar	0.2	0.2	0.2	1.3	1.3	1.3	30.5	31.0	30.8	32.0	32.5	32.2	-0.9
Nepal	1.4	1.3	1.6	2.3	2.2	2.2	4.5	4.0	4.1	8.2	7.5	7.9	5.3
Pakistan	21.0	24.0	23.9	4.1	3.7	4.1	10.4	10.1	6.3	35.5	37.8	34.2	-9.5
Philippines	-	-	-	6.9	7.0	6.4	17.1	15.5	17.0	24.0	22.5	23.4	4.0
Thailand	-	-	-	4.5	4.5	4.2	31.6	31.5	31.0	36.1	36.0	35.2	-2.2
Viet Nam	-	-	-	4.6	4.4	4.8	38.7	38.9	39.9	43.3	43.3	44.7	3.2

Note: Totals computed from unrounded data, '-' means nil or negligible.

the leading exporting countries, particularly Pakistan and Vietnam. Aggregate rice imports by all Far East countries in 2011 are also expected to decline slightly from the previous year, mainly due to the lower import requirements in the Philippines and Bangladesh on account of the anticipated improved harvests there.

In 2010/11, wheat exports are estimated to recover mainly due to a large increase in exports anticipated from China. In parallel, the aggregate wheat imports in 2010/11 are expected to go down due to the generally good production in several importing countries and reduced import demand for high quality wheat from China. The sharp increase in international wheat prices since the beginning of the 2010/11 marketing season is also expected to constrain the trade flows as well.

Far Eastern imports of coarse grains, consisting mostly of maize and barley, are expected to rise in 2010/11. The largest increases in imports are foreseen for China and the Republic of Korea as a result of continuing strong demand for feed maize possibly being substituted for the more expensive wheat. Coarse grains exports are estimated to fall marginally reflecting the expectation of reduced maize shipments from Thailand.

Table 17. Far East anticipated trade of rice, wheat and cereals in 2010/11¹
(thousand tonnes)

	2009/10	2010/11	Avg 5-yrs (05-09)	2010/2009 (%)	2010/Avg (%)
Rice-milled - Exports	23 592	22 555	23 759	-4.4	-5.1
Rice-milled - Imports	7 844	7 030	8 039	-10.4	-12.6
Wheat - Exports	1 231	3 530	2 535	186.8	39.3
Wheat - Imports	31 876	27 839	30 341	-12.7	-8.2
Cereals - Exports	29 189	30 041	31 447	2.9	-4.5
Cereals - Imports	78 919	75 096	78 109	-4.8	-3.9

¹ Rice trade figures for most countries are for the second year shown; wheat is for July/June marketing year for most countries.

Wheat and rice prices on the rise in most countries

Prices of rice in US dollar terms have been rising steadily in the major city markets in most countries in the region. Typically prices in the importing countries such as Indonesia and the Philippines are much higher and have risen faster in the importing countries, for example in Indonesia and the Philippines, than in the exporting countries in the last 24 month period. However, rice has been gradually getting more expensive also in exporting countries such as India and Viet Nam. In the latter country, domestic price of rice in Dong Thap was 41 percent higher in November than in July 2010.

Figure 7. Rice retail prices in selected Asian countries

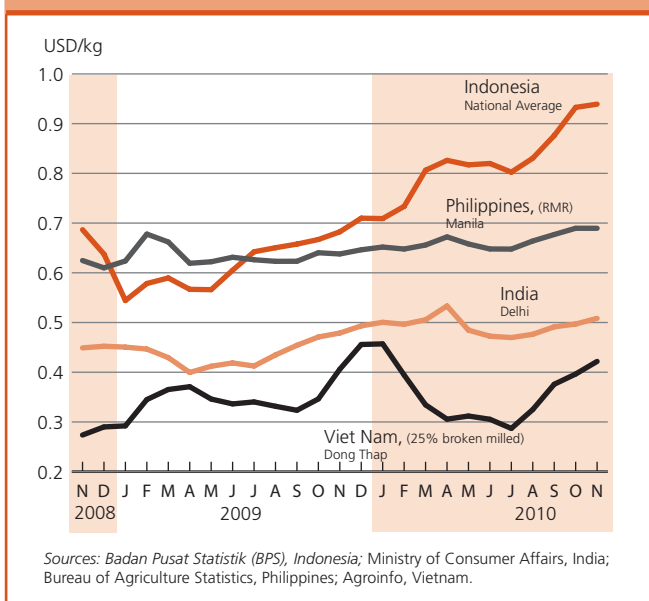


Figure 8. Wheat retail prices in selected Asian countries

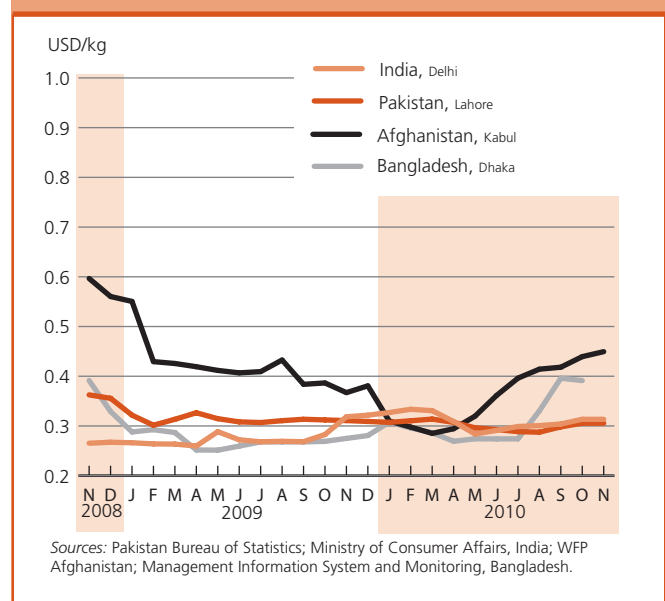


Table 18. Near East cereal production

(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
Near East	35.7	45.4	44.9	16.3	18.6	19.2	3.8	3.8	4.2	55.7	67.8	68.3	0.7
Afghanistan	2.6	5.1	4.5	0.6	0.8	0.8	0.6	0.6	0.6	3.9	6.6	5.9	-10.6
Iran (Islamic Rep. of)	9.8	13.0	14.5	2.9	3.2	3.0	2.2	2.3	2.5	14.9	18.5	20.0	8.1
Iraq	1.3	1.4	2.0	0.6	0.6	1.3	0.2	0.2	0.2	2.2	2.1	3.6	71.4
Syrian Arab Republic	2.1	4.0	3.3	0.4	1.0	1.0	-	-	-	2.6	5.0	4.3	-14.0
Turkey	17.8	20.6	19.5	10.8	12.0	12.2	0.8	0.8	0.8	29.3	33.4	32.4	-3.0

Note: Totals computed from unrounded data, '-' means nil or negligible.

Wheat prices on the other hand have come down in last 24 months from the peaks during the crisis period of mid-2008. However, there has been another upward surge in wheat prices in most countries in the subregion since May-June 2010. In US dollar terms, November wheat prices were some 50 percent higher in importing countries like Afghanistan and Bangladesh compared to the surplus countries like India (Delhi market) and Pakistan (Lahore market), where prices seem to have stabilized at about USD 0.3/kg. However, prices of wheat remain high at record levels in Chennai and Mumbai markets reflecting high procurement prices of wheat and the rising general inflation in the country.

Near East 2010 cereal production marginally higher than 2009 good crop

Planting of 2011 winter cereal crops is underway in the rest of the subregion. Aggregate 2010 cereal production is estimated at 68.3 million tonnes, marginally up from the good 2009 output. Winter cereal harvests were generally favourable in the **Islamic Republic of Iran, Iraq and Afghanistan** due mainly to favourable weather conditions, although 2010 cereal harvest in Afghanistan is below the bumper crop of 2009. On the contrary widespread infestation of wheat yellow rust has severely affected yields in parts of the **Syrian Arab Republic, Turkey and Lebanon**. In **Yemen**, despite the good prospects for 2010 cereal production due to abundant rains, the population facing severe food insecurity is still estimated at 2.7 million people. In addition, about half a million people, consisting of IDPs and refugees is in need of relief food assistance. Due to the

Table 19. CIS in Asia cereal production

(million tonnes)

	Wheat			Coarse grains			Total cereals ¹			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
CIS in Asia	26.5	28.7	23.4	5.1	5.7	4.1	32.2	35.2	28.2	-19.9
Azerbaijan	1.6	1.8	1.4	0.7	0.6	0.6	2.3	2.4	2.0	-16.7
Kazakhstan	16.0	17.0	12.0	2.7	3.3	1.8	19.0	20.6	14.1	-31.6
Kyrgyzstan	0.8	1.1	0.9	0.7	0.8	0.7	1.5	1.9	1.6	-15.8
Uzbekistan	6.1	6.6	6.7	0.3	0.3	0.4	6.6	7.1	7.2	1.4

Note: Totals computed from unrounded data, '-' means nil or negligible.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

recovery in wheat production in the Islamic Republic of Iran, the imports for 2010/11 are estimated to be drastically reduced to 1.5 million from 3.4 million tonnes in 2009/10 and 8.5 million tonnes in 2008/09, the two drought-affected years.

Asian CIS Winter cereal plantings for harvest in 2011 slightly lower

In the Asian CIS countries the planting of winter cereals for harvest in 2011 has been almost completed. Early estimates indicate that the overall planted area to winter cereals in these countries is down by some 5 to 7 percent compared with the previous year. By individual countries, no significant changes in the size of the area planted to winter cereals are reported in Armenia and Tajikistan. However prospects for the subregion 2011 cereal crop will depend on plantings in Kazakhstan, the main cereals producer in this group of countries (60 percent of the total) where the bulk of the crop will be sown in the spring.

Harvest returns confirm drop in 2010 cereal production from previous year's record

The **Asian CIS** countries have completed harvesting of the 2010 cereal crops with significant production declines. In aggregate,

the cereal output of these countries is estimated at 28 million tonnes about 20 percent below the 2009 record level and 13 percent below the previous five-year average. The decline mostly reflects a 32 percent lower harvest of cereals in **Kazakhstan** due to the severe drought in July-August. Because of the sharp drop in output, exports of wheat in the 2010/11 marketing year are expected to decline, but the reduction will be minimized due to the availability of a large wheat carryover stocks from the previous year. In **Kyrgyzstan**, this year's wheat production was affected by delayed planting due to long and cold winter and social unrest in particular in the southern part of the country. Latest estimate put cereal production this year at about 1.6 million tonnes, some 16 percent below 2009 but close to the previous five-year average. In spite of localized floods in early spring and summer, 2010 cereal production in **Tajikistan** was estimated at 1.04 million tonnes about the same as the record 2009 output with a slight decrease in wheat and maize offset by an increase in barley production. In **Armenia**, cereal production in 2010 was virtually unchanged from the previous year and close to the last five-year average. The area planted to cereals has steadily declined since 2005 due to shortages of agricultural

supplies. In **Azerbaijan**, cereal production, mostly wheat, is estimated to have fallen to about 2 million tonnes, 17 percent below the level of 2009 and below the average level. The most significant decline in cereal production in Asian CIS countries in 2010 occurred in **Georgia**, where due to unfavourable weather conditions at planting time and shortages of agricultural inputs the output is estimated 29 percent lower than last year and some 35 percent below the average level. By contrast the 2010 cereal production increased by over 25 percent in **Turkmenistan** and marginally in **Uzbekistan**, where, nevertheless, production was a record at about 7.2 million tonnes. However, both countries will continue to need to import wheat, mainly for food consumption. Turkmenistan and Uzbekistan have completed the grain sowing campaign. The planted area under winter grains for harvest in 2011 is about the same as last year.

Most of other countries of the subregion are heavily dependent on imports of wheat to cover their cereal consumption requirements. The significant decline of cereals production in Kazakhstan the main wheat producer and exporter in the subregion, has led to supply problems in neighbouring countries with higher food prices recorded and increased market volatility.

Latin America and the Caribbean

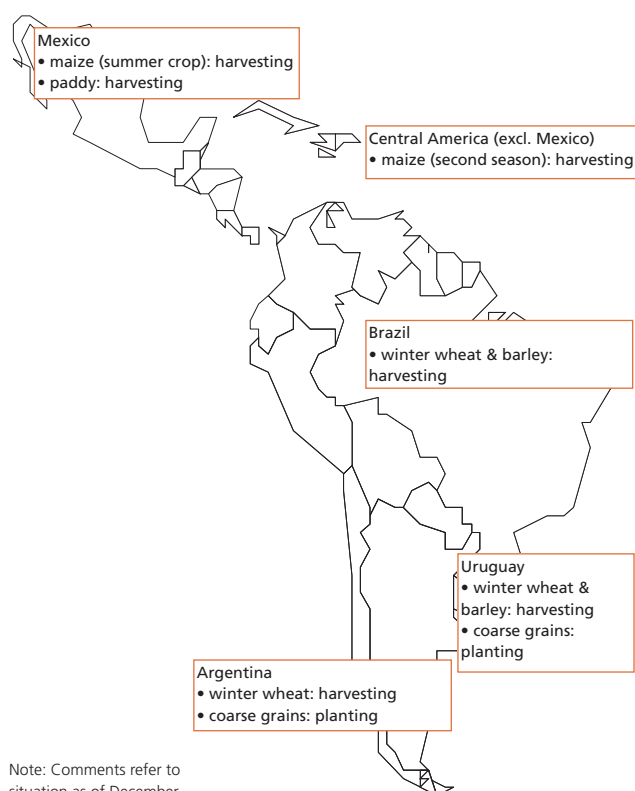
Central America and the Caribbean Overall higher cereal crop production in 2010 but beans output down in most countries

The 2010 aggregate cereal output of the Central America and the Caribbean subregion is forecast by FAO at 43.5 million tonnes, about 12 percent higher than last year's level and above average.

In **Mexico**, harvesting of the 2010 main rain-fed summer coarse grain crops is underway under favourable dry weather conditions and a good output is anticipated. Good main ("de primera") season maize crops were also gathered earlier in the year (in August-September) in **El Salvador, Guatemala, Honduras** and **Nicaragua**. In **Costa Rica** the 2010 rice production is expected to reach a record.

However, prospects for "de postrera" bean crops, being harvested, are poor reflecting water logging during the first part of the crop season and prolonged dry spell during the second half. Beans are another important staple in the region. In Guatemala, 355 000 people are estimated to be in need of food assistance due to crop losses in the most affected departments of Izabal, Alta Verapaz, Petén, Zacapa, Chiquimula and Jutiapa. Also in Costa Rica, El Salvador, Honduras and Nicaragua, the prospects are unfavourable for the 2010 beans production.

In the Caribbean, in **Haiti**, cereal production in 2010 is expected to be reduced compared to the previous year in spite of a larger first maize season production. The second crop season, to be harvested by the end of the year, has been severely affected by hurricane Tomas. In Grand Anse Department, estimates of damage to agricultural land range between 70 and 90 percent. The Department of Civil Protection (DPC) also reported damage to



agriculture and fisheries in Center, Nippes, North and Northwest departments. The spreading epidemic of cholera in Haiti, which experts predict will be worsened by flooding caused by Hurricane Tomas, has added another humanitarian emergency as the country struggles to recover from the devastating earthquake that killed more than 250 000 people. In **Cuba**, the important 2010 main paddy crop, being harvested is forecast to fall by some 4 percent compared with 2009 as a result of drought but to remain 20

Table 20. Latin America and Caribbean cereal production

(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
Central America & Caribbean	4.0	4.2	3.9	36.1	31.8	36.7	2.5	2.8	2.9	42.6	38.8	43.5	12.1
El Salvador	-	-	-	1.2	1.1	1.2	-	-	-	1.2	1.1	1.2	9.1
Guatemala	-	-	-	1.0	1.3	1.3	-	-	-	1.1	1.3	1.3	0.0
Honduras	-	-	-	0.6	0.6	0.6	-	-	-	0.6	0.6	0.7	16.7
Mexico	4.0	4.1	3.9	31.9	27.3	32.0	0.2	0.3	0.3	36.1	31.7	36.3	14.5
Nicaragua	-	-	-	0.6	0.6	0.6	0.3	0.3	0.3	0.9	0.9	0.9	0.0
South America	17.8	16.9	20.8	101.9	82.7	99.5	24.0	25.5	23.6	143.7	125.1	143.9	15.0
Argentina	8.4	7.5	11.5	27.0	16.5	28.6	1.2	1.3	1.2	36.6	25.4	41.4	63.0
Brazil	5.9	5.0	5.7	61.6	53.7	57.8	12.1	12.6	11.3	79.6	71.2	74.7	4.9
Chile	-	-	-	1.9	1.8	1.8	2.4	2.8	2.9	4.3	4.7	4.8	2.1
Colombia	1.1	1.5	1.2	1.8	1.8	1.8	0.1	0.1	0.1	3.1	3.4	3.1	-8.8

Note: Totals computed from unrounded data, '-' means nil or negligible.

percent above the previous five-year average. Maize and beans production are also estimated to be lower than in 2009. Sugar production is expected to be the lowest of this century and the Government has cut the monthly sugar ration by 20 percent. Overall, 2010 agriculture and livestock production is estimated to fall by 7.5 percent compared with 2009 due to the prolonged drought. In October heavy rainfall caused by the tropical storm Paula seriously damaged infrastructure of the island. Although too late to reverse previous crop damage, the abundant rainfall helped to improve soil moisture that had been affected by the long dry period during the first half of the year. By contrast, in the **Dominican Republic** prospects for the 2010 secondary rice harvest, which have started to be gathered, are favourable. General good rains since the beginning of the season in July and the absence of any tropical storms and flooding have benefited the development of the main rice crop, maize and other food crops such as plantains and vegetables. Overall, cereal production in 2010 is estimated to increase by about 6 percent from the previous year and to be almost 20 percent above the five-year average.

South America

Dry weather hampering 2011 summer cereal crop plantings.

Plantings of the main summer maize and paddy crops for harvest in 2011 are approaching completion in most southern countries in the subregion but dry weather linked to La Niña phenomenon has affected several areas. In **Argentina**, dry weather has hampered planting operations and affected early crop development. Farmers' planting intentions are for an increase in area planted to maize by 9 percent from last year, but as of mid-December 20 percent of the area had not yet been sown. In **Brazil**, planting of the 2011 first season (main) maize crop began in September and suffered from irregular rainfall. In Parana and Rio Grande states it has been delayed due to low soil moisture. Early estimates indicate the area planted at 7.4 million hectares, 3.4 percent below that planted to first season maize last year. However, official forecast put the total maize plantings (first and second crop) at between 12.6 and 12.8 million hectares, approximately 2.1 percent below the area planted to the 2010 crop. Prospects are good for the irrigated paddy crop (80 percent of total) in the centre/south of the country as a result of good water supply in the dams and favourable dry planting weather.

Sharp recovery in cereal production in 2010

Cereal production in the subregion is estimated to increase by some 15 percent from the poor harvest of the previous year to a well-above average level of about 144 million tonnes. The increase mainly reflects a recovery of production in Argentina and larger crops in Brazil.

In **Argentina**, harvesting of the wheat crop is underway in the provinces of Santa Fe, Entre Rios and Cordoba and will start soon in Buenos Aires and La Pampa provinces. The harvest is already finished in the provinces of Chaco, Jujuy, Salta and Tucumán. Mid-December yields recorded in these provinces are near the average national productivity due to the favourable weather conditions during the key developing stages of the crop. The total 2010 wheat production is preliminary estimated at 11.5 million tonnes, 53 percent above the low output of last year but still 3 percent below the five-year average. In view of the good outcome for the current season, wheat exports in the 2010/11 marketing year are expected to recover to some 5.8 million tonnes compared to 3.7 million tonnes shipped in 2009/10. The 2010 maize crop, harvested earlier in the year, was a record 22.7 million tonnes, marking a sharp recovery from the poor 2009 crop.

In **Brazil**, harvesting of 2010 wheat crop is well advanced in the states of Parana, Goias, Minas Gerais and in the Federal District while has not yet started in the main growing southern states. Early forecasts for 2010 point to a near record production of 5.7 million tonnes, 14 percent above 2009. The 2010 main maize crop, harvested earlier in the year, was estimated at 55.6 million tonnes, about 9 percent above the previous year and only marginally below the 2008 record.

In **Colombia**, the 2010 cropping season has been mostly favourable and an increase in cereal production is estimated. However, heavy rains in November have affected 150 000 hectares under crops and caused considerable livestock losses in 28 out of the 32 Departments of the country. The Government has declared a state of emergency and requested assistance for an estimated 1.36 million people affected. WFP, Venezuela, Brazil and CAF (Corporación Andina de Fomento) are supporting Colombia with food aid and emergency assistance.

In **Bolivia**, cereal production in 2010 was reduced due to lower area sown and poor weather, but remained close to the previous five-year average. Prospects for 2011 cereal crops are mostly favourable with planting having benefited from good rainfall in October. However, in November, potato plantings in the Chaco region have been delayed by drought.

Prices of beans are record levels in Central America countries

In Central America and Caribbean countries, wholesale bean prices that began to climb at the end of April due to the reduced first season bean crop, continuously increased until November reflecting poor prospects for the ongoing second season. However, maize prices have declined in October and November as a result of the good 2010 first and second seasons maize harvests. By contrast in **Haiti**, prices of the main staple rice, which is mostly imported, have surged in the last two months.

In South America, domestic wheat prices in **Argentina** have continued to move upward in the last months, despite the good 2010 wheat production prospects. The reduced production in the previous year combined with the increase of the international price of wheat are the driving factors for the rise in domestic prices. In **Brazil**, the wholesale price of wheat increased sharply

from August to October mainly reflecting the rise in international wheat prices, but started to move downward in November due to the on-going harvest. In **Bolivia** and **Peru**, the wholesale prices of potatoes increased steadily from the second quarter of the year due to the unusual cold weather and drought that have affected the mountainous areas in both countries.

Figure 9. Wholesale red beans prices in selected countries in Central America

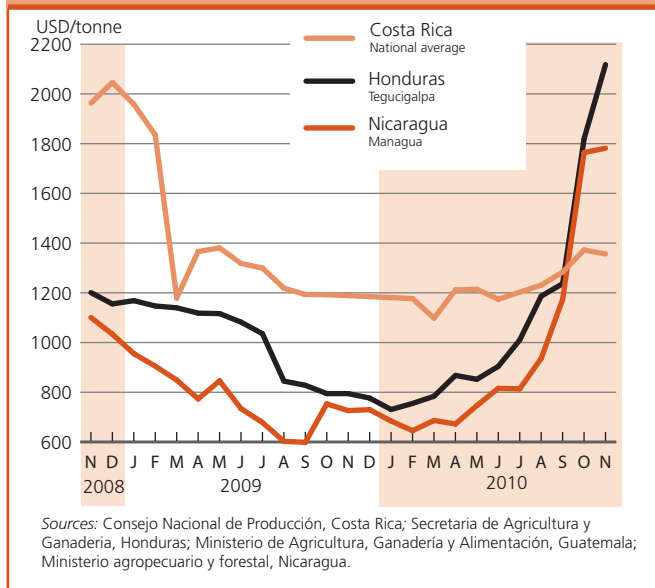
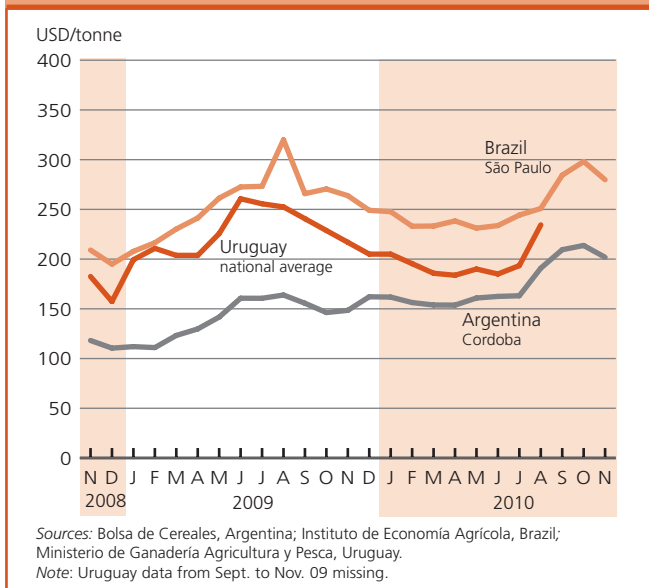


Figure 10. Wholesale wheat prices in Argentina, Brazil and Uruguay



La Niña – Possible effects on agriculture in 2011

Expected developments of La Niña

La Niña is a coupled ocean-atmosphere phenomenon that is the counterpart of *El Niño* as part of the broader El Niño-Southern Oscillation (ENSO) climate pattern. During a period of La Niña, the sea surface temperature (SSTs) across the equatorial Eastern Central Pacific Ocean is 3-5 degrees Celsius below normal. La Niña events normally last for around a year, but they can be shorter or much longer. La Niña causes mostly the opposite effects of El Niño.

During 2010, the large positive anomalies associated with El Niño decreased beginning in late February, turning negative in late April. The large negative anomalies since June 2010 are consistent with the development and continuation of La Niña. As of mid-December, the tropical Pacific Ocean was significantly cooler than average for this time of the year and all ENSO climate indicators surpass La Niña thresholds. The Southern Oscillation Index (SOI) remains strongly positive and the trade winds remain stronger than average across the central and western equatorial Pacific.

Dynamical models surveyed by national and international meteorological institutions suggest central Pacific Ocean (NINO3.4) sea surface temperatures are likely to remain at levels typical of a La Niña event into the first quarter of 2011, with the majority of the models indicating the event will gradually weaken over the coming months.

Possible effects of La Niña on agriculture production in 2011

Africa

In **Southern Africa**, the occurrence of a weak to moderate strength La Niña-Southern Oscillation weather pattern could increase the probability of above normal precipitation during the 2010/11 crop season (October-March). It is expected that the low rainfall levels recorded during October-November will increase from December to March, benefiting the planting activities and maize crop development in southern parts of Mozambique, Zimbabwe, Botswana, as well as the northern "maize-triangle" in South Africa, which is the major producer in the subregion.

By contrast in **Eastern Africa** countries, La Niña conditions are expected to produce below-normal rains in October-March. Low rains already recorded in October-December 2010 have affected the crops planted during the short-rains season in south-central Somalia, south-eastern Ethiopia (mainly Somali region and east SNNPR), northern and eastern Kenya and inland Djibouti. Pasture and water conditions in these areas are likely to deteriorate from December 2010 to March 2011, if dry weather conditions persist. At the same time, La Niña is resulting in enhanced off-season precipitations in western and northern sectors

of the subregion (mainly South Sudan, western Ethiopia, north rift Kenya and Karamoja region in Uganda), that may improve yields of crops still to be harvested and pasture conditions.

Oceania and Asia

In Australia, Indonesia and Papua New Guinea la Niña phenomenon increases the probability of more abundant rains, (the opposite of the dry weather during El Niño and the problem with smog and bush fires). This weather impact will be favourable for the planting of main cereal season (mainly rice and maize) in Indonesia and the planting of sorghum in Australia, where already above normal rainfall have been recorded. However, In Australia the rains have negatively affected the quality of the wheat crop still being harvested. In other parts of Asia, La Niña is expected to result in a more active monsoon season and heavier precipitations especially in northwest India.

Latin America

In South America, La Niña mainly influences the weather of northern Brazil producing wetter than normal conditions and the southern part of Brazil and Argentina by increasing the probability of below normal rainfall. In northern part of Brazil above normal rainfall have already been received in north Mato Grosso, Goias, Minas Gerais, eastern of Tocantins, southern of Maranhao, Piaui and Bahia states benefiting the early development of soybean, maize and beans crops. By contrast, the below average rainfall recorded have already negatively affected the maize crop which was in the flowering and grain filling stages in the southern region of Brazil of Rio Grande do Sul and has delayed planting and early crop development in the soybean and maize belt in Argentina, especially in north-eastern Cordoba, north of Santa Fe, Entre Rios and La Pampa provinces. If dry weather continues, the maize and soybean crops could be at risk.

North America

The main impact on agriculture in the United States would be below-average precipitation in the winter and the possibility of drought in the spring across the southern states, extending into the Mid-Atlantic region. This could affect winter wheat crops now in the ground and cereal and cotton plantings in the spring. Dry conditions have already affected Oklahoma's key winter wheat-producing areas over the last couple of months. Another negative impact of warmer and drier conditions is a possible increase in wildfires.

FAO will continue to closely monitor weather anomalies due to La Niña in the coming months and to assess possible effects on crop production levels in various parts of the world.

North America, Europe and Oceania

North America

Winter wheat plantings rise in the United States

In the **United States**, the winter wheat planting for the 2011 harvest was completed in early November on par with the average time and the area is reported to have increased significantly by about 2 to 3 million hectares from last year's 40-year low level in response to the upturn in cereal prices since the middle of 2010. However, although beneficial rainfall in mid-November helped to alleviate unfavourably dry conditions in some of the main winter wheat areas, the overall condition of crops in early December was still reported to be far from ideal and well down on the previous year's ratings: in late November, 47 percent of the crop was rated good to excellent compared to 63 percent for last year's crop at the same time of the season. Crops in poorer condition ahead of the winter dormancy are more prone to winterkill and tend to have lower yield potential. In addition, there is a threat of drought in southern states associated with the La Niña weather phenomenon which could affect both the winter wheat and spring sown crops.

The latest official estimate of the United States 2010 wheat crop stands at 60.1 million tonnes, virtually unchanged from the previous year's crop and above the average of the past five years. Despite a significant decline in plantings compared to 2009, favourable weather led to improved yields. The 2010 maize harvest was completed in early November well ahead of average. The final official crop estimate as of early December stands at 318.5 million tonnes, significantly down from earlier expectations and the previous year's record level. Although plantings had increased, it became evident as the harvest progressed that yields

had not matched the bumper levels achieved in the previous year.

In **Canada**, the bulk of the wheat is spring planted and the 2011 crop will not be sown until March-April next year. Latest information regarding the 2010 cereal harvest indicates that after some poor summer weather, better conditions in October brought unexpected improvements in the final outputs for some crops. The final official estimate of wheat production for 2010 now stands at some 23 million tonnes, about 1 million tonnes up from earlier forecasts, but still 13 percent down from the previous year's crop because of a significant reduction in area reduction.

Europe

Winter grain sowing hampered in some EU states by adverse conditions

In the **EU**, the bulk of the winter grain crops have been sown. Regarding wheat, the main winter cereal, planting intentions have not been realized in several parts because of adverse weather, mostly in some central and eastern European member states. Heavy October rains in Bulgaria, Hungary and Poland interrupted the main sowing period and although planting continued through November in these countries, by the end of the month, the areas sown were reported to be down from initial intentions in all cases. By contrast, wheat sowing in Romania was hampered by excessive dryness keeping the land too hard for planting fieldwork. For the EU as a whole, early estimates point to just a 1 percent increase in the EU's overall wheat area for the 2011 harvest compared with the previous year.

The EU's aggregate cereal output in 2010 is now estimated at 278.8 million tonnes, some 6 percent down from the previous year and the second successive decline from the bumper harvest

Table 21. North America, Europe and Oceania cereal production

(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	2008	2009 estim.	2010 f'cast	Change: 2010/2009 (%)
North America	96.6	87.2	83.3	353.6	372.1	355.0	9.2	10.0	11.0	459.5	469.3	449.2	-4.3
Canada	28.6	26.8	23.2	27.4	22.6	22.3	-	-	-	56.0	49.5	45.4	-8.3
United States	68.0	60.4	60.1	326.3	349.5	332.7	9.2	10.0	11.0	403.5	419.8	403.7	-3.8
Europe	246.1	227.9	202.2	247.7	233.0	201.4	3.4	4.2	4.3	497.3	465.1	407.9	-12.3
EU	150.5	138.4	135.8	163.3	155.9	140.0	2.5	3.2	3.0	316.4	297.4	278.8	-6.3
Serbia	2.1	2.1	1.7	7.0	6.9	7.3	-	-	-	9.2	9.0	8.9	-1.1
CIS in Europe	90.8	84.9	62.3	72.1	65.3	49.2	0.8	1.0	1.2	163.8	151.2	112.7	-25.5
Belarus	1.6	1.5	1.4	5.7	6.4	6.5	-	-	-	7.3	7.9	7.9	0.0
Russian Federation	63.8	61.7	43.0	41.8	33.4	19.6	0.7	0.9	1.1	106.3	96.1	63.7	-33.7
Ukraine	24.2	20.9	17.2	23.0	24.0	22.0	0.1	0.1	0.1	47.3	45.1	39.3	-12.9
Oceania	21.7	22.2	27.1	14.3	13.3	14.9	-	0.1	0.2	36.1	35.6	42.2	18.5
Australia	21.4	21.9	26.8	13.8	12.8	14.3	-	0.1	0.2	35.2	34.8	41.4	19.0

Note: Totals computed from unrounded data, '-' means nil or negligible.

in 2008. Output of wheat fell by 2 percent while that of coarse grains fell by 10 percent compared to the 2009 levels.

Harvest returns confirm sharp drop in 2010 crop production

The 2010 crop production in the four European CIS countries (Belarus, Republic of Moldova, Russian Federation and Ukraine) faced extremely difficult weather conditions during the growing season. In aggregate, cereal production in the four countries fell in 2010 to about 113 million tonnes, the lowest level since 2005 and some 25 percent below the previous year. Output declined in Moldova mainly due to flood and hail damage, and in Russian Federation and Ukraine reflecting drought and extremely hot summer while it was unchanged in Belarus. The sharpest decline occurred in Russian Federation where the cereal crop fell by one-third compared with the previous year.

Because of the reduced production this year, exports of both wheat and coarse grains from Russian Federation and Ukraine are expected to be sharply down in the 2010/11 marketing year, probably by over 50 percent in total. The reduced export availabilities from these two important exporting countries followed by the introduction of grain export bans by the Russian Government and of grain quotas and customs restrictions on grain export in Ukraine have contributed to the sharp rise in world grain prices in recent months.

Plantings of winter crops completed under mostly favourable conditions

In European CIS countries, planting of winter cereals for harvest in 2011 is now complete. Early indications are that sowings were reduced in Russian Federation and close to last year's level in Belarus, Republic of Moldova and Ukraine. Crop conditions as of early December were mostly satisfactory.

In **Russian Federation**, cereal production for 2010 is estimated at 63.7 million tonnes, about 33 million tonnes (or 34 percent) below 2009 and 27 percent below the previous five-year average. Wheat production fell to 43 million tonnes (2009: 62 million tonnes) and coarse grains to 20 million tonnes (2009: 33 million tonnes) the lowest level in many years. The reduction reflects the severe summer drought and wildfires which affected yields of all cereals with sharpest reductions for barley and rye but also for wheat. Mostly affected were western Russian Federation, the Ural district and western Siberia. The significant decline of cereal production in Russian Federation has affected the export potentials of the country and has led to the introduction in August 2010 of a grain export ban to ensure that domestic cereal needs in the 2010/11 marketing year are met and to mitigate the increase in domestic grain prices.

Winter crop plantings for harvest in 2011 are now complete after initial delays. Early estimates put the area planted to cereals

at 15.3 million hectares, somewhat lower than the previous year. Weather has been favourable for crop germination and early establishment and as of late November 85 percent of planted cereals were in satisfactory conditions. For spring crops the area to be planted is projected at around 30 million hectares. Assuming normal weather conditions until harvest, this level of plantings could result in an average cereal crop in 2011.

In **Ukraine**, cereals output in 2010 fell by 13 percent from the previous year to 39.3 million tonnes. Of the total, wheat production is estimated at 17.2 million tonnes, down by 3.7 million or 18 percent from 2009 and 6 percent below the five-year average. There was also a significant decline in barley production, (-24 percent), while maize output increased by almost 13 percent compared with the previous year. The reduction in the production of winter planted cereals occurred in spite of an increase in planted area and reflects unfavourable weather and reduced applications of inputs which have resulted in lower yields per hectare. The 2010 yield of cereals is estimated at around 2.5 tonnes per hectare, down from both last year and the five-year average by 14 and 6 percent respectively. In view of the lower availabilities and export restrictions introduced by the Government, cereals exports from Ukraine in the 2010/11 marketing year are expected to decline sharply.

Plantings of winter cereals for harvest in 2011 have been completed later than usual due to warm weather conditions in November. In spite of the very low soil moisture during plantings, the outlook is favourable so far with 90 percent of the winter crop reported in satisfactory conditions. Total plantings are forecast at almost at the same level as last year.

In **Belarus**, total cereals production in 2010 was unchanged from the previous year and 18 percent above the five-year average. Although still above average, there was some reduction in wheat production reflecting lower yields due to the long winter and severe frosts. By contrast, coarse grains output rose slightly due to increased yields. Plantings of winter crops for harvest in 2011 have been completed and are estimated at around the same level as in 2009.

In the **Republic of Moldova**, the cereals production in 2010 fell to some 1.9 million tonnes, 18 percent below the previous year and 16 percent below the five-year average. This reflects unfavourable weather conditions which delayed spring plantings, floods and hail damage, and shortages of inputs. In addition volatile market conditions and weak incentives of farmers (i.e. significant decline of farm gate prices) to grow wheat have contributed to some decrease in planted area with respect to 2009. Import requirements for cereals for the 2010/11 marketing year, mostly wheat, are estimated at about 70 000 tonnes, larger than in the previous year reflecting the poor quality of domestic wheat partly due to damages caused by wet and rainy weather.

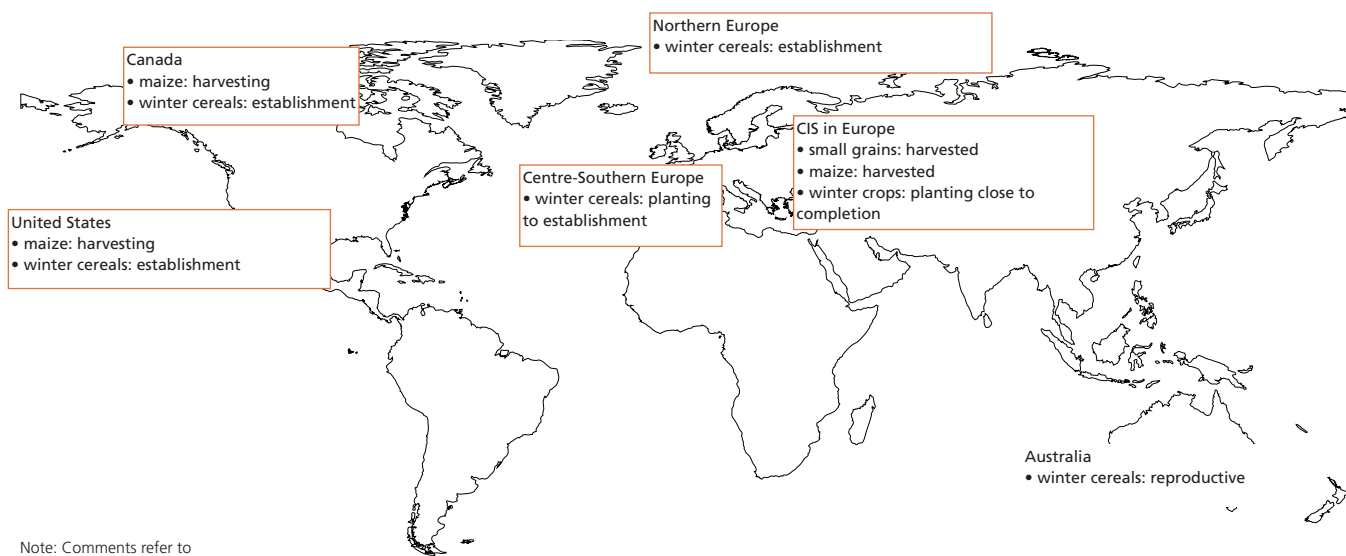
Generally good autumn rainfall encouraged timely and widespread plantings of winter cereals for harvest in 2011. Plantings has are now complete and the area sown is reported to be the same as for the previous year.

Oceania

Bumper winter grain crop being harvested in Australia

Prospects for the 2010 winter cereal crops in **Australia** generally improved further in November in the eastern

growing regions reflecting continuing near-ideal weather conditions, while adverse dry conditions persisted in Western Australia. With bumper yields throughout the east expected to more than compensate for the sharply reduced crop in the west, the latest official forecast for the country's aggregate wheat output in 2010 has been lifted to a record 26.8 million tonnes. Heavy late-season rainfall in some eastern parts could have a localized impact on grain quality but is unlikely to have a significant quantitative impact on this year's output.



Note: Comments refer to situation as of December.

Statistical appendix

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Table A1. Global cereal supply and demand indicators

	Average 2003/04 - 2007/08	2006/07	2007/08	2008/09	2009/10	2010/11
1. Ratio of world stocks to utilization (%)						
Wheat	26.6	25.9	22.3	27.3	30.3	28.5
Coarse grains	16.7	15.2	15.9	19.5	19.9	17.2
Rice	24.5	23.9	24.9	27.7	28.3	29.9
Total cereals	21.2	20.1	19.6	23.5	24.7	23.0
2. Ratio of major grain exporters' supplies to normal market requirements (%)						
	124.8	116.2	119.7	124.2	120.4	118.0
3. Ratio of major exporters' stocks to their total disappearance (%)						
Wheat	18.4	16.1	12.0	17.5	21.8	19.5
Coarse grains	14.3	12.0	12.1	14.6	14.6	8.8
Rice	15.6	15.4	17.5	21.7	19.5	19.2
Total cereals	16.1	14.5	13.9	17.9	18.6	15.9
4. Changes in world cereal production (%)						
	Annual trend growth rate 2000-2009	2006	2007	2008	2009	2010
	2.2	-1.6	5.6	7.2	-1.1	-1.4
5. Changes in cereal production in the LIFDCs (%)						
	2.4	4.4	2.4	4.3	0.8	2.5
6. Changes in cereal production in the LIFDCs less China and India (%)						
	4.0	4.1	-0.2	5.3	5.9	2.5
7. Selected cereal price indices:						
	Average 2003-2007	2006	2007	2008	2009	2010*
Wheat	106.2	17.1	49.1	31.5	-34.6	5.8
Maize	103.5	23.3	34.1	36.5	-25.5	8.4
Rice	118.6	9.9	17.3	83.7	-14.1	-10.5

Notes:

Utilization is defined as the sum of food use, feed and other uses.

Cereals refer to wheat, coarse grains and rice; grains refer to wheat and coarse grains.

Major grain exporters are Argentina, Australia, Canada, the EU, and the United States; major rice exporters are India, Pakistan, Thailand, the United States and Viet Nam.

Normal market requirements for major grain exporters are defined as the average of domestic utilization plus exports in the three preceding seasons.

Disappearance is defined as domestic utilization plus exports for any given season.

Price indices: The wheat price index has been constructed based on the IGC wheat price index, rebased to 2002-2004=100; For maize, the U.S. maize No.2 Yellow (delivered U.S. Gulf ports) with base 2002-2004=100; For rice, the FAO Rice Price Index, 2002-2004=100, is based on 16 rice export quotations.

*January-November average.

Table A2. World cereal stocks¹
(million tonnes)

	2006	2007	2008	2009	2010 estimate	2011 forecast
TOTAL CEREALS	464.5	425.1	428.2	521.2	557.1	524.8
Wheat	179.1	161.2	144.4	179.5	202.2	189.3
held by:						
- main exporters ²	58.9	39.5	29.7	47.3	55.5	52.5
- others	120.2	121.7	114.7	132.2	146.7	136.8
Coarse grains	181.2	159.9	173.2	217.1	224.8	199.1
held by:						
- main exporters ²	90.0	60.0	69.8	81.3	82.4	51.0
- others	91.2	99.9	103.4	135.8	142.4	148.1
Rice (milled basis)	104.2	104.1	110.6	124.6	130.1	136.4
held by:						
- main exporters ²	23.3	23.0	26.5	33.4	30.2	30.4
- others	80.9	81.1	84.1	91.2	99.9	106.0
Developed countries	182.6	125.1	122.3	168.8	182.6	137.5
Australia	13.5	6.3	5.4	5.9	5.9	9.7
Canada	16.2	10.5	8.5	13.0	13.6	11.4
European Union ³	44.3	30.0	25.8	41.8	43.1	30.2
Japan	4.7	4.3	3.8	3.7	3.8	3.7
Russian Federation	9.3	6.5	7.3	16.7	16.1	12.1
South Africa	4.1	2.7	1.8	2.5	3.2	4.0
Ukraine	4.8	4.2	4.4	5.4	5.3	4.4
United States	71.7	49.8	54.3	65.9	75.8	49.6
Developing countries	281.8	300.0	305.9	352.4	374.5	387.3
Asia	238.5	253.2	262.7	300.9	325.2	334.4
China	149.0	163.0	167.6	194.5	215.8	228.2
India	25.8	28.5	35.5	42.4	39.8	41.1
Indonesia	5.0	5.2	5.6	6.9	8.1	9.1
Iran (Islamic Republic of)	3.6	3.5	3.0	5.0	4.0	2.3
Korea, Republic of	2.5	2.2	3.0	2.7	3.2	3.2
Pakistan	3.2	2.4	3.1	3.0	3.9	2.4
Philippines	2.9	2.8	3.1	4.2	4.9	4.3
Syrian Arab Republic	3.4	1.9	1.0	1.2	2.0	1.6
Turkey	6.1	7.1	5.2	4.1	4.6	4.5
Africa	23.6	28.0	23.6	27.3	29.8	30.6
Algeria	3.7	3.8	3.6	3.0	3.3	3.0
Egypt	4.3	4.3	3.5	6.0	7.4	7.1
Ethiopia	0.1	0.2	1.1	1.7	1.9	1.5
Morocco	2.6	4.0	2.1	1.6	2.8	3.3
Nigeria	1.4	2.1	1.0	1.5	1.4	1.0
Tunisia	1.3	1.2	2.0	1.6	1.7	1.3
Central America	4.8	5.0	5.1	5.5	4.5	5.4
Mexico	2.9	3.0	3.1	3.8	2.6	3.3
South America	14.6	13.6	14.3	18.5	14.8	16.6
Argentina	5.2	4.8	7.1	3.5	1.3	4.8
Brazil	4.4	3.6	2.2	9.8	8.2	6.4

Note: Based on official and unofficial estimates. Totals computed from unrounded data.

¹ Stocks data are based on an aggregate of carryovers at the end of national crop years and do not represent world stock levels at any point in time.

² The major wheat and coarse grains exporters are Argentina, Australia, Canada, the EU and the United States. The major rice exporters are India, Pakistan, Thailand, the United States and Viet nam.

³ Up to 2007 25 member countries, from 2008 27 member countries.

Table A3. Selected international prices of wheat and coarse grains
(USD/tonne)

	Wheat			Maize		Sorghum
	US No.2 Hard Red Winter Ord. Prot. ¹	US Soft Red Winter No.2 ²	Argentina Trigo Pan ³	US No.2 Yellow ²	Argentina ³	US No.2 Yellow ²
Annual (July/June)						
2003/04	161	149	154	115	109	118
2004/05	154	138	123	97	90	99
2005/06	175	138	138	104	101	108
2006/07	212	176	188	150	145	155
2007/08	361	311	318	200	192	206
2008/09	270	201	234	188	180	170
2009/10	209	185	224	160	168	165
Monthly						
2008 - December	240	182	177	160	152	151
2009 - January	256	193	213	172	160	148
2009 - February	241	183	218	163	158	145
2009 - March	244	186	214	165	163	153
2009 - April	242	180	211	168	166	149
2009 - May	265	201	210	180	186	167
2009 - June	263	201	228	177	185	167
2009 - July	232	175	234	151	164	145
2009 - August	218	161	229	153	166	154
2009 - September	200	158	208	152	163	152
2009 - October	212	175	214	168	175	174
2009 - November	227	204	214	172	175	182
2009 - December	221	207	240	166	177	182
2010 - January	213	197	236	167	177	177
2010 - February	207	192	221	162	164	169
2010 - March	204	191	211	158	160	167
2010 - April	200	187	228	156	161	160
2010 - May	196	190	244	163	170	164
2010 - June	181	183	206	152	163	156
2010 - July	212	218	212	160	171	168
2010 - August	272	257	277	174	198	185
2010 - September	303	276	299	206	229	215
2010 - October	291	266	294	236	248	231
2010 - November	291	276	295	236	246	234
2010 - December (two weeks avg.)	324	308	300	245	253	244

Sources: International Grains Council and USDA.

¹ Delivered United States f.o.b. Gulf.² Delivered United States Gulf.³ Up River f.o.b.

Table A4a. Cereal import requirements of Low-Income Food-Deficit Countries¹, 2009/10 or 2010 estimates
(thousand tonnes)

	Marketing year	2008/09 or 2009			2009/10 or 2010			
		Actual imports			Import position ²			
		Commercial purchases	Food aid	Total commercial and aid	Total import requirements (excl. re-exports)	Total commercial and aid	Food aid allocated, committed or shipped	Commercial purchases
AFRICA		43 547.4	3 349.8	46 897.2	43 261.2	38 330.8	2 788.1	35 542.7
NORTH AFRICA		20 767.0	0.0	20 767.0	18 897.0	18 897.0	0.0	18 897.0
Egypt	July/June	15 146.0	0.0	15 146.0	15 226.0	15 226.0	0.0	15 226.0
Morocco	July/June	5 621.0	0.0	5 621.0	3 671.0	3 671.0	0.0	3 671.0
EASTERN AFRICA		6 521.7	2 332.8	8 854.5	7 944.5	7 540.6	1 994.2	5 546.4
Burundi	Jan./Dec.	88.7	46.3	135.0	141.0	26.6	26.6	0.0
Comoros	Jan./Dec.	53.1	7.5	60.6	49.0	17.8	0.0	17.8
Djibouti	Jan./Dec.	90.0	21.0	111.0	91.0	53.7	8.5	45.2
Eritrea	Jan./Dec.	329.3	0.0	329.3	322.0	26.4	0.0	26.4
Ethiopia	Jan./Dec.	505.8	1 214.4	1 720.2	1 275.0	1 254.9	985.9	269.0
Kenya	Oct./Sept.	2 442.0	231.3	2 673.3	2 523.0	2 523.0	171.0	2 352.0
Rwanda	Jan./Dec.	92.0	24.0	116.0	155.0	153.3	0.0	153.3
Somalia	Aug./July	195.8	420.9	616.7	349.3	349.3	137.0	212.3
Sudan	Nov./Oct.	1 797.0	310.0	2 107.0	2 147.4	2 147.4	604.6	1 542.8
Uganda	Jan./Dec.	219.9	28.8	248.7	167.0	122.4	45.8	76.6
United Rep. of Tanzania	June/May	708.1	28.6	736.7	865.8	865.8	14.8	851.0
SOUTHERN AFRICA		3 214.4	490.8	3 705.2	2 977.2	2 977.2	357.6	2 619.6
Angola	April/March	812.7	0.0	812.7	688.1	688.1	0.0	688.1
Lesotho	April/March	207.1	0.3	207.4	231.4	231.4	3.1	228.3
Madagascar	April/March	206.4	13.3	219.7	206.7	206.7	19.6	187.1
Malawi	April/March	119.8	65.4	185.2	133.7	133.7	24.8	108.9
Mozambique	April/March	880.8	122.9	1 003.7	975.8	975.8	125.0	850.8
Swaziland	May/April	121.3	6.0	127.3	138.0	138.0	4.6	133.4
Zambia	May/April	135.2	6.6	141.8	33.5	33.5	1.6	31.9
Zimbabwe	April/March	731.1	276.3	1 007.4	570.0	570.0	178.9	391.1
WESTERN AFRICA		11 283.3	355.7	11 639.0	11 562.7	7 909.6	298.0	7 611.6
Coastal Countries		8 568.8	139.0	8 707.8	8 603.7	4 950.6	36.1	4 914.5
Benin	Jan./Dec.	64.4	12.8	77.2	82.3	70.0	0.0	70.0
Côte D'ivoire	Jan./Dec.	1 314.6	22.4	1 337.0	1 382.0	758.5	12.0	746.5
Ghana	Jan./Dec.	877.3	25.5	902.8	859.8	126.8	4.6	122.2
Guinea	Jan./Dec.	556.8	12.2	569.0	486.7	407.9	4.0	403.9
Liberia	Jan./Dec.	360.0	23.5	383.5	334.9	271.8	12.0	259.8
Nigeria	Jan./Dec.	5 180.0	0.0	5 180.0	5 220.0	3 245.7	0.0	3 245.7
Sierra Leone	Jan./Dec.	146.6	17.4	164.0	160.0	18.1	1.7	16.4
Togo	Jan./Dec.	69.1	25.2	94.3	78.0	51.8	1.8	50.0
Sahelian Countries		2 714.5	216.7	2 931.2	2 959.0	2 959.0	261.9	2 697.1
Burkina Faso	Nov./Oct.	282.7	20.1	302.8	376.3	376.3	29.8	346.5
Chad	Nov./Oct.	72.7	85.9	158.6	196.1	196.1	99.1	97.0
Gambia	Nov./Oct.	111.3	10.5	121.8	106.5	106.5	5.0	101.5
Guinea-Bissau	Nov./Oct.	129.2	9.1	138.3	123.8	123.8	7.3	116.5
Mali	Nov./Oct.	251.9	16.9	268.8	233.0	233.0	11.8	221.2
Mauritania	Nov./Oct.	476.0	22.4	498.4	468.3	468.3	19.1	449.2
Niger	Nov./Oct.	293.1	40.4	333.5	395.2	395.2	55.0	340.2
Senegal	Nov./Oct.	1 097.6	11.4	1 109.0	1 059.8	1 059.8	34.8	1 025.0
CENTRAL AFRICA		1 761.0	170.5	1 931.5	1 879.8	1 006.4	138.3	868.1
Cameroon	Jan./Dec.	796.1	6.2	802.3	727.2	406.1	10.0	396.1
Central African Rep.	Jan./Dec.	37.4	19.1	56.5	57.0	26.6	7.7	18.9
Congo	Jan./Dec.	321.5	3.7	325.2	334.0	127.9	6.8	121.1
Congo Dem. Rep.	Jan./Dec.	567.0	135.6	702.6	715.0	414.0	113.8	300.2
Equatorial Guinea	Jan./Dec.	27.8	0.0	27.8	31.6	26.1	0.0	26.1
Sao Tome and Principe	Jan./Dec.	11.2	5.9	17.1	15.0	5.7	0.0	5.7

Table A4b. Cereal import requirements of Low-Income Food-Deficit Countries¹, 2009/10 or 2010 estimates
(thousand tonnes)

	Marketing year	2008/09 or 2009			2009/10 or 2010			
		Actual imports			Import position ²			
		Commercial purchases	Food aid	Total commercial and aid	Total import requirements (excl. re-exports)	Total commercial and aid	Food aid allocated, committed or shipped	Commercial purchases
ASIA		43 489.9	1 270.0	44 759.9	43 820.3	42 582.3	619.6	41 962.7
CIS in Asia		6 125.0	93.7	6 218.7	5 642.8	5 642.8	32.3	5 610.5
Armenia	July/June	393.4	1.6	395.0	375.6	375.6	1.0	374.6
Azerbaijan	July/June	1 642.3	0.8	1 643.1	1 072.9	1 072.9	0.0	1 072.9
Georgia	July/June	539.6	19.1	558.7	779.0	779.0	4.1	774.9
Kyrgyzstan	July/June	539.9	10.0	549.9	371.9	371.9	11.9	360.0
Tajikistan	July/June	967.6	62.2	1 029.8	884.0	884.0	15.3	868.7
Turkmenistan	July/June	449.2	0.0	449.2	456.0	456.0	0.0	456.0
Uzbekistan	July/June	1 593.0	0.0	1 593.0	1 703.4	1 703.4	0.0	1 703.4
FAR EAST		21 122.7	685.2	21 807.9	22 752.1	22 607.5	333.0	22 274.5
Bangladesh	July/June	2 894.6	174.4	3 069.0	4 300.0	4 300.0	37.8	4 262.2
Bhutan	July/June	56.9	0.0	56.9	56.0	56.0	0.0	56.0
Cambodia	Jan./Dec	36.5	3.5	40.0	40.0	39.5	4.5	35.0
China (Mainland)	July/June	2 239.0	0.0	2 239.0	4 032.0	4 032.0	0.0	4 032.0
D.P.R. of Korea	Nov./Oct.	207.4	287.7	495.1	379.2	379.2	60.2	319.0
India	July/June	141.0	22.5	163.5	408.9	408.9	7.2	401.7
Indonesia	July/June	5 595.3	0.0	5 595.3	5 853.7	5 853.7	0.0	5 853.7
Lao, P.D.R.	Jan./Dec	32.6	2.3	34.9	47.2	40.7	10.2	30.5
Mongolia	Oct./Sept.	231.4	52.2	283.6	312.9	312.9	0.0	312.9
Nepal	July/June	166.7	23.3	190.0	340.0	340.0	27.3	312.7
Pakistan	July/June	3 004.8	38.7	3 043.5	233.6	233.6	94.9	138.7
Philippines	July/June	5 212.6	16.6	5 229.2	5 588.1	5 588.1	43.4	5 544.7
Sri Lanka	Jan./Dec	1 246.8	58.1	1 304.9	1 112.0	974.4	46.7	927.7
Timor-Leste	July/June	57.1	5.9	63.0	48.5	48.5	0.8	47.7
Near East		16 242.2	491.1	16 733.3	15 425.4	14 332.0	254.3	14 077.7
Afghanistan	July/June	2 126.8	458.5	2 585.3	2 521.8	2 521.8	195.8	2 326.0
Iraq	July/June	4 820.0	17.6	4 837.6	5 227.2	5 227.2	17.2	5 210.0
Syrian Arab Republic	July/June	5 473.0	7.3	5 480.3	4 366.4	4 366.4	28.6	4 337.8
Yemen	Jan./Dec	3 822.4	7.7	3 830.1	3 310.0	2 216.6	12.7	2 203.9
CENTRAL AMERICA		1 555.5	178.5	1 734.0	1 806.9	1 806.9	115.9	1 691.0
Haiti	July/June	458.0	149.0	607.0	625.7	625.7	114.0	511.7
Honduras	July/June	713.1	9.2	722.3	766.2	766.2	1.4	764.8
Nicaragua	July/June	384.4	20.3	404.7	415.0	415.0	0.5	414.5
OCEANIA		391.1	0.0	391.1	390.8	252.8	0.0	252.8
Kiribati	Jan./Dec	8.7	0.0	8.7	8.7	4.3	0.0	4.3
Papua New Guinea	Jan./Dec	331.0	0.0	331.0	330.0	236.6	0.0	236.6
Solomon Is.	Jan./Dec	38.3	0.0	38.3	39.0	10.1	0.0	10.1
Tuvalu	Jan./Dec	1.1	0.0	1.1	1.1	0.0	0.0	0.0
Vanuatu	Jan./Dec	12.0	0.0	12.0	12.0	1.8	0.0	1.8
EUROPE		102.0	0.0	102.0	75.0	75.0	0.0	75.0
Republic of Moldova	July/June	102.0	0.0	102.0	75.0	75.0	0.0	75.0
TOTAL		89 085.9	4 798.3	93 884.2	89 354.2	83 047.8	3 523.6	79 524.2

Source: FAO

¹ Includes food deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 735 in 2006), which is in accordance with the guidelines and criteria agreed to by the CFA should be given priority in the allocation of food aid.

² Estimates based on information as of early November 2010.

Table A5. Cereal import requirements of Low-Income Food-Deficit Countries¹, 2010/11 estimates

(thousand tonnes)

	2009/10 Actual imports			2010/11 Import position ²				
	Marketing year	Commercial purchases	Food aid	Total commercial and aid	Total import requirements (excl. re-exports)	Total commercial and aid	Food aid allocated, committed or shipped	Commercial purchases
AFRICA		29 171.8	1 546.9	30 718.7	30 919.4	7 295.7	262.8	7 032.9
Northern Africa		18 897.0	0.0	18 897.0	20 396.0	6 074.2	0.0	6 074.2
Egypt	July/June	15 226.0	0.0	15 226.0	14 625.0	5 318.5	0.0	5 318.5
Morocco	July/June	3 671.0	0.0	3 671.0	5 771.0	755.7	0.0	755.7
Eastern Africa		4 958.1	927.4	5 885.5	4 804.0	237.0	72.4	164.6
Kenya	Oct./Sept.	2 352.0	171.0	2 523.0	1 880.0	54.4	54.4	0.0
Somalia	Aug./July	212.3	137.0	349.3	383.0	8.8	8.8	0.0
Sudan	Nov./Oct.	1 542.8	604.6	2 147.4	1 821.0	5.9	5.9	0.0
United Rep. of Tanzania	June/May	851.0	14.8	865.8	720.0	167.9	3.3	164.6
Southern Africa		2 619.6	357.6	2 977.2	2 816.0	935.4	141.3	794.1
Angola	April/March	688.1	0.0	688.1	696.0	197.4	0.0	197.4
Lesotho	April/March	228.3	3.1	231.4	216.0	96.0	0.5	95.5
Madagascar	April/March	187.1	19.6	206.7	203.0	29.1	8.9	20.2
Malawi	April/March	108.9	24.8	133.7	180.0	53.6	14.3	39.3
Mozambique	April/March	850.8	125.0	975.8	933.0	277.4	97.0	180.4
Swaziland	May/April	133.4	4.6	138.0	129.0	52.2	0.7	51.5
Zambia	May/April	31.9	1.6	33.5	29.0	10.8	0.9	9.9
Zimbabwe	April/March	391.1	178.9	570.0	430.0	218.9	19.0	199.9
Western Africa		2 697.1	261.9	2 959.0	2 903.4	49.1	49.1	0.0
Sahelian Countries		2 697.1	261.9	2 959.0	2 903.4	49.1	49.1	0.0
Burkina Faso	Nov./Oct.	346.5	29.8	376.3	330.0	0.0	0.0	0.0
Chad	Nov./Oct.	97.0	99.1	196.1	156.0	21.7	21.7	0.0
Gambia	Nov./Oct.	101.5	5.0	106.5	96.0	0.0	0.0	0.0
Guinea-Bissau	Nov./Oct.	116.5	7.3	123.8	124.0	0.0	0.0	0.0
Mali	Nov./Oct.	221.2	11.8	233.0	206.5	2.1	2.1	0.0
Mauritania	Nov./Oct.	449.2	19.1	468.3	488.0	8.5	8.5	0.0
Niger	Nov./Oct.	340.2	55.0	395.2	356.9	14.4	14.4	0.0
Senegal	Nov./Oct.	1 025.0	34.8	1 059.8	1 146.0	2.4	2.4	0.0
ASIA		38 765.6	545.5	39 311.1	35 994.4	10 137.5	357.2	9 780.3
CIS in Asia		5 610.5	32.3	5 642.8	5 564.0	1 199.6	36.9	1 162.7
Armenia	July/June	374.6	1.0	375.6	333.0	47.3	5.2	42.1
Azerbaijan	July/June	1 072.9	0.0	1 072.9	1 126.0	381.9	0.0	381.9
Georgia	July/June	774.9	4.1	779.0	852.0	154.4	0.0	154.4
Kyrgyzstan	July/June	360.0	11.9	371.9	358.0	104.2	19.9	84.3
Tajikistan	July/June	868.7	15.3	884.0	956.0	233.3	11.8	221.5
Turkmenistan	July/June	456.0	0.0	456.0	305.0	26.3	0.0	26.3
Uzbekistan	July/June	1 703.4	0.0	1 703.4	1 634.0	252.2	0.0	252.2
Far East		21 281.3	271.6	21 552.9	20 578.4	7 029.7	242.4	6 787.3
Bangladesh	July/June	4 262.2	37.8	4 300.0	3 150.0	1 340.0	134.7	1 205.3
Bhutan	July/June	56.0	0.0	56.0	58.0	0.0	0.0	0.0
China (Mainland)	July/June	4 032.0	0.0	4 032.0	4 057.0	1 400.0	0.0	1 400.0
D.P.R. of Korea	Nov./Oct.	319.0	60.2	379.2	867.0	62.6	62.6	0.0
India	April/March	401.7	7.2	408.9	452.1	435.4	0.0	435.4
Indonesia	April/March	5 853.7	0.0	5 853.7	6 344.1	2 919.5	0.0	2 919.5
Mongolia	Oct./Sept.	312.9	0.0	312.9	138.0	10.6	0.0	10.6
Nepal	July/June	312.7	27.3	340.0	290.0	70.2	0.0	70.2
Pakistan	May/April	138.7	94.9	233.6	135.8	97.8	45.1	52.7
Philippines	July/June	5 544.7	43.4	5 588.1	5 040.4	693.6	0.0	693.6
Timor-Leste	July/June	47.7	0.8	48.5	46.0	0.0	0.0	0.0
Near East		11 873.8	241.6	12 115.4	9 852.0	1 908.2	77.9	1 830.3
Afghanistan	July/June	2 326.0	195.8	2 521.8	1 072.0	552.0	75.1	476.9
Iraq	July/June	5 210.0	17.2	5 227.2	4 910.0	794.8	0.1	794.7
Syrian Arab Republic	July/June	4 337.8	28.6	4 366.4	3 870.0	561.4	2.7	558.7
CENTRAL AMERICA		1 691.0	115.9	1 806.9	3 495.0	172.8	81.2	91.6
Haiti	July/June	511.7	114.0	625.7	636.0	82.4	81.2	1.2
Honduras	July/June	764.8	1.4	766.2	775.0	57.4	0.0	57.4
Nicaragua	July/June	414.5	0.5	415.0	415.0	33.0	0.0	33.0
EUROPE		75.0	0.0	75.0	63.5	13.1	0.0	13.1
Republic of Moldova	July/June	75.0	0.0	75.0	63.5	13.1	0.0	13.1
TOTAL		69 703.4	2 208.3	71 911.7	70 472.3	17 619.1	701.2	16 917.9

Source: FAO

¹ Includes food deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 735 in 2006), which is in accordance with the guidelines and criteria agreed to by the CFA should be given priority in the allocation of food aid.² Estimates based on information as of early November 2010.

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