



Crop Prospects and Food Situation

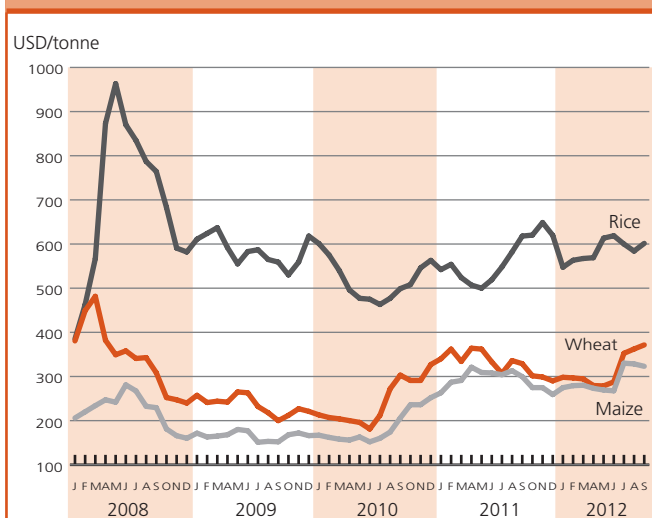
HIGHLIGHTS

- **Latest indications confirm a decline in world cereal production in 2012 from the record in 2011.** The decrease will result in a significant reduction in world inventories by the close of seasons in 2013, even with world demand sliding as a result of high prices.
- **International cereal prices remained firm in September, with average wheat and rice quotations increasing slightly, but those of maize declining.**
- **Although the volume of aggregate cereal import requirements of LIFDCs in the 2012/13 marketing years are estimated to decline by 5 percent from the high level the previous year, the total import bill, on the other hand, is expected to rise due to higher international prices.**
- **In North Africa, wheat production declined sharply in Morocco as a result of unfavourable weather conditions.** As the subregion is highly dependent on wheat imports, the anticipated larger import bills, combined with staple food subsidies, would result in additional budgetary pressures.
- **In Western Africa, notwithstanding favourable harvest prospects in the region, the food security situation in the Sahel is still of concern with close to 19 million people in need of continued assistance largely due to the lingering effects of last year's poor harvests.** The Desert Locust threat also remains a serious concern.
- **In Eastern Africa, the overall food security situation has started to improve with the beginning of the harvest season in several countries,** following declining food prices and improved livestock productivity due to enhanced rains. However, about 13.4 million people are still in need of humanitarian assistance.
- **In Southern Africa, a prolonged dry spell caused a drop in aggregate cereal production in 2012,** with several countries registering significant declines, including **Lesotho.** The lower cereal harvests have contributed to an increase in the number of food insecure.
- **In Far East Asia, the 2012 aggregate cereal harvest is estimated to exceed the record harvest of 2011;** however, delayed monsoon and erratic weather conditions in some countries may dampen the final outcome. Improved harvests are expected to reduce the aggregate cereal imports.
- **In the Near East, the deteriorating food security situation continues to be a major concern in the Syrian Arab Republic and Yemen as a result of the civil unrest.** Elsewhere, in **Afghanistan,** a bumper wheat harvest has been gathered.
- **Cereal output in CIS countries has sharply dropped from last year's levels.** Lower export availabilities in the region have resulted in higher regional prices and strengthened domestic prices of main staple wheat flour in importing countries.
- **In Central America and the Caribbean, good 2012 main season cereal harvests were gathered despite severe localized crop losses.** In **Haiti,** adverse weather conditions sharply reduced the 2012 main season's coarse grains output.
- **In South America, the 2012 wheat output is forecast to decline following reduced plantings.** By contrast, this year's **maize production was estimated at record levels** mainly as a result of a bumper crop in **Brazil.**

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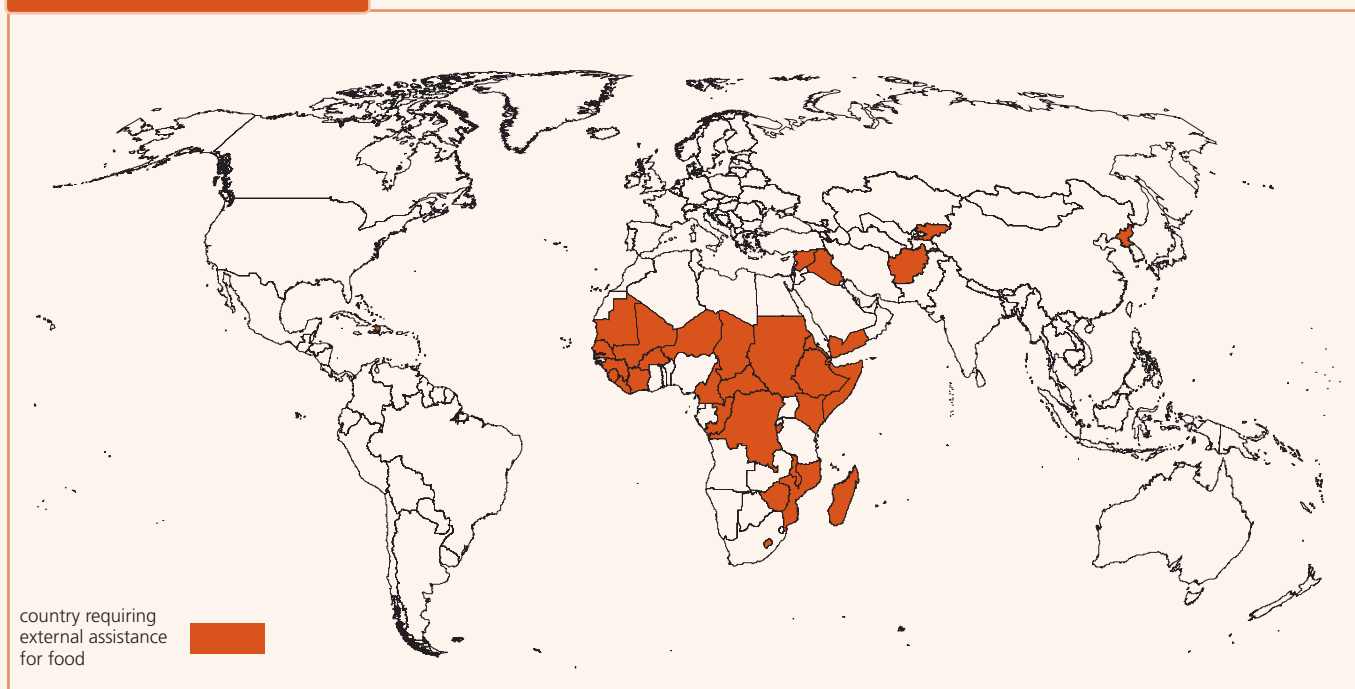
Selected international cereal prices



Note: Prices refer to monthly average. See Table 2 for details

Countries requiring external assistance for food¹

World: 35 countries



AFRICA (28 countries)

Exceptional shortfall in aggregate food production/supplies

Burkina Faso

Erratic rains and extended dry spells throughout the growing season caused cereal production to fall by nearly 20 percent in 2011. Cereal prices increased sharply across the country. About 2 million people will still need assistance between July and September. Massive influx of refugees from Mali has put additional pressure on already tight local food markets

Chad

Irregular rains and extended dry spells led to a sharp decline in cereal and pasture output in 2011 in both the southern Sudanian and northern Sahelian zones of the country. Cereal production dropped by 49 percent in 2011 compared to the previous year. Moreover, large numbers of refugees are located in southern and eastern regions of Chad (over 300 000 people from the Sudan's Darfur region and the Central African Republic). Also, the return of an estimated 79 000 Chadians from Libya is putting additional pressure on the local food supply

Gambia

Cereal production is officially estimated to have dropped by 42 percent in 2011 compared to the previous year. Production shortfalls and high food prices led to a deterioration of the food security situation in several parts of the country. About 240 000 people are estimated to be seriously affected

Lesotho

Significant drop in 2012 cereal production, by 71 percent compared to 2011's output, caused a severe deterioration in the food insecurity situation. In addition, high maize meal prices constrain food access. An estimated 39 percent of the population is food insecure

Mali

Civil strife and insecurity in northern Mali forced over 268 000 people to leave the country and seek refuge in neighbouring countries, while 174 000 more were internally displaced as of late August. This has worsened the already precarious food security situation created by last year's poor harvest. About 4.6 million people are estimated to be at risk of food insecurity across the country

Mauritania

Cereal production dropped by 34 percent in 2011 due to poor distribution of rainfall. Pasture conditions were also severely affected in the pastoral and agropastoral zones of the country. The country is also affected by high international food prices due to its high import dependency. About 700 000 people are estimated to be at risk of food insecurity. Moreover, more than 90 000 Malian refugees have been registered in Hodh Ech Chargui Region in the southeastern part of the country, as of mid-July 2012

Niger

After the severe food crisis that struck the country in 2009/10, erratic rains and extended dry spells throughout the growing season led to a sharp decline in 2011 cereal and pasture output. In addition, large numbers of refugees and returning national migrant workers from Libya and Mali placed an increasing demand on food: 6.4 million people are estimated to be at risk of food insecurity

Zimbabwe

Dry spells in late 2011 and early 2012 result in a 32 percent decrease in cereal production, particularly impacting southern areas, which were also affected by poor harvests in 2011. However, maize supplies are currently stable, but prices are high in southern markets. Currently, an estimated 1.2 million people are food insecure

Widespread lack of access**Djibouti**

About 180 000 people are estimated to be in need of humanitarian assistance due to high food prices and consecutive poor rainy seasons affecting pastoralists

Eritrea

Vulnerability to food insecurity due to economic constraints and high international food and fuel prices

Liberia

Slow recovery from war-related damage. Inadequate social services and infrastructure, as well as poor market access and high food prices. Massive influx of refugees from Côte d'Ivoire: about 63 000 Ivorian refugees were still living in Liberia as of early September 2012

Sierra Leone

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

Severe localized food insecurity**Burundi**

Below-average seasonal harvests, coupled with high food prices, continue to erode purchasing power of low-income households

Cameroon

About 400 000 individuals in need of relief food assistance due to production shortfalls in some northern areas. The situation in the north of the country has been further aggravated in mid-August by widespread floods which affected about 25 000 people, depriving them of their livelihoods

Central African Republic

Civil conflict and insecurity caused the displacement of more than 100 000 individuals and restricted access to agricultural land and food

Congo

Influx of more than 100 000 refugees since the end of 2009, mostly from the Democratic Republic of the Congo, has increased pressure on limited local food resources

Côte d'Ivoire

Conflict-related damage to agriculture in recent years and the lack of support services mainly in the northern regions. Last year's post-election crisis forced thousands of people to leave the country and seek refuge, mostly in eastern Liberia, where about 63 000 Ivorian refugees were still living as of early September 2012

Democratic Republic of the Congo

Civil conflict has displaced an estimated 2.2 million people, hindering agricultural activities, while high food prices continue to impede food access. A total of 5.4 million people are estimated to be in a food and livelihood crisis

Ethiopia

The estimated number of people in need of humanitarian assistance has been revised upwards from 3.2 to 3.8 million, mainly as a consequence of poor *belg* and *gulganna* rains in areas of Somali, Tigray, Oromia and SNNP regions

Guinea

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

Kenya

The food-insecure population is estimated at 2.1 million (plus about 535 000 refugees), mainly in agropastoralist areas in northern, southeastern and coastal districts that had three to four consecutive dry seasons

Madagascar

Cyclones in early 2012 damaged homesteads and crops, deteriorating food security conditions of the affected population, particularly in eastern districts. However, generally stable prices prevail, despite the reduced 2012 rice harvest

Malawi

Production shortfalls and a rapid rise in maize prices in southern districts aggravate food insecurity conditions, affecting an estimated 1.6 million persons. Increase in inflation exacerbates conditions for low-income households

Mozambique

A dry spell in central and southern parts dampened production in affected areas. Consequently an estimated 255 000 people require humanitarian assistance to help bridge food gaps

Senegal

Production shortfalls and high food prices led to a deterioration of the food security situation in several parts of the country

Somalia

About 2.1 million people are in need of emergency assistance due to the past severe drought, the ongoing civil conflict and limitations in delivering humanitarian assistance

South Sudan

About 850 000 people are estimated to be food insecure due to low cereal production in 2011, civil insecurity, trade restrictions, high food prices and increasing demand by IDPs, returnees and refugees

Sudan

About 4.3 million people are in need of food assistance (including about 2 million IDPs in Darfur), due to a very low 2011 cereal production, civil insecurity (mainly in South Kordofan, Blue Nile and Darfur) and high food prices

ASIA (6 countries)**Exceptional shortfall in aggregate food production/supplies****Iraq**

Severe civil insecurity

Syrian Arab Republic

Severe civil unrest. The number of people in need of urgent food assistance has increased to 1.5 million from an estimated 1 million last March. By the end of the year this figure is estimated to double if the current situation does not improve

Widespread lack of access**Democratic People's Republic of Korea**

The harvest of the 2012 early season crops was poor. A recent dry spell and floods are expected to affect the main season food production. In addition economic constraints and lack of agricultural inputs continue to lead to inadequate food supplies

Yemen

The severely food-insecure population in need of emergency food assistance is estimated at about 10 million people (44.5 percent of the population) as a result of high levels of poverty, prolonged conflict and high food and fuel prices

Severe localized food insecurity**Afghanistan**

Some areas, particularly in the extreme northeast and some higher elevations of the central highlands are faced with increased food insecurity due to below-normal temperatures and above-normal precipitation, resulting in poor agricultural conditions

Kyrgyzstan

Socio-political tension since June 2010 in Jalalabad, Osh and Batken Oblasts, in parallel with a lower cereal production and increasing food prices, hinder access to food and causing threats on food security among vulnerable groups of the population

LATIN AMERICA AND THE CARIBBEAN (1 country)**Severe localized food insecurity****Haiti**

Tropical storm Isaac caused severe localized damage to agriculture, housing and infrastructure

Countries with unfavourable prospects for current crops²

AFRICA (1 country)

Morocco

Unfavourable weather conditions delayed planting prospects, followed by moisture stress resulting in a lower wheat production of 3.9 million tonnes, over 36 percent less than in 2011

ASIA (1 country)

Democratic People's Republic of Korea

Dry spell and floods in parts

LATIN AMERICA AND THE CARIBBEAN (1 country)

Haiti

Dry weather followed by floods

Key - Changes since last report (June 2012)

No change ■ Improving ▲ Deteriorating ▼ New Entry +

Terminology

¹ **Countries 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 a reduction of the area planted and/or yields due to adverse weather conditions, plant pests, diseases and other calamities.

Global overview

GLOBAL CEREAL SUPPLY AND DEMAND SUMMARY

Declining global cereal production in 2012 to further tighten supplies in 2012/13

FAO's latest forecast for world **cereal production** in 2012 has been revised downward slightly (0.4 percent) since the previous update in September, to 2 286 million tonnes. The latest adjustment mostly reflects a smaller maize crop in central and southeastern parts of Europe, where yields are turning out lower than earlier expectations following prolonged dry conditions. At the current forecast level, world cereal production in 2012 would be 2.6 percent down from the previous year's record crop but close to the second largest in 2008. The overall decrease comprises a 5.2 percent reduction in wheat production, and a 2.3 percent reduction for coarse grains, while the global rice crop is seen to remain virtually unchanged. Severe droughts this year in the United States and across a

large part of Europe and into central Asia have been the main cause of the reduced wheat and coarse grains crops. However, the very early indications for wheat crops in 2013 are encouraging, with winter wheat planting in the northern hemisphere already well advanced under generally favourable weather conditions.

World **cereal utilization** in 2012/13 marketing season is forecast at 2 314 million tonnes, down marginally from the previous season but 2 percent below the 10-year trend. Global wheat utilization is likely to reach 687 million tonnes, pointing to a small (1 percent) decline from the previous season, mostly on reduced feed use after the previous

season's exceptionally elevated use of wheat for animal feed. Total utilization of coarse grains is forecast at 1 154 million tonnes in 2012/13, also down slightly from the previous season, with most of the reduction reflecting a decline in maize utilization to 866 million tonnes, down nearly 1 percent from the revised estimate of 874 million tonnes in 2011/12. The decline in maize consumption reflects an anticipated contraction in industrial usage of maize, largely because of an anticipated drop of 10 percent (13 million tonnes) in the crop usage for production of biofuels in the United States. By contrast, world rice utilization is set to increase by 1.2 percent to 474 million tonnes, resulting in stable per caput food consumption.

The forecast for world cereal **stocks** at the close of crop seasons ending in 2013 now stands at 499 million tonnes, down

Table 1. Basic facts of world cereal situation

(million tonnes)

	2010/11	2011/12 estimate	2012/13 forecast	Change: 2012/13 over 2011/12 (%)
PRODUCTION¹				
World	2 258.4	2 347.3	2 286.0	-2.6
Developing countries	1 318.2	1 346.5	1 379.3	2.4
Developed countries	940.2	1 000.8	906.7	-9.4
TRADE²				
World	284.7	305.3	290.6	-4.8
Developing countries	93.9	95.2	100.6	5.6
Developed countries	190.8	210.0	190.0	-9.5
UTILIZATION				
World	2 277.7	2 317.6	2 314.3	-0.1
Developing countries	1 428.7	1 466.2	1 495.3	2.0
Developed countries	849.0	851.4	819.0	-3.8
Per caput cereal food use (kg per year)	153.0	153.0	152.9	-0.1
STOCKS³				
World	502.9	527.0	499.1	-5.3
Developing countries	351.9	372.0	380.6	2.3
Developed countries	151.0	155.0	118.5	-23.5
WORLD STOCK-TO-USE RATIO%	21.7	22.8	20.7	-8.9

Note: Totals and percentage change 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

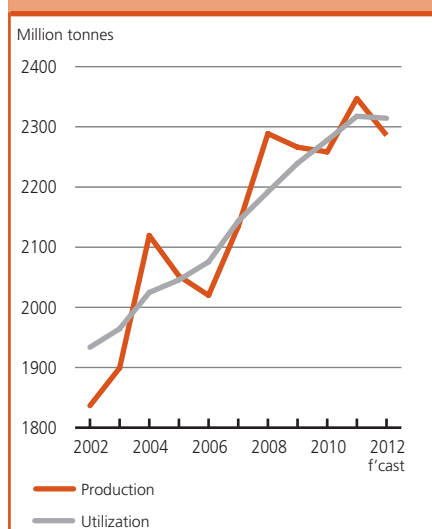
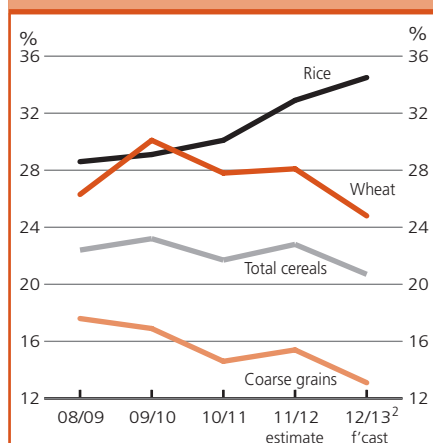


Figure 2. Ratio of world cereal stocks to utilization¹

¹ Compares closing stocks with utilization in following season.
² Utilization in 2012/13 is a trend value based on extrapolation from the 2001/02-2011/12 period.

4 million tonnes from September and as much as 5 percent (28 million tonnes) from their opening level. This month's downward revision reflects the worsening of the global production outlook. Compared with the previous season, the fall in world inventories would stem from lower wheat and coarse grain carryovers. At the current forecast levels, the world cereal stock-to-use ratio is projected at 20.7 percent, which compares with 22.8 percent last season and with the low of 19.2 percent registered in 2007/08. Global wheat inventories are foreseen to reach 172 million tonnes, down 11 percent (21 million tonnes) from the previous season and almost 2 million tonnes less than in the September forecast. The reduction in wheat inventories is likely to be most pronounced in Kazakhstan, the Russian Federation and Ukraine, but stocks are also anticipated to end lower in China (Mainland), the EU and the United States. As a result, the world wheat stock-to-use ratio is projected at 24.8 percent, down from 28.1 percent estimated in 2011/12, though still 2.9 percentage points above the all-time low of 21.9 percent in 2007/08. World inventories of coarse grains are forecast to reach 162 million tonnes, 9 percent (16 million tonnes) less

than in 2012 and 2.5 million tonnes below the September forecast. Most the decline from the previous season reflects shrinking maize supplies in the United States which may curb the country's maize stock-to-use ratio to an all-time low of 7.3 percent. The world stock-to-use ratio for coarse grains in 2012/13 is currently put at 13.1 percent. By contrast, given the expectation of another bumper rice crop, global rice inventories at the close of seasons in 2013 are expected to surge by 6 percent (9.3 million tonnes) to a record of 165 million tonnes. This would lift the rice stock-to-use ratio by 1.6 percentage points to a comfortable 34.5 percent, or 10 percentage points higher than the 24.5 percent registered in 2006/07.

World **trade** in cereals in 2012/13 is forecast to contract by 4.8 percent to 290.6 million tonnes, on account of falling wheat and maize flows. World wheat trade (including wheat flour in wheat equivalent) is forecast at 135.5 million tonnes, down 6.5 percent (9.4 million tonnes) from 2011/12. The decline is expected to be driven by a weakening of import demand amid expanding production in importing countries and high international prices. As a result,

wheat export availabilities are anticipated to be sufficient to meet the reduced world import requirements, especially as smaller supplies from the Black Sea region would be offset by larger supplies from North America and the EU. Total trade in coarse grains is forecast at 120 million tonnes, down 4 percent (5 million tonnes) from the previous season, with maize flows thinning from 95 million tonnes in 2011/12 to 93 million tonnes in 2012/13, mainly on high world prices following the sharp drop of supplies in the United States, the world's largest maize exporter. World rice trade in 2013 is forecast to reach 35 million tonnes, down marginally both from the previous year and from the September forecast. The decline from 2012 is largely based on expectations of reduced import demand.

INTERNATIONAL PRICE ROUNDUP

World cereal prices remain firm

The **FAO Cereal Price Index** averaged 262 points in September, up 2 points (1 percent) from August as small gains in wheat and rice offset a decline in maize. At this level, the FAO Cereal Price Index

Table 2. Cereal export prices*

(USD/tonne)

	2011		2012				
	Sept	April	May	June	July	August	Sept
United States							
Wheat ¹	329	279	279	288	352	362	371
Maize ²	300	273	269	268	330	328	323
Sorghum ²	285	242	219	234	293	296	286
Argentina³							
Wheat	300	252	251	263	314	335	336
Maize	294	256	246	239	285	294	278
Thailand⁴							
Rice, white ⁵	618	569	613	619	600	584	602
Rice, broken ⁶	497	546	554	545	537	532	540

*Prices refer to the monthly 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.

is up 7 percent from the corresponding period last year but still 4 percent below the peak of 274 points registered in April 2008. While shrinking maize export availabilities and high maize prices have been leading the cereal markets in recent months, tightening wheat supplies have also become a concern, although international wheat prices fell under downward pressure towards the latter half of the month following the announcement by the Russian Federation that it would not impose restrictions on exports. International rice prices were up, sustained by growing evidence that the pledging programme in Thailand will remain in place in the coming season and also shrinking availabilities in other major export locations.

In September, the benchmark US **wheat** (No.2 Hard Red Winter, f.o.b. Gulf) averaged USD 371 per tonne, up 3 percent from August and 13 percent higher than in September 2011. Lower world production, following this year's drought-reduced outputs in several major wheat exporting countries in the Black Sea region, has contributed to the strengthening of wheat prices while reduced supplies of coarse grains also provided support, especially to export prices of feed wheat.

In September, the US **maize** price (No. 2 Yellow, Gulf) averaged USD 323 per tonne, representing a decline of 2 percent from August, although still up 8 percent from the corresponding period last year. International maize prices rose sharply earlier in the year and remained firm mainly due to worsening crop prospects in the United States. However, US export prices have fallen under some downward pressure in recent weeks, largely on lower than earlier anticipated domestic demand and slowing export sales.

The benchmark international **rice** price (Thai White 100% B) averaged USD 602 per tonne in September, 3 percent up from August. Prices in Thailand remain well above those of competitors, reflecting the artificial tightness created by the

Government's pledging programme, as much of the rice available in the country is stored in public warehouses. Rice prices in other origins also strengthened, reflecting a thinning of supplies ahead of the harvests due in the next few months.

GLOBAL PRODUCTION ROUNDUP

Latest information confirms smaller world wheat crop in 2012

FAO's latest forecast for global wheat production in 2012 stands at 663 million tonnes, 5.2 percent below last year's level, but close to the average of the past five years. This level is considerably below expectations earlier in the year, largely reflecting the impact of the severe drought that set-in across eastern Europe and central Asia, but also on account of downward revisions for the key southern hemisphere producing countries where weather and policy factors in some cases have reduced prospects for the 2012 crop yet to be harvested.

Most of the decline in global wheat production, compared to last year, reflects the negative effects of drought in the major producing CIS countries in Europe and Asia. Wheat output in the Russian Federation is estimated some 30 percent down from 2011, in Ukraine, latest information points to a decrease of about 33 percent, while in Kazakhstan, output is reported to be just half of last year's good level. In other parts of Europe, wheat output also declined, particularly in some central and southeastern countries on the edge of the drought-affected zone. The aggregate output of the EU countries is estimated to be down by 2.6 percent. In the other Asian subregions, record crops have been gathered in the key producers in the Far East, namely, China and India, while in the Near East, results have been mixed: good crops were gathered in Afghanistan and the Islamic Republic of Iran but outputs were down elsewhere, reflecting dry conditions and/or the negative impact

of civil disturbances. The 2012 harvest results were also mixed in North Africa, where production recovered in Algeria but was sharply reduced in Morocco due to dry conditions. In the United States, this year's wheat production is estimated to have increased by 13.4 percent to an above-average level of 61.7 million tonnes. In Canada, output is expected to be above average and almost 7 percent higher than in 2011.

In South America, the subregion's aggregate wheat production is forecast at about 21 million tonnes, 12 percent down from the previous year and below average. The expected reduction reflects a general decline in the area planted in response to changes in marketing policy and due to dry weather at sowing time in June and July. In Oceania, prospects for the wheat crop in Australia are mixed, reflecting varied winter rainfall and moisture conditions: overall output is forecast down by about 24 percent from last year's record crop due to lower yields expected in some major producing areas affected by dry conditions.

Wheat planting for 2013

In many parts of the northern hemisphere the winter wheat crops for harvest in 2013 are already being planted or are due to be sown in the next few weeks. With current wheat prices higher than a year ago and utilization expected to outstrip production for the second year in succession in 2012/13, wheat remains an attractive option for producers. Thus, weather permitting, plantings are expected to at least match those of last year. This alone could result in a significant increase next year's global wheat output, assuming growing season conditions return to normal in areas affected by drought in 2012, and satisfactory growing conditions in the other key producing countries.

In the United States, dry conditions delayed the start of planting in the Great Plains, but the arrival of much-needed rains in the first half of September

improved conditions and the pace of sowing was about average by late-month. In Europe, conditions for planting in the EU are generally favourable with the exception of some southeastern countries, namely Bulgaria, Hungary and Romania, where soil moisture is limited. In the Russian Federation, planting of winter wheat is progressing well under generally satisfactory weather conditions, with the exception of some key growing southern areas where soil moisture levels still remain low after the summer drought. In Ukraine, planting got off to an early start, favoured by beneficial rains during the last decade of August in the majority of grain producing regions. More precipitation is still needed in some southern areas. In Asia, the 2013 wheat crop is being planted in China, and planting will commence in October and continue until mid-December in India and Pakistan.

Growth expected in 2012 global coarse grains output doesn't materialize after drought affects major producing areas

FAO's latest forecast for world production of coarse grains in 2012 stands at about 1 140 million tonnes, sharply down from earlier forecasts and 2.3 percent below the previous year's record crop. By far the bulk of the decrease since the start of the season is attributed to the United States, which witnessed one of the largest turnarounds for its maize crop, comparing prospects at planting time to harvest, ever recorded: favourable sowing conditions and attractive prices prompted farmers to plant one of the largest maize areas ever recorded but, thereafter, the season was characterized by widespread severe drought, which devastated crops throughout the major growing areas. However, also in Europe, summer drought in central and eastern parts of the region caused forecasts for maize crops to be revised downward significantly since earlier in the season.

In Asia, latest forecasts still point to an increase in aggregate coarse grains production in the Far East subregion, largely on the back of a new record high output in China. In Africa, the coarse grains harvest in the Western Africa subregion is set to recover from last year's reduced level. In the southern hemisphere, where the main coarse grain crops were already harvested earlier in the year, good to record harvests were gathered throughout Latin America and the Caribbean but, by contrast, Southern Africa had its poorest crop since 2008.

Outlook for global rice production in 2012 deteriorates

The 2012 rice season is reaching an important stage, as the largest producing countries are harvesting, or are about to harvest, their main paddy crops. Where more than one crop is grown every season, the final production will also depend on the outcome of the secondary crops, which will only be planted in the last quarter of 2012 and first quarter of 2013.

The outlook for global rice production in 2012 has deteriorated significantly over the past four months, passing from FAO's forecast of 490.5 million tonnes in June to the current 483.5 million tonnes (milled basis). Much of the worsening reflects a scaling back of output in Bangladesh, India and Pakistan, largely reflecting an erratic progress of the monsoon rains, as well as in Brazil, where the harvest of the 2012 crop was completed early this year. At the currently anticipated level of 483.5 million tonnes, world rice production would be barely 1 million tonnes, or 0.2 percent, above the 2011 season's outstanding results, with all of the increase stemming from yield gains.

Much of the tendencies emerging at the world level follow developments in Asia, where over 90 percent of world rice is produced. Overall, the region is now expected to harvest 439 million tonnes in

2012, up slightly from last year. The outlook is positive for China, where the sector has been growing uninterrupted since 2004, a momentum likely to be further sustained by the recent increase of the guaranteed producer price. Reflecting the strong policy drive towards self-sufficiency, both Indonesia and the Philippines are expected to record substantial output gains over the season, with an expansion also foreseen in Bangladesh, Pakistan and Viet Nam. Production looks set to recover from last year's weather-induced shortfall in Myanmar, Sri Lanka and Thailand. By contrast, India's harvest is forecast to be 6 percent smaller than the 2011 exceptional result, given a much less propitious distribution of the monsoon rains both time and space-wise. Production may also fall in Cambodia, the Chinese Province of Taiwan, the Republic of Korea, reflecting weather-related hindrances.

In Africa, the season is currently foreseen to end with a 3 percent recovery, bringing the overall region output back to 17 million tonnes, the same level as in 2010. In western Africa, where about half of the continent's output is produced, virtually all countries are expected to harvest more, with the largest absolute gains anticipated in Mali, Nigeria, Senegal and Sierra Leone. This is pending a better appraisal of damage caused to standing crops by excessive rains and ensuing flooding in countries such as Niger, Senegal and Nigeria, but also from the desert locust presence and multiplication. In the rest of the region, Egypt may see a rebound of output. The outlook is also favourable in Central and Eastern Africa. In Southern Africa, where crops have already been garnered, output is predicted to contract by 5 percent, largely reflecting a sharp drop in Madagascar, but also in Malawi and Zambia, while Mozambique is estimated to have reaped a bumper crop.

In Latin America and the Caribbean (LAC), where the bulk of the final output was already gathered in the first half of

the year, prospects point to a decline. The region is now estimated to harvest 18.2 million tonnes, 6.7 percent less than last year. Much of the drop would occur in Argentina, Brazil, Ecuador, Paraguay and Uruguay, where less area was planted, due to a combination of below-normal precipitation late in 2011, rising costs and falling output prices.

In the other regions, the production outlook for the United States was recently upgraded, reversing earlier prospects for a yearly decline and now pointing to a vigorous 6.5 percent recovery. In Oceania, Australia already reported a 34 percent increase, facilitated by abundant precipitation in New South Wales. By contrast, in Europe, the European Union may undergo a 7.6 percent contraction, following a reduction of plantings early in the season and subsequent drought problems. Production may also fall in Ukraine, while it is anticipated to stay on the rise in the Russian Federation.

Table 3. World cereal production¹
(million tonnes)

	2010	2011 estimates	2012 forecast	Change: 2012 over 2011 (%)
Asia	1 017.4	1 069.3	1 070.4	0.1
Far East	921.0	959.1	974.7	1.6
Near East	70.4	69.7	68.1	-2.4
CIS in Asia	25.9	40.5	27.7	-31.7
Africa	164.0	156.8	159.2	1.5
North Africa	32.5	35.8	34.4	-4.0
Western Africa	55.9	50.5	54.0	6.9
Central Africa	3.6	3.6	3.6	-0.8
Eastern Africa	40.4	36.5	38.4	5.4
Southern Africa	31.6	30.5	28.9	-5.1
Central America and Caribbean	41.4	35.0	40.4	15.5
South America	145.2	147.9	159.7	7.9
North America	443.8	431.5	404.9	-6.2
Europe	406.8	462.8	415.8	-10.2
EU	281.0	289.3	277.3	-4.2
CIS in Europe	109.1	157.0	123.2	-21.5
Oceania	39.8	43.9	35.5	-19.1
World	2 258.4	2 347.3	2 286.0	-2.6
Developing countries	1 318.2	1 346.5	1 379.3	2.4
Developed countries	940.2	1 000.8	906.7	-9.4
- wheat	655.1	699.0	663.0	-5.2
- coarse grains	1 135.0	1 165.8	1 139.5	-2.3
- rice (milled)	468.3	482.4	483.5	0.2

Note: Totals and percentage change computed from unrounded data.

¹ Includes rice in milled terms.

Low-Income Food-Deficit Countries food situation overview¹

Cereal production of LIFDCs forecast to reach record level in 2012 but mixed performance in individual countries

In the group of 66 Low-Income Food-Deficit Countries (LIFDCs), the 2012 main cereal crops have already been harvested in several areas, namely, Northern and Southern Africa, CIS Asia and Latin America and the Caribbean, while the season is well advanced in Western and Eastern Africa and Asia. FAO's latest forecast for the LIFDCs' 2012 cereal production points to a record level at 534 million tonnes, up 1.7 percent from the good harvest of 2011. Excluding India, the largest country in this group which is expected to see a stagnant total cereal harvest this year, the aggregate cereal output of the remaining 65 LIFDCs is estimated to expand by 2.9 percent.

Most of the estimated production increases are expected in the subregions

of **Western Africa** (6.9 percent), **Eastern Africa** (5.4 percent), **North Africa** (4 percent) and **CIS in Asia** (3.5 percent). Although the first two subregions experienced a recovery over the drought affected 2011 cropping season, the aggregate outputs in 2012 remained below the record levels of 2010. In **Far East Asia**, the latest projections point to an aggregate crop harvest of approximately 376.5 million tonnes (including milled rice), 5.8 million tonnes or some 1.6 percent higher than last year's record level, although the full impact of the delayed monsoon and floods in some countries remains to be fully manifested. Cereal production, on the other hand, is forecast to decline in 2012 as compared to 2011 in other regions, notably **Southern Africa, Central America** and the **Near East**. In Republic of Moldova, the only LIFDC in Europe, a major reduction of almost 40 percent is estimated, due to drought conditions

and excessive heat during the growing period in major cereal producing areas of the country. Similarly, a major decline is estimated in **Southern Africa**, where damages to 2012 maize production, following a prolonged dry spell in parts of Lesotho, Malawi, Mozambique and Zimbabwe, hampered the 2012 total cereal production. In the LIFDCs of **Central America and the Caribbean**, latest estimates point to a slight decrease in cereal production, mainly due to sharply reduced main season's coarse grains output in Haiti, owing to adverse weather conditions.

Cereal import volumes of LIFDCs as a group for the 2012/13 marketing years are estimated to decline while import bill forecast to rise

The total cereal import requirements of the LIFDCs, as a group, in the 2012/13 marketing years are estimated to decrease by about 4 million tonnes, representing a 5 percent decline over the previous

Table 4. Basic facts of the Low-Income Food-Deficit Countries (LIFDCs) cereal situation (million tonnes, rice in milled basis)

	2010/11	2011/12 estimate	2012/13 forecast	Change: 2012/13 over 2011/12 (%)
Cereal production¹	519.4	525.1	534.3	1.7
<i>excluding India</i>	299.2	291.9	300.2	2.9
Utilization	577.1	585.4	599.9	2.5
Food use	457.6	465.2	475.0	2.1
<i>excluding India</i>	269.2	274.5	280.1	2.0
Per caput cereal food use (kg per year)	0.2	0.2	0.2	0.2
<i>excluding India</i>	0.2	0.2	0.2	0.3
Feed	52.8	53.8	57.2	6.3
<i>excluding India</i>	45.8	46.7	49.7	6.5
End of season stocks²	111.5	118.0	115.2	-2.4
<i>excluding India</i>	67.8	69.1	64.9	-6.1

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

² May not equal the difference between supply and utilization because of differences in individual country marketing years.

¹ The Low-Income Food-Deficit (LIFDC) group of countries includes net food deficit countries with annual per caput income below the level used by World Bank to determine eligibility for IDA assistance (i.e. USD 1905 in 2009). The 2012 FAO list of LIFDCs includes 66 countries as opposed to 70 on the 2011 list. The countries that graduated from the list are Pakistan, due to reduced imports, Turkmenistan, Tuvalu and Vanuatu due to income criteria. For full details see: <http://www.fao.org/countryprofiles/lifdc.asp>.

year (Table 6). Among the subregions, North Africa, Far East and CIS Asia, are expected to require considerably lower cereal imports, mainly due to declines in large importing countries such as **Egypt, Indonesia and the Philippines**. In Egypt, the world's largest wheat importer, cereal import requirements are estimated to decline by some 10 percent, mainly on account of increased wheat production, following favourable weather conditions and supportative policy measures. In Indonesia and the Philippines, estimated larger supplies from the 2012 cereal harvests are expected to reduce their import requirements by 15 and 19 percent, respectively. Similarly, in all 4 LIFDCs in CIS Asia, import requirements are estimated to decrease considerably

Table 5. Cereal production¹ of LIFDCs
(million tonnes)

	2010	2011 estimate	2012 forecast	Change: 2012 over 2011 (%)
Africa (39 countries)	133.4	126.3	130.6	3.4
North Africa	18.8	20.4	21.3	4.0
Eastern Africa	40.4	36.5	38.4	5.4
Southern Africa	14.8	15.4	13.5	-12.2
Western Africa	55.9	50.5	54.0	6.9
Central Africa	3.6	3.6	3.5	-0.8
Asia (20 countries)	381.5	394.2	400.0	1.5
CIS in Asia	10.1	9.8	10.1	3.5
Far East	356.5	370.7	376.5	1.6
- India	220.2	233.2	234.1	0.4
Near East	14.9	13.7	13.5	-2.0
Central America (3 countries)	2.0	2.1	2.1	-2.2
Oceania (3 countries)	0.0	0.0	0.0	0.0
Europe (1 country)	2.4	2.5	1.5	-39.3
LIFDC (66 countries)	519.4	525.1	534.3	1.7

Note: Totals and percentage change computed from unrounded data.

¹ Includes rice in milled terms.

Table 6. Cereal import position of LIFDCs
(thousand tonnes)

	2010/11 or 2011	2011/12 or 2012				2012/13 or 2013	
		Requirements ¹		Import position ²		Requirements ¹	
		Actual imports	Total imports:	of which food aid	Total imports:	of which food aid pledges	Total imports:
Africa (39 countries)	41 119	44 568	1 914	29 954	979	42 907	2 142
North Africa	16 101	17 971	0	17 364	0	16 271	0
Eastern Africa	7 263	8 376	1 318	4 281	643	8 516	1 533
Southern Africa	1 758	2 430	156	1 566	168	2 400	177
Western Africa	13 965	13 809	296	5 982	155	13 719	288
Central Africa	2 033	1 982	144	761	13	2 002	144
Asia (20 countries)	39 334	41 554	992	26 072	210	39 056	894
CIS in Asia	3 825	5 587	0	5 587	0	3 605	0
Far East	22 840	21 587	715	13 680	159	20 169	729
Near East	12 668	14 380	277	6 805	51	15 282	165
Central America (3 countries)	1 835	1 781	130	1 177	39	1 775	134
Oceania (3 countries)	434	442	0	104	0	442	0
Europe (1 country)	81	111	0	111	0	119	0
Total (66 countries)	82 803	88 456	3 036	57 419	1 227	84 362	3 170

Note: Totals computed from unrounded data.

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 end of August 2012.

between 26 and 42 percent, mainly due to high imports last year and relatively good levels of carryover stocks. Conversely, import requirements in **Eastern Africa** and **Near East**, are estimated to increase. In the Syrian Arab Republic, the continued unrest since early 2011 is hampering normal agricultural activities and is responsible for a below-average harvest in 2012. In **Central America** and **Oceania** cereal imports are anticipated to remain virtually unchanged from 2011 level. However, despite the overall decrease in import requirements, the increase in international cereal prices will strengthen the food import bills of the LIFDCs (Table 7).

Table 7. Cereal import bill in LIFDCs by region and type
(July/June, USD million)

	2007/08	2008/09	2009/10	2010/11	2011/12 estimate	2012/13 f'cast
LIFDC	32 536	25 244	24 722	34 133	35 208	36 459
Africa	16 598	12 979	12 392	16 676	18 437	18 631
Asia	15 040	11 700	11 730	16 581	15 833	16 840
Latin America and Caribbean	605	410	442	652	689	724
Oceania	170	120	131	191	204	215
Europe	123	35	26	33	45	51
Wheat	19 181	16 562	14 362	19 345	19 505	20 179
Coarse grains	3 644	3 247	3 096	4 265	5 369	5 607
Rice	9 711	5 434	7 264	10 523	10 334	10 674

Regional reviews

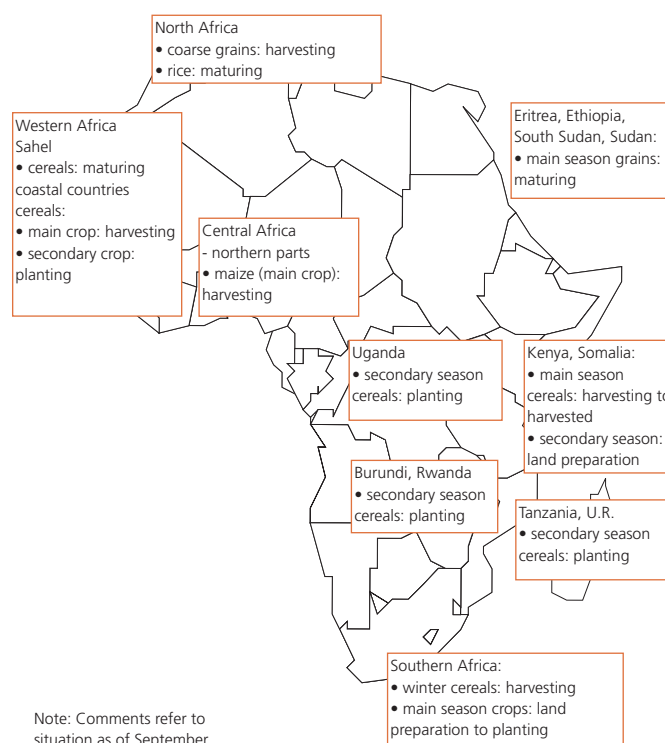
Africa

North Africa

Above-average cereal harvest gathered in the subregion but wide variation recorded among countries

Harvesting of the 2012 winter crops, wheat and barley, was completed last July in the subregion, while in Egypt, the harvest of maize and sorghum is ongoing and that of paddy is about to start.

The aggregate cereal output (including paddy rice) in the subregion is provisionally estimated at 36.2 million tonnes, a decrease of 3.6 percent on last year's bumper output, but an increase of 2.8 percent on the five-year average. Wheat production in the subregion is provisionally estimated at 17.7 million tonnes, a decrease of 6 percent on last year, but an 8 percent increase compared to the five-year average. Wheat production increased in **Algeria** (the second highest harvest on record at 3.5 million tonnes) and **Egypt** (at 8.7 million tonnes) following favourable weather conditions, availability of improved seeds and supportive policy measures (such as higher government procurement prices in **Egypt** and interest-free loans and support for farm inputs in **Algeria**). By contrast, wheat production in **Tunisia**, at 1.5 million tonnes, decreased by about 5 percent compared to last year's crop of 1.6 million tonnes but remained above the five-year average. In **Morocco**, however, a lower wheat production of 3.9 million tonnes, over 35 percent less than in 2011, was gathered due to unfavourable weather conditions that delayed planting, followed by moisture stress during the typical reproductive period in March. The coarse grains harvest for the subregion is provisionally estimated at 12.5 million tonnes, near the five-year average but about 4 percent lower than last year.



Cereal imports remain high and the import bills are expected to increase due to high international prices

Even in good harvest years, North African countries rely heavily on cereal imports from the international market to cover their consumption needs, with **Egypt** being the world's largest wheat importer. On average, in the last five years, 45 percent of the total domestic cereal requirements (including food and feed) in **Egypt** and **Morocco** were met through imports. The share of imports is even higher in **Tunisia** (an average of 65 percent), **Algeria** (68 percent) and **Libya** (90 percent). The subregion's cereal import requirements for the 2012/13 marketing year (July/June), estimated at 38.2 million tonnes, of which wheat accounts for over 60 percent, are the same as in the previous year. Cereal import requirements for **Egypt** and **Algeria**, estimated at about

Table 8. North Africa cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	Change: 2012/2011 (%)
North Africa	16.1	18.8	17.7	12.9	13.0	12.5	5.2	5.7	6.0	34.2	37.6	36.2	-3.6
Algeria	3.1	2.8	3.5	1.6	1.5	1.8	0.0	0.0	0.0	4.7	4.2	5.3	25.2
Egypt	7.2	8.4	8.7	8.0	8.2	8.5	5.2	5.7	5.9	20.4	22.2	23.1	4.0
Morocco	4.9	6.0	3.9	2.8	2.6	1.4	0.1	0.1	0.1	7.7	8.6	5.3	-38.4
Tunisia	0.8	1.6	1.5	0.3	0.7	0.8	0.0	0.0	0.0	1.1	2.3	2.3	-1.4

Note: Totals and percentage change computed from unrounded data.

16 and 8 million tonnes respectively, are some 10 percent lower in each than in 2011. **Tunisia's** cereal imports are forecast to be similar to the level of last year of 2.8 million tonnes while an increase of 6 percent is forecast for **Libya**, reaching 2.6 million tonnes. On the other hand, reflecting a poor harvest, **Morocco's** import requirements are provisionally forecast to reach 8.4 million tonnes of cereals, a 40 percent increase compared to 2011, and 47 percent up on the previous five-year average.

Nevertheless, despite the overall decline in import requirements, an increase in international grain prices is estimated to add substantially to the national food import bill. Large importers in the region have resumed buying wheat internationally in order to mitigate the potential impact of additional increases in international prices following weather-related concerns in main wheat producing countries. A lack of exportable surplus in the Russian Federation is likely to alter geographic composition of suppliers; the subregion's purchases in the past were dominated by wheat originating from the Black Sea Region.

Food price inflation is generally stable primarily due to government subsidies for key staples

The rise in international food prices has, so far, had a muted effect on domestic prices in the subregion, due to government interventions on basic food items. Nevertheless, the rise in international prices weighs heavily on the import bill of the countries in the subregion. Prices of regulated (subsidized) items change very slowly; therefore, increases in raw commodity prices result in increased expenditures for governments. However, prices of unregulated items have been rising sharply in many cases.

In **Algeria**, food prices increased by 2.3 percent in July 2012 compared to June and by about 12 percent compared to a year earlier. In the capital, Algiers, the year-on-year price increase for bread and cereals was 1.7 percent in July 2012 while the increase for fish, meat and fruits was 15 percent, over 30 percent, and over 23 percent, respectively. Similar patterns and differences between subsidized and non-subsidized products are observed elsewhere in the subregion. In **Egypt**, in August, prices of regulated items, such as bread, remained stable while those of fruits and vegetables increased by 10.5 percent over the previous month and about 22 percent over the 12-month period.

In many countries, such as, **Algeria**, **Morocco** and **Egypt**, budgetary constraints have forced governments

to examine the costs of subsidies and food waste especially related to underpriced staples.

In Libya longer term activities replacing emergency programmes

In October 2011, the security situation in **Libya** started to stabilize. Although humanitarian partners phased out their emergency response programmes and switched to longer term and recovery activities, emergency assistance is still provided in areas where humanitarian needs remain.

A regional Emergency Operation (EMOP) implemented by WFP, initially envisaged for a three-month period (March-May 2011) has been extended several times, the last one being from May 2012 to September 2012, to allow for continued food assistance. While food is mostly available in markets throughout the country, vulnerable households, such as displaced people still face limited access to food due to high food prices. The general food distribution was phased out while voucher-based assistance continues. In total, the EMOP has reached over 1.45 million people, and more than 1 000 families received vouchers.

Around 600 000 migrant workers left **Libya** following the start of the civil war. Lack of remittances from **Libya** is affecting food security elsewhere in the region, including the drought-stricken Sahel region.

Western Africa

Overall crop prospects are favourable but concerns remain over Desert Locust threat

In the **Sahel**, despite significant localized flooding, rains and soil moisture have been generally adequate since the beginning of the growing season in June allowing for the satisfactory development of the 2012 crops. Similarly, in the **coastal countries** along the Gulf of Guinea, in spite of localized rainfall deficits, precipitation has been generally widespread since the onset of the major season in April in the south, where harvesting of the first maize crop is underway. In the north, millet and sorghum crops are developing

Table 9. Western Africa cereal production
(million tonnes)

	Coarse grains			Rice (paddy)			Total cereals ¹			
	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	Change: 2012/2011 (%)
Western Africa	47.7	42.7	45.7	12.8	12.2	13.0	60.6	55.0	58.8	6.8
Burkina Faso	4.3	3.4	3.8	0.3	0.2	0.3	4.6	3.7	4.1	10.6
Chad	3.0	1.5	2.0	0.2	0.2	0.2	3.2	1.7	2.2	31.6
Ghana	2.4	2.2	2.5	0.5	0.5	0.5	2.9	2.6	3.0	13.9
Mali	4.1	4.0	4.0	2.3	1.7	1.9	6.4	5.8	6.0	3.0
Niger	5.5	3.5	4.5	0.1	0.1	0.1	5.6	3.6	4.6	26.7
Nigeria	22.4	22.3	22.8	4.5	4.5	4.7	27.0	26.9	27.6	2.4

Note: Totals and percentage change computed from unrounded data.

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

satisfactorily and harvest prospects are good, provided that favourable weather conditions continue and the Desert Locust threat is contained.

Substantial localized flooding has been reported across the subregion in the past months affecting a large number of people including considerable human casualties and damage to crops and livestock. In **Niger**, where most damage was reported, over 527 000 people are estimated to have been affected, notably in Tillabery region. In **Chad**, over 465 000 people have been affected, while about 287 000 people have been displaced in **Senegal**. Over 134 000 people have been affected in **Nigeria**. Floods have also devastated parts of **Benin, the Gambia, Ghana, Guinea-Bissau, Liberia, Mali, Mauritania, Sierra Leone** and **Togo**.

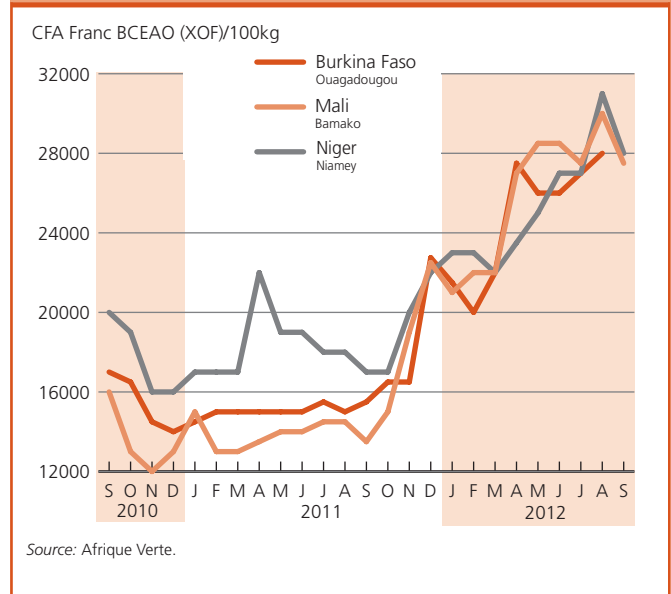
In spite of the overall favourable crop prospects, the Sahel region faces the most serious Desert Locust threat since 2005. This year's good rains have led to unusually favourable ecological conditions that gave rise to the breeding of second generation Desert Locusts in September. This could cause locust numbers to increase significantly with hopper bands forming in October and swarms in November, coinciding with the harvest of this year's crops in the Sahel. The most affected countries are **Chad, Mali, Mauritania** and **Niger**. National locust teams are conducting ground surveys in these countries, and control teams are being strengthened. However, interventions are limited in northern Mali due to insecurity and military escorts must accompany teams in northern Niger.

High cereal prices persist in western Africa

In the Sahel region, following last year's sharp drop in production, prices of main staple coarse grains have increased sharply through August, reaching record or near-record levels in most monitored markets. In **Niger, Mali** and **Burkina Faso**, as the lean season peaked, prices of millet and sorghum in August were up to twice their levels in the same month last year. Although coarse grains prices showed some seasonal decline in September, reflecting the arrival of new harvests into the markets, millet prices in the capital cities, Bamako, Ouagadougou and Niamey, were still respectively 104, 75 and 71 percent up on September 2011. In **Chad**, millet prices increased between 6 to 20 percent from June to July, reaching near-record levels in several markets.

Similarly, in coastal countries, the beginning of the 2012 harvesting season and the generally favourable crop prospects, have pushed prices down in some markets. Overall, however, prices are still higher than their levels a year earlier, mainly as a result of increased import demand from the Sahelian countries, institutional purchases by humanitarian operators and high fuel prices increasing transport costs. In **Nigeria**, prices of maize and sorghum increased from June to July by 12 percent and 18 percent respectively in the Dawanau international market in

Figure 3. Millet prices in selected Western African markets



Kano, the biggest in western Africa. Prices were about one-third higher than a year earlier. Also in **Benin**, prices of maize, the main staple in the country, increased in several markets in July and were up by 21 percent compared to their levels a year earlier. By contrast, in **Togo**, prices of the main staple maize declined in July in markets located in the south, in anticipation of a good 2012 main season harvest and were below their levels a year earlier. In **Ghana**, prices of maize declined for the second consecutive month in July in the Tamale market, but are still at high levels, one-third up on a year earlier.

Prices of imported rice, mainly consumed in urban centres, following the trends in the international prices have remained relatively stable in most countries of the subregion and around their levels a year ago. However, in **Senegal**, where imported rice is the main staple, prices remain at high levels although they have declined from their record highs of March/April following the price stabilization measures introduced by the new Government. In June, prices were still up to 44 percent higher than a year earlier. In **Mali**, which covers a significant share of its rice consumption requirements from domestic production, prices of local rice have declined in recent months due to the increased supplies from the off-season harvest, and are currently at the same levels as August 2011.

Mauritania relies mostly on wheat imports from the international market to cover its consumption needs. Consequently, the recent sharp rise in wheat price has raised serious concerns over the food supply outlook in the country. So far, prices of wheat flour have remained stable in recent months, although July prices were about 6 percent above those of a year earlier.

Insecurity and armed conflict in Mali aggravate food insecurity

In addition to last year's reduced harvests and subsequent high food prices, unrest and conflict in **Mali** have had a serious impact on the food security situation of the subregion. The escalation of armed conflict in northern Mali in early April 2012 has dramatically altered the overall security situation, resulting in large displacement of people leading to serious disruption in commodity movement and cross-border trade flow. According to the United Nations High Commissioner for Refugees (UNHCR), over 174 000 people were internally displaced, while an additional 272 000 people were forced to flee to neighbouring **Burkina Faso** (about 108 000), **Mauritania** (96 000) and **Niger** (58 000). Furthermore, the considerable drop in remittances following the crises in Libya and Côte d'Ivoire that led to the return of thousands of migrant workers, notably to Niger, Mali and Chad, has put additional pressure on households' access to food. Assessments by national early warning systems point to increased food insecurity and malnutrition of millions of people due to a combination of the above shocks.

Overall, close to 19 million people are at risk of food insecurity in the Sahel, according to updates by national early warning systems. This includes 6.4 million people in **Niger** (38 percent of the population), 4.6 million in **Mali** (32 percent of the population), 3.6 million in **Chad** (28 percent of the population), around 2 million in **Burkina Faso** (12 percent of the population) and 700 000 in **Mauritania** (20 percent of the population). **Niger** and **Chad** were already reeling from the lingering effects of the severe food crisis in 2009/10 that caused a drop in incomes, substantial loss of livestock and other assets, increased levels of household indebtedness and deterioration of the nutritional status of pastoralists, agropastoralists and other farming groups. The urgent humanitarian intervention needs to continue and augmented in the affected countries to prevent further deterioration of the food security situation.

Central Africa Uncertain prospects for the 2012 cereal production

In **Cameroon** and the **Central African Republic**, harvesting of the 2012 main maize crop in the southern parts is almost complete. In the **Republic of the Congo**, harvesting of the second season maize crop was completed in July, while planting of the main crop is currently underway. According

to satellite imagery, dry spells were interspersed with heavy rains across the subregion, and despite overall average rainfall levels over the entire cropping season, the erratic distribution of rains were observed which may have negatively impacted yields. The FAO provisional forecast indicates about 5 percent drop in cereal production in 2012 compared to 2011.

Civil strife exacerbating food insecurity

Persistent civil insecurity continues to impede agricultural recovery and restrict humanitarian efforts in the subregion, depriving households of their means of livelihood and creating additional difficulties to access already limited resources.

In the **Republic of the Congo**, a significant part of the 123 000 refugees who fled the civil conflict in neighbouring Democratic Republic of the Congo (DRC) since late 2009 remains in precarious conditions in Likouala province, a structurally food-deficit region in the far north of the country. The UNHCR has set up a voluntary repatriation operation since 5 May and as of early August, has assisted the return of 11 000 Congolese to their home provinces. This operation is expected, by the end of the year, to assist the return of some 49 000 refugees from the DRC, while a further 32 000 are expected to return during the first half of 2013.

In the **Central African Republic**, as of late July 2012, more than 100 000 individuals were affected by internal displacement, while the number of returnees from neighbouring countries was put at about 11 000 persons. Nearly 27 000 persons have been recently displaced this year in southeastern parts of the country as a result of internal conflicts, banditry and attacks by the Lord's Resistance Army. In addition, there are about 17 000 refugees from the Sudan, DRC and other countries, located mainly in the Bambari area, the southeast (Zemio and Obo) and the south (Mongoumba, Bangui). Reported levels of malnutrition and food insecurity are alarming. About 40 percent of children under the age of five are classified as malnourished while 10 percent are underweight. The global acute malnutrition (GAM) rate is estimated at 7.4 percent at national level, but in four prefectures (Lobaye, Vakaga, Bangui and Ouham) the

Table 10. Central Africa cereal production
(million tonnes)

	Coarse grains			Rice (paddy)			Total cereals ¹			
	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	Change: 2012/2011 (%)
Central Africa	3.3	3.2	3.2	0.5	0.5	0.5	3.8	3.8	3.7	-0.5
Cameroon	1.8	1.7	1.7	0.1	0.2	0.2	1.9	1.8	1.9	1.6
Central Africa Rep.	0.2	0.2	0.2	0.0	0.0	0.0	0.2	0.2	0.2	0.0

Note: Totals and percentage change computed from unrounded data.

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

GAM rates have exceeded the emergency threshold of 10 percent set by the World Health Organization. According to a recent Integrated Food Security Phase Classification (IPC) conducted in May 2012, the entire population of the Central African Republic is food insecure, while more than 776 000 Central Africans outside the capital, Bangui (close to 20 percent of the total population) are in a food

crisis. Overall, 1.92 million people are estimated to be in need of humanitarian assistance. To tackle the current food insecurity problem, a joint effort by the government, the United Nations and the humanitarian community was launched, which by early September has received about 58 percent of its required funding of USD 134 million.

In **Cameroon**, the chronic food insecurity situation in the northern regions has been aggravated further by the recent crop failure in the Logone and Chari Division in the Extreme North Region, affecting about 400 000 people. An Emergency Operation (EMOP) was initiated by WFP aiming to deliver 19 000 tonnes of food assistance to 258 000 most-affected people for a nine-month period (April-December 2012). In addition, since mid-August 2012, heavy rainfall in areas in the North and Far North Regions have caused floods leaving many people injured and about 25 000 people homeless and houses destroyed. Cultivated areas have been flooded, livestock has been lost and fishing areas along the Logone River have become inaccessible, leaving farmers, cattle breeders and fishers vulnerable, leading to shortage of food. Some USD 300 000 have been allocated from the Disaster Relief Emergency Fund (DREF) of the International Federation of the Red Cross and Red Crescent Societies to support the Cameroon Red Cross National Society in delivering immediate assistance to 5 000 most vulnerable individuals for a three-month period (September-December 2012).

Eastern Africa Near average cereal production expected in 2012 first season

In **Eastern Africa**, harvesting of the 2012 main season cereal crops is being concluded in southern parts of the subregion, while in northern parts crops are at varying stages of development.

With some delay, due to the late start of the March to May/June rains, harvesting of 2012 first season cereal crops is well underway in **Somalia**, eastern and coastal

Table 11. Eastern Africa cereal production
(million tonnes)

	Wheat			Coarse grains			Total cereals ¹			
	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	Change: 2012/2011 (%)
Eastern Africa	4.1	4.2	4.4	34.8	31.0	32.6	41.2	37.2	39.2	5.3
Ethiopia	3.1	3.4	3.3	16.0	16.9	16.3	19.2	20.4	19.7	-3.6
Kenya	0.5	0.2	0.4	3.5	3.0	2.8	4.1	3.2	3.2	-0.6
Sudan ²	0.3	0.3	0.5	5.3	2.3	4.6	5.6	2.7	5.2	95.4
Tanzania U.R.	0.1	0.1	0.1	5.9	4.7	4.9	7.7	6.3	6.5	3.0
Uganda	0.0	0.0	0.0	2.7	2.6	2.7	2.9	2.8	3.0	4.3

Note: Totals and percentage change computed from unrounded data.

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

² Including South Sudan.

Kenya, central and eastern **Uganda** and in bimodal areas of **the United Republic of Tanzania**. Well below average *gu* production is expected in agropastoral areas of southern Somalia following poor rains, reduced planting and pest damage, while average output is likely in high potential areas of Juba Valley, Middle and Lower Shabelle, and Bay regions. In Kenya, below-average *long rains* cereal production is foreseen in southeastern and coastal marginal agricultural areas due to a poor rainy season while harvest prospects for the *masika* cropping season are also unfavourable in the United Republic of Tanzania. By contrast, an above-average harvest is expected for first season crops in Uganda.

In **Ethiopia**, the 2012 secondary season *belg* harvest started in August, a delay of about two months, following late onset of rains in March/April. Poor *belg* production is estimated in eastern SNNPR (Southern Nations, Nationalities and People's Region), eastern Amhara, central Oromia and southern Tigray. In some parts of western, eastern and central Ethiopia, soil moisture in March-May was also inadequate for land preparation of long-cycle *meher* crops (maize, sorghum and millet) and farmers often opted to plant short-cycle crops (wheat and barley) with lower yields.

Harvesting operations of 2012 main season cereal crops are expected to start from mid-October in **the Sudan, South Sudan**, western and central **Ethiopia**, western **Kenya**, the Karamoja region in **Uganda** and **Eritrea**. In most cases, cereal production is anticipated to be slightly above average. Abundant precipitations since August have generally improved soil moisture in key growing areas and more rains are forecast for the remaining of the season as mild-moderate El Niño conditions are forecast to develop. Recent excessive rains have caused localized floods in northwestern highlands of Ethiopia, in Darfur, Gedaref, Kassala and Blue Nile states in the Sudan, and in Northern Bahr el Ghazal, Warrap and Jonglei states in South Sudan, affecting about 240 000 people and disrupting the local road network.

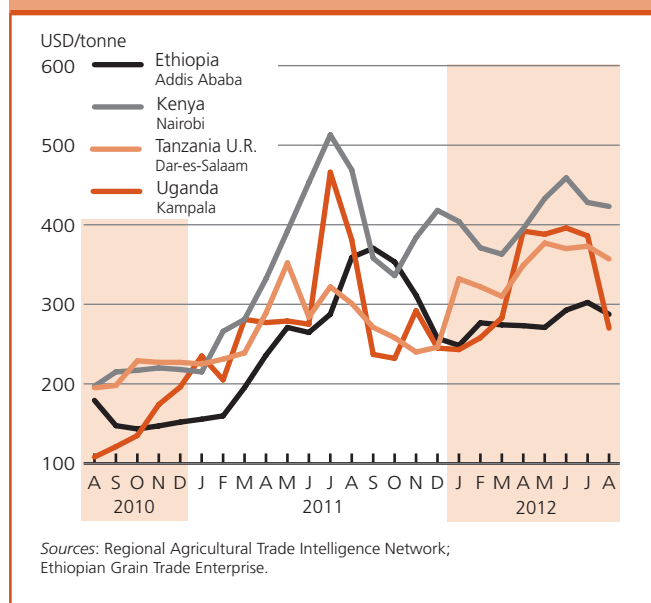
At the subregional level, the overall 2012 cereal production is tentatively forecast at 39.2 million tonnes (including a forecast

of an average production for the secondary season crops to be harvested at the beginning of next year), about 5 percent above the previous year's level when dry weather conditions affected large producing areas, especially in the Sudan.

Prices of main cereals declined in August, but remained high in most areas

After steadily rising since the beginning of 2012, prices of locally-produced coarse grains have started to decline in most markets by August as newly harvested crops became available and/or traders decided to release stocks just before the new harvest. Conversely, the price of mostly-imported wheat has continued to rise in most markets, hitting, for instance, a record level of USD 810 per tonne in Khartoum, Sudan, in August. In general, current cereal prices are higher than the last five-year average, but often lower than one year ago when the subregion was affected by severe dry weather conditions. In **Ethiopia**, maize prices declined in August between 2 and 5 percent as fresh crops from the delayed secondary *belg* season began supplying the markets. By contrast, prices of teff continued to rise, reaching a record level of more than ETB 1 300 per 100 kg., with an increase of about 50 percent in one year. In **Kenya**, prices of maize reached their seasonal peak in June/July and then started to decline following the beginning of the 2012 *long rains* harvest. In main markets, maize prices in August were between 1 and 6 percent lower than in July and between 4 and 10 percent below the high levels reached in August 2011. Similarly, in **the United Republic of Tanzania**, prices of maize declined in August in main urban areas of Dar es Salaam and Arusha, respectively by 4 and 11 percent, but they are currently still about 20 percent above the level of August 2011, mainly due to high regional export demand. In **Uganda**, prices of maize declined sharply in August (by 30 percent) in key markets, as crops of the good 2012 first season harvest increased local supplies. In **Somalia**, prices of maize and sorghum decreased in the capital, Mogadishu, while in the rest of the country prices were stable and well below the peaks reached during the 2011 famine. In **the Sudan**, sorghum prices remained at record levels in August 2012 in Khartoum, while declining in other markets by about 4 to 15 percent compared to July. Although current sorghum and millet prices are up to twice their levels of the same month last year, the recent reduction is likely due to the release of stocks by traders as prospects for current crops, for harvest from late October are good and due to the recent improved humanitarian aid distribution in some conflict-affected areas. In **South Sudan**, cereal prices have declined in August by 10-15 percent in most markets, mainly due to increased imported supplies from Ethiopia and Uganda, but in general prices are still higher than last year by about 30-80 percent.

Figure 4. Maize prices in selected Eastern African markets



Food insecurity expected to ease from October, but remains a big concern

Food insecurity levels have peaked in July/August as the lean season was ending in most countries, particularly, in South Sudan, (especially in border states of Northern Bar el Ghazal, Unity, Warrap, Upper Nile and Jonglei), and in Ethiopia's secondary season *belg*-dependent areas. However, the overall food security situation has started to improve with the beginning of the harvest season in several countries. Accordingly, the total number of food-insecure people in need of humanitarian assistance is revised down to about 13.4 million people (including 4.3 million in the Sudan, 3.8 million in Ethiopia, 2.1 million in both Kenya and Somalia, 850 000 in South Sudan and 180 000 in Djibouti), about 3 million less than last July. In Somalia, the estimated number of food-insecure people declined slightly due to sustained humanitarian interventions and improved food stocks following the exceptional 2012 *deyr* production harvested last February/March. In most countries, the food security situation is expected to improve further in the coming months, as the bulk of the 2012 main season harvests are marketed and livestock productivity improves. Staple food prices are also expected to continue declining. Major concerns remain for areas that do not expect any new harvests in the coming months or are affected by conflict. In particular, food security is not expected to improve for poor households in pastoral northwestern Guban and Coastal Deeh regions of Somalia, in Ethiopia's northern Somali and Afar regions and in *belg*-dependent areas of SNNPR and in conflict affected areas of the Sudan, South Sudan and Somalia.

Southern Africa Planting underway for 2012/13 cropping season, rainfall prospects mixed

Planting activities for 2012/13 cropping season (October-June) are underway across the subregion, while harvesting of the 2011/12 winter wheat crop is nearly complete. The weather forecast for the main 2012/13 rainy season (October-March), compiled by the Southern Regional Climate Outlook Forum (SARCOF), indicates an increased probability of normal to above-normal rainfall across large parts of the subregion. However, areas of the southeast – including Swaziland, southern Mozambique, southern and western Zimbabwe, eastern Botswana, western Zambia, north/central South Africa and northeastern Lesotho – are predicted to experience normal to below-normal rainfall. Much of southeast also endured a protracted dry period in the 2011/12 cropping season and the current weather forecast raises the possibility of a second successive season of poor rains, with potential negative consequences for crop production and pasture conditions. As in previous cropping seasons, governments and partner institutions will continue to provide agricultural inputs at subsidised rates, both to restore households' productive capacity, which was affected by successive production shocks, and support national production gains. However, rising cost of inputs, including fertilisers, may affect access for farmers outside of the agricultural support programmes. Fertilizer (urea) prices in Mozambique and Malawi, as of July 2012, were between 10 and 25 percent higher than one year earlier.

Drop in 2012 wheat production following lower plantings in South Africa

Provisional estimates for the subregion's 2012 aggregate wheat crop, currently being harvested, are put at 2.1 million tonnes, approximately 240 000 tonnes, or 10 percent, lower than the previous season's output. The decrease reflects the expected low harvest in **South Africa**, where preliminary estimates indicate an output of about 1.8 million tonnes in 2012, a decline of 12

percent on last year. Normally South Africa accounts for roughly 90 percent of the subregion's aggregate output. Wheat production in **Zambia** made further gains this year and, at approximately 254 000 tonnes, is 7 percent up on 2011's output. In **Zimbabwe** limited input availability and irregular power supply continues to constrain production, and 2012 estimates indicate a second year of successive decline.

Overall decline in 2012 maize production due to a prolonged dry spell in parts of the subregion

Harvesting of the 2011/12 main season coarse grain crops was completed in July. A protracted dry spell at the beginning of 2012 created unfavourable growing conditions across large parts of the subregion, suppressing yields and significantly reducing production in some areas. The erratic rains particularly impacted **Lesotho**, where maize production is estimated to have decreased by 77 percent in 2012 compared with the previous year's average harvest. Other areas that were affected include southern parts of **Malawi, Mozambique** and **Zimbabwe**, central and northern parts of **Angola**, and eastern areas of **Botswana**. However, **Namibia**, registered an increase in maize production, owing to generally favourable weather conditions. Although the impact was not as severe in **South Africa**, below-normal rains dampened what could have been a potentially larger maize crop, given the expansion in plantings by 14 percent over 2010/11's level. The latest production estimates for South Africa point to a harvest of 11.8 million tonnes, 8 percent higher than 2011. In addition, the passing of several tropical storms in early 2012 brought heavy rains to eastern parts of Madagascar and Mozambique, causing localised crop damage. Overall, the 2012 maize production in the subregion is estimated at 22.5 million tonnes, about 4 percent down on the previous season's output and marking a second successive year-on-year decline. Maize production shortfalls in several of these countries will negatively impact local supplies, stressing food security conditions.

Table 12. Southern Africa cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	Change: 2012/2011 (%)
Southern Africa	1.7	2.3	2.1	26.4	25.0	23.8	5.2	4.8	4.5	33.3	32.1	30.4	-5.1
- excl. South Africa	0.3	0.3	0.3	12.5	13.5	11.5	5.2	4.8	4.5	17.9	18.6	16.3	-12.3
Madagascar	0.0	0.0	0.0	0.4	0.4	0.4	4.8	4.3	4.0	5.2	4.7	4.4	-7.0
Malawi	0.0	0.0	0.0	3.5	4.0	3.7	0.1	0.1	0.1	3.6	4.1	3.8	-7.1
Mozambique	0.0	0.0	0.0	2.5	2.6	2.0	0.3	0.3	0.3	2.8	2.9	2.4	-18.8
South Africa	1.4	2.0	1.8	13.9	11.5	12.3	0.0	0.0	0.0	15.3	13.5	14.1	4.7
Zambia	0.2	0.2	0.3	2.9	3.1	2.9	0.1	0.0	0.0	3.1	3.4	3.2	-5.0
Zimbabwe	0.0	0.0	0.0	1.6	1.6	1.1	0.0	0.0	0.0	1.6	1.7	1.1	-32.0

Note: Totals and percentage change computed from unrounded data.

Sorghum and millet production are also estimated at levels below 2011's harvests. There was a general contraction in the area planted to both of these crops. However, the millet crop performed slightly better, with yields estimated to be generally above the average. In contrast, sorghum yields were estimated to have fallen marginally below their average level.

Similarly, the aggregate rice output registered the largest drop at 6 percent to 4.5 million tonnes (paddy), largely due to cyclone damage in eastern districts of Madagascar, where up to 75 percent of the paddy crop was lost in some locations. In addition, irregular rains earlier in the season had already dented production prospects. In Mozambique, despite torrential downpours in southern areas, which caused some damage to the paddy crop, national production is estimated to be 27 percent up on last year's output, at 343 000 tonnes, on account of an expansion of irrigation systems. Reduced plantings caused a reduction in rice production in Zambia and Malawi, with yields remaining at comparable levels.

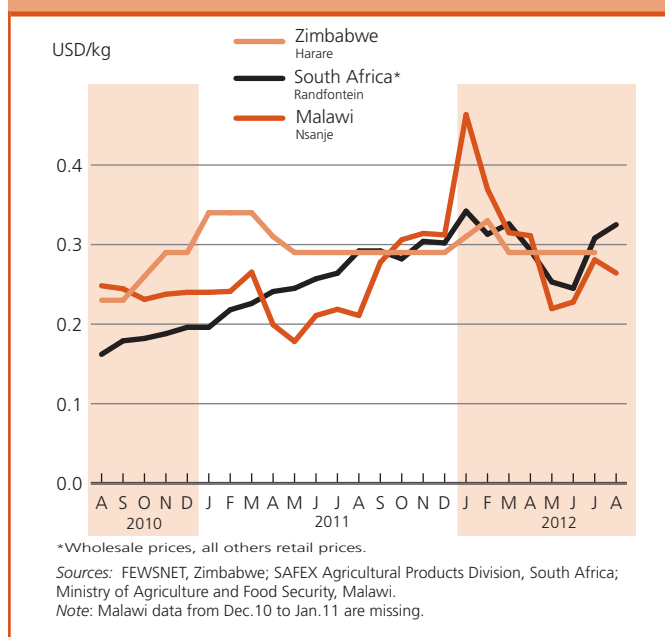
Overall, aggregate cereal production in 2012 is estimated at 30 million tonnes, about 2 percent above the previous five-year average, but lower than the good harvest of 2011.

Generally higher prices, with some sharp increases observed

Maize prices have generally exhibited seasonable increases in July and August 2012 and are trading at levels above last year.

In South Africa (the subregion's main exporter), the recent spike in international prices contributed to pushing up domestic maize prices to near record levels in August, at Rand 2 680 (white) and Rand 2 690 (yellow) per tonne. Additional factors, including strong export demand, a weakened Rand against the US dollar and a tighter supply situation (comparatively low closing stocks at the end of 2011/12 marketing year) also combined to drive prices higher in late 2011 and 2012. However, the recent upward revision of the maize crop limited further increases and pushed prices down at the beginning of September. The higher prices will expose the net-importing countries of Botswana, Lesotho, Namibia and Swaziland to higher import costs, placing upward pressure on domestic maize meal prices. In Maseru, Lesotho, maize meal prices in July 2012 were about 30 percent higher than one year earlier, attributed to the higher prices in South Africa and significantly reduced 2012 domestic maize harvest. In Malawi, the national average price of maize remained firm in August, but at MWK 55 per kg was nearly double the level of one year earlier. The devaluation of the kwacha in May 2012 prompted a surge in the inflation rate, contributing to higher maize prices, while constrained supplies in several southern districts – despite more than sufficient supplies at the national level to cover domestic requirements – pushed maize prices up in excess of MWK 70 per kg. In Zambia, the national average maize price remained at a low level during 2012, on account of surplus national supplies.

Figure 5. White maize prices in selected Southern African markets



However, in border markets, demand from traders seeking to export maize in the subregion put upward pressure on prices. In Zimbabwe, although national production decreased by nearly one-third, imports and favourable stocks have helped to stabilise supplies, reflected in unchanged maize prices compared to the previous year in July 2012. Similar to Malawi, prices in the southern areas of Zimbabwe, however, are higher than the national average, reflecting the poor cereal production in these locations. Rice prices in Madagascar and Mozambique have remained comparatively stable during 2012, and in August 2012 were at comparable to those of last year for the same month.

Imports forecast to rise in 2012/13 marketing year

As a result of the reduced cereal harvests, maize imports for the subregion are forecast to rise in the current 2012/13 marketing year (generally April/March), above last year's level, but still below the average of the last five years. However, some countries will be able to draw-down on stocks, built-up from previous bumper harvests, to help partially cover their larger domestic cereal deficits.

The combined maize import forecast for the structurally deficit countries of Botswana, Lesotho, Namibia and Swaziland is put at about 480 000 tonnes for the 2012/13 marketing year (April-May/March-April), up 9 percent from last year, on account of the smaller cereal output. South African maize continues to also be exported to countries outside of the subregion, with significant quantities being delivered to Mexico, estimated at 484 000 tonnes between April and August 2012. Zambia retains surplus stocks estimated at about 1 million tonnes, which provides

an alternative source to South Africa. However, exportable supplies may be lowered following the government's decision to expand the domestic procurement programme in an effort to ensure sufficient domestic reserves and to mitigate potential upward pressure from higher international prices.

Production declines cause a sharp deterioration in food security conditions

Food security conditions deteriorated sharply in several areas of the subregion, mainly as a result of production shortfalls. Food assistance will be required, as well as longer-term interventions to revive the productive capacity of households that have been exposed to production shocks in consecutive cropping seasons. Areas of particular concern include southern **Malawi** and **Zimbabwe**, central and southern parts of **Mozambique** and large parts of **Lesotho**. Based on assessments conducted in June and July by the National Vulnerability Assessment Committees (VACs), 5.48 million people are estimated to be food insecure, up from 3.9 million in the previous year. A drop in rice production in **Madagascar**, particularly in eastern districts that were battered by cyclones in early 2012, negatively impacted on food security conditions, resulting in an earlier than normal start of the lean season in 2012; an estimated 84 000 households (approximately 502 000 people) are experiencing severe food insecurity in the country. In addition, an estimated 1.83 million persons in **Angola** were affected by the dry conditions and the consequent reduction in agricultural production. Furthermore, the current high prices in several countries is eroding households' purchasing power, given the large share of households' income allocated to food purchases, further aggravating food insecurity conditions. Some areas, notably southern Malawi and Lesotho, have experienced both a rapid rise in prices and lower household production, severely stressing their capacity to access adequate quantities of food. Emergency response plans are being implemented to bridge food gaps in the immediate period, however, some programmes are currently facing funding shortages.

Great Lakes Region

Mixed prospects for current crops in the subregion

In the Great Lakes subregion, planting of the 2013 first season (season A) foodcrops, which will be harvested early next year, has begun. Good rains in late August and early September have helped the planting. However, in **the Democratic Republic of the Congo (DRC)**, the conflict continues to disrupt agricultural activities, mainly in eastern and north-eastern areas of the country.

Harvesting of the 2012 season B crops is completed in Rwanda and Burundi. Early indications are favourable in Rwanda, where abundant rains in April/May, despite some localized floods, had

a positive impact on crop yields. By contrast, the 2012 season B output in Burundi, which contributes to about half of annual food production, is forecast at below average levels due to early end of rains and flooding in some areas. Furthermore, harvesting of the minor season C crops is underway in both countries.

In **DRC**, planting of the 2012 maize crop is underway in southern and central regions, while harvesting of the main season's maize crop in the north is scheduled to begin in October. Rainfall estimates indicate that much of the northern region received below average precipitation during the cereal cropping season (June-August), which may have affected crop development. In addition, persistent and deteriorating civil security has severely undermined agricultural activities in eastern areas of the country, particularly impacting the provinces of South Kivu, North Kivu, Maniema, Katanga and the district of Ituri in the Province Orientale. Cases of standing crops left unattended or even un-harvested due to high insecurity in the fields are reported. An epidemic of *peste des petits ruminants (PPR)*, a contagious viral disease, was declared in May and it has already killed tens of thousands of goats and sheep, especially in some areas of Bandundu Province. A vaccination program aiming at treating about half a million shoats has been recently launched.

Conflict and high food prices continue to negatively affect food security

In **DRC**, nearly 600 000 people have been displaced by the conflict in eastern provinces since the beginning of the year and currently there are about 2.2 million displaced people in the country. By June 2012, the number of people in need of emergency food assistance was estimated at about 5.4 million and nearly half of them were concentrated in conflict-affected areas. Retail food prices are at record or near record levels in most markets in northern provinces, while in the south major staple crops are traded at relatively affordable prices due to imports from Zambia and following the arrival of new crops from the 2012 harvest.

In **Burundi**, a series of poor harvests combined with persistently high cereal prices have aggravated the food insecurity conditions. About 1.7 million persons (18 percent of the population) are currently estimated to be in need of food assistance. Food prices have declined slightly in August with the marketing of newly harvested fresh crops, but the declining trend may not hold for long as traders began stocking some commodities, such as maize and rice, in anticipation of higher prices at the end of the year when the import tax exemption that was introduced last May is scheduled to end. In **Rwanda**, food security conditions are generally favourable. However, the purchasing power of low-income urban households has been gradually eroded by rising food prices that hit record levels in July/August 2012 for some important staple foods such as maize and rice.

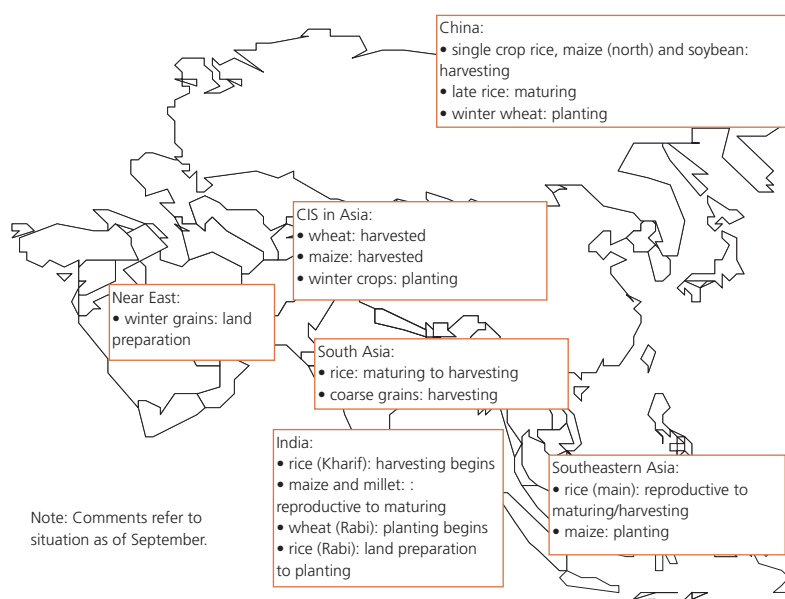
Asia

Far East

Favourable 2012 aggregate cereal harvest in the subregion expected, but dry spell and floods damage crops in some countries

Harvesting of the 2012 main season rice and other cereal crops is underway in most countries in the Far East subregion. FAO forecasts this year's aggregate output (including paddy rice) at 1 192 million tonnes, slightly above the 2011 record harvest. Except for **India** and **Pakistan**, the overall southwest monsoon has been relatively good this year and significant gains in cereal output are expected in **China**, **Indonesia**, **Lao People's Democratic Republic**, **Myanmar**, **Sri Lanka**, and **Thailand**. However, a poor harvest is anticipated primarily due to a delayed monsoon and unfavourable weather conditions, in **Bhutan**, **Cambodia**, **India**, **Nepal** and **Republic of Korea**, and due to severe floods and a prolonged dry spell in **Democratic People's Republic of Korea**. In **the Philippines**, despite severe typhoons and localized flooding in July and August which affected the main season paddy crop, an increase in the 2012 national paddy production is anticipated, given the expansion of the area planted to the main season crop. The rest of the countries of the subregion are expected to gather an aggregate harvest, more-or-less similar to the year before.

Production of paddy rice, the major staple crop in the subregion which accounts for about 55 percent of the total cereal output, is tentatively forecast to remain virtually unchanged from



the record level of 2011. However, this level would still be about 5 percent above the previous five-year average. The expected drop in the *Kharif* paddy production in India this year, due to the late onset of the monsoon rains and prolonged dry spell in the main producing areas of the country, is expected to be compensated by a significant increase due to generally favourable weather in **China** and **the Philippines**, as well as a recovery from last year's poor harvest in **Indonesia**, **Myanmar** and **Thailand**.

Harvesting of the winter crops, such as wheat and barley, was completed earlier in the year. The aggregate subregional wheat harvest of 2012, revised upwards from FAO's June estimate at a record level of 241 million tonnes, represents an improvement of 3.3 percent over bumper production in 2011. Attractive

Table 13. Far East cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	Change: 2012/2011 (%)
Far East	223.0	232.8	240.5	277.7	292.1	298.7	629.9	650.4	652.7	1 130.7	1 175.4	1 191.9	1.4
Bangladesh	1.0	1.0	1.1	1.1	1.2	1.3	50.3	50.8	51.3	52.4	52.9	53.7	1.5
Cambodia	0.0	0.0	0.0	0.8	0.7	0.8	8.2	8.8	8.7	9.0	9.5	9.5	-0.1
China	115.2	117.4	118.0	186.6	201.4	205.9	197.2	202.5	206.5	499.0	521.3	530.4	1.7
India	80.8	86.9	93.9	43.4	42.1	41.7	144.0	156.5	147.7	268.1	285.4	283.3	-0.7
Indonesia	0.0	0.0	0.0	18.3	17.6	18.9	66.5	65.8	68.6	84.8	83.4	87.5	5.0
Japan	0.6	0.7	0.7	0.2	0.2	0.2	10.6	10.5	10.5	11.4	11.4	11.5	0.4
Korea Rep. of	0.0	0.0	0.0	0.2	0.2	0.2	5.8	5.6	5.4	6.1	5.9	5.6	-4.0
Myanmar	0.2	0.2	0.2	1.4	1.5	1.7	30.8	30.0	30.8	32.4	31.7	32.7	3.2
Nepal	1.6	1.8	1.9	2.4	2.5	2.4	4.5	5.1	4.8	8.4	9.4	9.0	-3.3
Pakistan	23.3	24.3	24.0	3.9	4.1	4.1	7.2	9.2	9.4	34.4	37.7	37.5	-0.3
Philippines	0.0	0.0	0.0	6.4	7.0	7.5	16.7	17.0	18.0	23.1	24.0	25.5	6.2
Thailand	0.0	0.0	0.0	5.0	4.9	5.0	35.6	34.2	36.0	40.6	39.2	41.0	4.6
Viet Nam	0.0	0.0	0.0	4.6	5.0	5.3	40.0	42.3	42.5	44.6	47.3	47.8	1.1

Note: Totals and percentage change computed from unrounded data.

domestic markets, high international prices and favourable weather conditions throughout the growing period from November 2011 to April 2012 across most of the subregion were the main factors contributing to increased wheat production. Planting of the 2013 winter crops, mainly wheat, is underway in China and will commence in October and continue until mid-December in India and Pakistan. For the region as a whole, high prices for the commodity are expected to boost the area planted to wheat.

Table 14. Far East cereal production and anticipated trade in 2012/13¹
(thousand tonnes)

	Avg 5-yrs (2007/08 to 2011/12)	2011/12	2012/13	2012/13 over 2011/12 (%)	2012/13 over 5-yr avg (%)
Cereals - Exports	32 522	36 057	37 808	4.9	16.3
Cereals - Imports	83 575	94 013	85 465	-9.1	2.3
Cereals - Production	901 944	959 083	974 675	1.6	8.1
Rice-milled - Exports	25 206	26 910	26 975	0.2	7.0
Rice-milled - Imports	8 925	10 585	8 892	-16.0	-0.4
Rice-milled - Production	414 566	434 142	435 515	0.3	5.1
Wheat - Exports	2 539	3 735	6 660	78.3	162.3
Wheat - Imports	32 163	36 224	34 305	-5.3	6.7
Wheat - Production	221 430	232 836	240 453	3.3	8.6

¹ Marketing year July/June for most countries. Rice trade figures are for the second year shown.

Cereal imports to decrease considerably, while exports to increase in 2012/13

Following the estimated increase in cereal production in 2012 in most countries, the subregion is in a favourable cereal trade position in 2012/13 as the aggregate cereal imports are expected to decline by about 8.6 million tonnes or 9 percent below the 2011/12 level and aggregate cereal exports are preliminarily forecast to increase by almost 5 percent from the previous year. An increase in exportable surplus, particularly from **China, India, Pakistan, Thailand** and **Viet Nam** is foreseen. The Far East subregion, in general, is a net exporter of rice and net importer of wheat. In the case of rice, the exports are expected to remain stable in 2012/13, in line with the subregion's production prospects. An increase is anticipated from **Cambodia, Thailand** and **Viet Nam**. On the other hand, the rice exports from **India**, one the main paddy exporters of the subregion in the last few years, are anticipated to decrease. The aggregate wheat imports are expected to decrease by 5 percent from last year's level, given favourable 2012 domestic wheat production in most producing countries. Given the anticipated bumper harvest and better carryover stocks of the commodity in India, exports of the commodity are anticipated to reach a record level in 2012/13.

Prices of rice follow a mixed trend, while those of wheat have been rising in most Asian countries

Rice prices in recent months have increased in exporting countries of the subregion, namely **Cambodia, China, India, Myanmar, Pakistan, Thailand** and **Viet Nam**, reflecting renewed export demand for the commodity. However, they remained relatively stable in **Bangladesh** and **Indonesia**, and declined in **Lao PDR** and **Timor-Leste**, following favourable harvests and good levels of stocks. In **India**, the nominal rice prices in local currency have been generally increasing since March-April 2012 reaching record levels in early September in most markets of the country. However,

due to weakening of the Indian Rupee, prices in US dollar terms showed a generally declining trend until recently. In August and September, however, rice prices even in dollar terms have moved up but remained below their level a year ago.

Nominal prices of wheat and wheat flour increased markedly in several countries. In **India** and **Pakistan**, the main wheat exporting countries of the subregion, wheat prices in US dollar terms have also been increasing in recent months. In the first two weeks of September, prices of wheat and wheat flour in the Karachi (**Pakistan**), reached record average levels (PKR 30.75 or about USD 0.3 and PKR 37 or about USD 0.4 per kg, respectively). Likewise, wheat prices rose sharply in **India**, even in US dollar

Figure 6. Rice retail prices in selected Far East countries

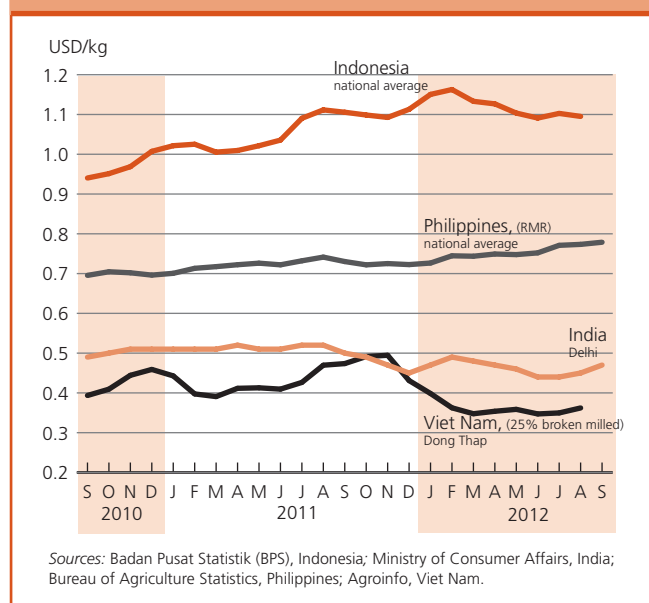
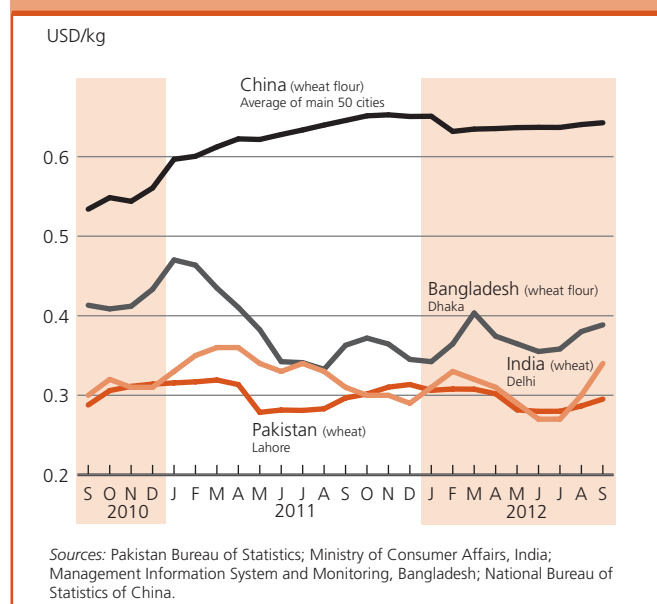


Figure 7. Wheat and wheat flour retail prices in selected Far East countries

terms, reaching record highs in many markets of the country. In early September, in the Chennai market, the retail and wholesale prices were 14 and 20 percent, respectively, above their levels of a year ago. Similarly, in **Bangladesh**, linked to the Indian export price, wheat flour prices have been increasing in the recent months. In other importing countries, such as **Indonesia** and **Sri Lanka**, they remained relatively stable. In Sri Lanka, the wheat flour price is regulated with import duties which are also aimed at reducing wheat consumption. Nominal prices for wheat flour remained relatively stable in China, mainly reflecting adequate supplies from this year's wheat production.

Near East

Mixed outturn of winter crop harvests

Harvesting of 2012 winter wheat and barley crops is complete throughout the subregion. In **Turkey**, official early estimates

indicate a wheat production of 20.1 million tonnes in 2012, some 8 percent lower than last year due to below average rains in April and below average temperatures at the end of the dormancy period in March, particularly in Central Anatolia region which affected crop growth.

In **the Syrian Arab Republic**, while the last forecast from an Agriculture Ministry official in May 2012 put production at an above average 3.7 million tonnes of wheat and 843 000 tonnes of barley, current estimates indicate a well below average cereal harvest in 2012 following the escalation of civil unrest and conflict that is hampering normal agricultural activities. By contrast, a moderately favourable wheat growing season in **Islamic Republic of Iran** resulted in a production estimate of 13.8 million tonnes, a slight increase of 2.2 percent compared to 2011, but well below the bumper crop of 15 million tonnes harvested in 2007 and 2010.

In **Iraq**, winter crop prospects are mixed and a wheat harvest of 2.1 million tonnes is estimated. At this level the wheat crop is over 12 percent less than last year but about 2 percent above the five-year average. Late plantings and insufficient winter moisture in rainfed areas affected crops. By contrast, in **Afghanistan**, reports indicate an exceptional wheat harvest of about 5 million tonnes, an increase of almost 54 percent on last year when late and erratic rains negatively affected crop planting and development.

Aggregate cereal output in the subregion is, therefore, provisionally estimated at 69.6 million tonnes (rice in paddy equivalent), a decrease of 2 percent on last year, but 3 percent higher than the five-year average. Consequently, the total subregional wheat imports are expected to reach almost 23 million tonnes, about 11 percent more than last year.

High food prices and civil unrest, in parts, affecting food security

In **the Syrian Arab Republic**, continued civil unrest since mid-March 2011 has raised serious concern over the state of food security, particularly for vulnerable groups. Following the unrest, the economy in 2011 contracted by 3.4 percent. For 2012 the

Table 15. Near East cereal production*(million tonnes)*

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2010	2011 estim.	2012 f'cast.	2010	2011 estim.	2012 f'cast.	2010	2011 estim.	2012 f'cast.	2010	2011 estim.	2012 f'cast.	Change: 2012/2011 (%)
Near East	46.8	46.4	45.0	21.0	20.8	20.5	4.0	4.1	4.1	71.9	71.2	69.6	-2.3
Afghanistan	4.5	3.3	5.0	0.7	0.6	0.7	0.7	0.7	0.7	6.0	4.6	6.4	39.8
Iran (Islamic Rep. of)	15.0	13.5	13.8	4.5	4.3	4.4	2.3	2.3	2.4	21.8	20.1	20.6	2.6
Iraq	2.7	2.4	2.1	1.4	1.4	0.9	0.2	0.2	0.2	4.3	4.0	3.1	-20.9
Syrian Arab Republic	3.1	3.9	2.5	0.8	0.8	1.0	0.0	0.0	0.0	3.9	4.7	3.5	-25.2
Turkey	19.7	21.8	20.1	12.2	12.5	12.4	0.9	0.9	0.9	32.8	35.2	33.3	-5.3

Note: Totals and percentage change computed from unrounded data.

government expects a growth between 0 and 2 percent, while external sources expect a large contraction of over 8 percent. The economy continues to be under pressure from international sanctions which include an embargo on oil exports as well as restrictions on international trade, investment and financial transactions. Imports of agricultural commodities to the Syrian Arab Republic are affected by inability to finance imports as a result of restrictions. The Government's fiscal capacity to support producer and consumer subsidy schemes has come under severe strain following the economic downturn and the international sanctions. The food inflation in the Syrian Arab Republic in June eased slightly compared to the previous three months. However, at 30 percent (on a yearly basis), it is well above the single-digit levels seen in earlier years. The Joint Rapid Food Security Needs Assessment (JRFSNA) in the Syrian Arab Republic conducted in June has raised a serious concern over the state of the food security situation, particularly for vulnerable groups. The number of people in need of urgent food assistance has increased to 1.5 million from an estimated 1 million last March. In the next six months, this figure is estimated to double if the current situation does not improve. The WFP assistance reached 850 000 people in July 2012, up from 200 000 in March. Additional assistance is provided to Syrian refugees in Jordan, Lebanon, Turkey and Iraq. A revised Emergency Operation (EMOP) has been initiated by WFP on 31 July 2012 to provide an additional 25 365 tonnes of food to 850 000 vulnerable people to the end of 2012.

An increasingly complex humanitarian crisis has also been under way in **Yemen** with conflict in the north, secessionist movements in the south and other religious movements in various parts of the country. The conflict, coupled with weak central governance, has aggravated food insecurity problems in the country, with 44.5 percent of the population being considered food insecure. The share of food-insecure population in Yemen increased by 40 percent compared to 2009. A special concern was reported on child malnutrition. An Emergency Food and Nutritional Support to Conflict-affected Population in the Republic of Yemen in 2012 is targeting 550 800 beneficiaries.

In **Afghanistan**, the overall food security situation has generally been stable but some areas, particularly in the extreme northeast, at higher elevations of the central highlands are faced with increased food insecurity due to below-normal temperatures and above-normal precipitation resulting in poor agricultural conditions.

CIS in Asia¹

The 2012 aggregate cereal production significantly lower than last year's record level

Cereal harvesting is almost completed and the aggregate cereal output is preliminary estimated at around 28 million tonnes, 31 percent lower than last year's record level and 15 percent below the five-year average.

The reduced harvest mainly reflects the severe drought experienced in July-August in **Kazakhstan**, the largest cereal producer of the subregion. The 2012 cereal production is estimated at 13 million tonnes, or half last year's record harvest and one third below the average level of the previous five years. Elsewhere, in Central Asia, weather conditions were generally normal during the cropping seasons, except in **Kyrgyzstan** where the cereal harvest is significantly reduced following delayed planting, cold winter and exceptional hot temperatures during summer. The aggregate cereal output is estimated at 1.3 million tonnes, about 19 percent lower than both last year and the average levels. The main wheat crop is estimated one third down from 2011 and the average level. In **Armenia** and **Turkmenistan** normal cereal harvests were obtained this year. In **Tajikistan**, the 2012 cereal production has increased by some 3 percent from last year to an average level of 1 million tonnes. Good weather conditions and state support for agricultural inputs contributed to improved cereal harvests in **Azerbaijan**, **Georgia** and **Uzbekistan**.

Planting of winter crops has started in the Asian CIS

In the Asian CIS countries, planting of the winter wheat crops to be harvested in 2013 is underway or about to start. Soil conditions are reported to be generally satisfactory, though improved moisture is

¹ Georgia is no longer a member of CIS but its inclusion in this group is maintained for the time being.

Table 16. CIS in Asia cereal production

(million tonnes)

	Wheat			Coarse grains			Total cereals ¹			Change: 2012/2011 (%)
	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	
CIS in Asia	21.1	33.9	22.4	4.3	6.0	4.7	26.2	40.8	28.0	-31.4
Azerbaijan	1.3	1.6	1.8	0.6	0.8	0.8	1.9	2.4	2.6	7.6
Kazakhstan	9.9	22.7	11.0	2.0	3.5	1.9	12.3	26.6	13.3	-50.0
Kyrgyzstan	0.8	0.9	0.6	0.7	0.7	0.7	1.5	1.6	1.3	-18.9
Tajikistan	0.8	0.7	0.7	0.2	0.2	0.2	1.2	1.0	1.0	2.5
Turkmenistan	1.3	1.3	1.2	0.1	0.1	0.1	1.5	1.5	1.4	-6.4
Uzbekistan	6.7	6.3	6.7	0.3	0.3	0.4	7.2	6.9	7.4	7.4

Note: Totals and percentage change computed from unrounded data.

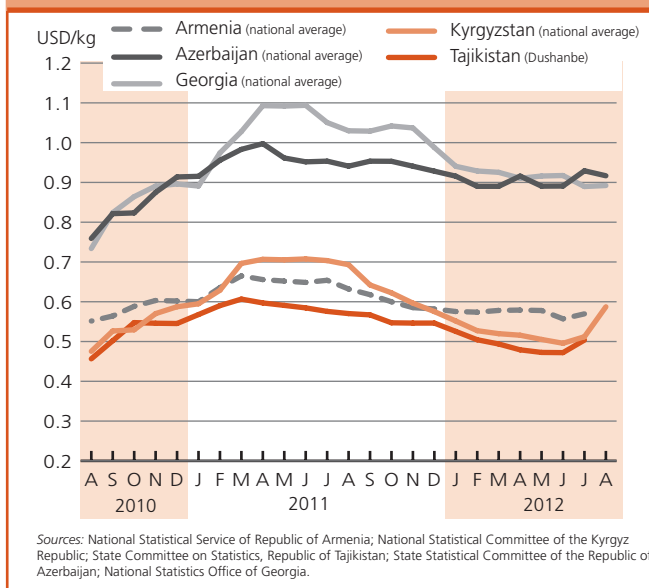
¹ Total cereals includes wheat, coarse grains and rice (paddy).

needed in areas affected by drought and extreme hot temperature last summer. In **Kazakhstan**, the main producer of the subregion, the bulk of cereal crops is planted in spring.

Cereal prices increasing

In **Kazakhstan**, export prices increased by 8 percent in July and August but were lower than a year earlier due to large carryover stocks from the 2011 record crop. In **importing countries of CIS Asia**, domestic prices of main staple wheat flour have strengthened in the past two months reflecting higher regional export prices and reduced harvests in parts. However, prices are still generally lower than a year earlier. The largest increases in prices of wheat flour, the main staple in the subregion, have been noticed in **Kyrgyzstan** and **Turkmenistan** following the Government’s decision to remove subsidies on flour and fuel.

Figure 8. Retail wheat flour prices in selected CIS in Asia countries

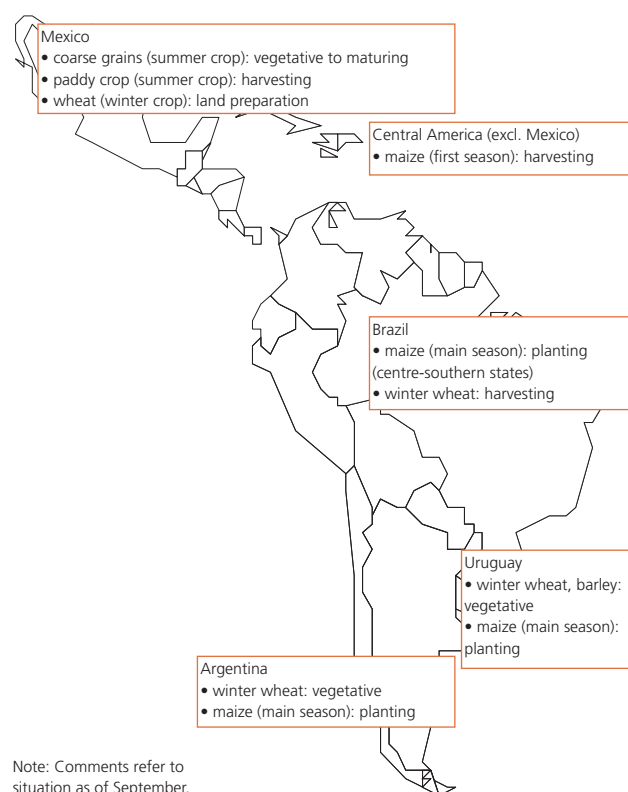


Latin America and the Caribbean

Central America and the Caribbean Good 2012 main season cereal crops, except in Haiti

The 2012 aggregate cereal output of the subregion is forecast by FAO at 41 million tonnes, 15 percent above last year's reduced level and about average. The sharp increase mainly reflects a recovery in the 2012 coarse grain output anticipated in **Mexico**, the largest producer of the subregion, where the 2012 maize aggregate production (autumn-winter and spring-summer seasons) is forecast at about 22 million tonnes, 26 percent above the 2011 drought-reduced level. Prospects for the 2012 main rain-fed summer maize crops are favourable following adequate precipitation in recent months. The 2012 secondary season harvested earlier in the year was good due to higher plantings and a recovery in yields. Similarly, production of sorghum is forecast to increase compared to 2011. Land preparation of the 2012/13 main winter season wheat crop, to be planted in November, is underway. The crop is totally irrigated, and recent rains in the main growing areas of the northwest improved irrigation supplies.

Elsewhere in the subregion, in **El Salvador, Guatemala, Honduras** and **Nicaragua**, harvesting of the 2012 main season maize has been completed. The output is estimated above last year's good levels, although lower than earlier forecast due to severe localized crop losses caused by dry weather in July. Assuming normal growing conditions in the next seasons (second *de postrera* and third *de Apante*), the aggregate 2012 maize production in these countries is forecast close or above last year's good level. Basic food production has been supported this year by governmental measures including distributions of seeds and fertilizers.



Planting of the second season crops, mostly beans, has begun under normal conditions so far.

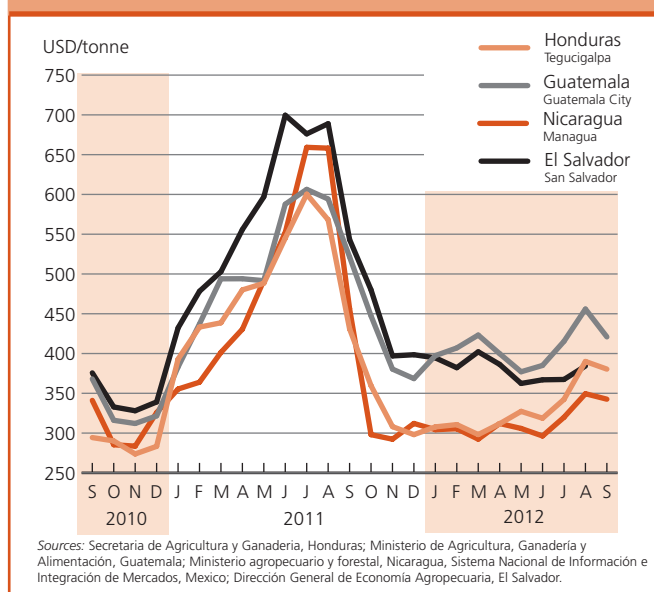
In the Caribbean, in **Haiti**, the 2012 main season coarse grain crops is estimated sharply reduced due to prolonged dry weather conditions in May and June, followed by tropical storm Isaac in late August that caused further crop and agricultural infrastructure damage. In the **Dominican Republic**, rains associated with tropical storm Isaac were generally beneficial to second season paddy crops, but damages were reported mainly to banana plantains in the worst-hit southern areas.

Table 17. Latin America and Caribbean cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	Change: 2012/2011 (%)
Central America & Caribbean	3.7	3.6	3.3	35.8	29.6	35.4	2.8	2.7	2.7	42.3	35.9	41.4	15.1
El Salvador	0.0	0.0	0.0	0.9	0.9	1.0	0.0	0.0	0.0	0.9	0.9	1.1	13.1
Guatemala	0.0	0.0	0.0	1.7	1.7	1.7	0.0	0.0	0.0	1.7	1.7	1.8	2.5
Honduras	0.0	0.0	0.0	0.5	0.6	0.6	0.0	0.0	0.0	0.6	0.7	0.7	2.0
Mexico	3.7	3.6	3.3	31.1	24.7	30.4	0.2	0.2	0.2	35.0	28.5	33.8	18.7
Nicaragua	0.0	0.0	0.0	0.6	0.7	0.7	0.4	0.4	0.4	1.0	1.1	1.1	2.9
South America	26.7	23.8	20.9	102.8	106.4	122.3	23.5	26.4	24.5	153.1	156.6	167.7	7.1
Argentina	15.9	13.2	11.5	30.0	32.8	30.6	1.2	1.7	1.6	47.2	47.7	43.7	-8.3
Brazil	6.0	5.7	4.9	58.3	59.0	75.6	11.7	13.6	11.6	76.0	78.3	92.1	17.7

Note: Totals and percentage change computed from unrounded data.

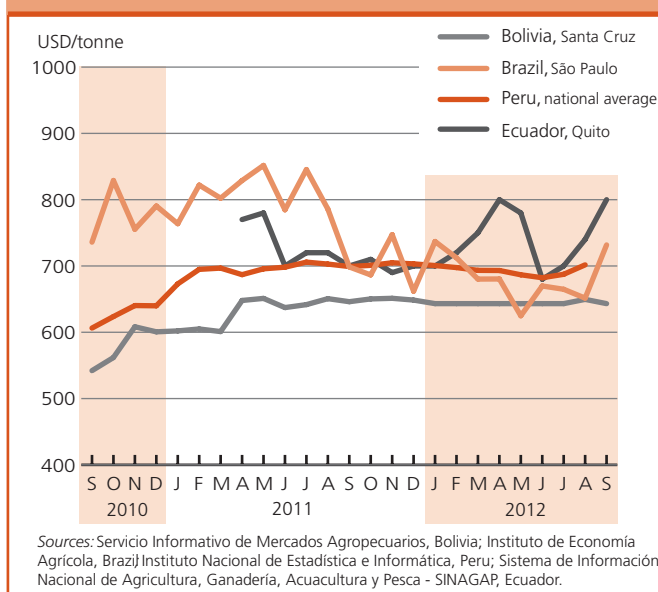
Figure 9. Wholesale white maize prices in selected countries in Central America



Prices of white maize showed signs of decline in early September

In many countries of the subregion, the arrival into the markets of the 2012 main season's maize harvest in September reversed the increasing trend of the past few months, although prices declined only moderately. Prices in July and August were underpinned by higher international quotations of maize, which countries of the subregion import in significant quantities. Concerns about production losses of late planted 2012 main season crops provided further support to prices. In **Nicaragua**, **Guatemala** and **Honduras**, prices of maize, which had increased by some 20 percent in July and August, showed some decline in the first half of September and remained well below their levels a year earlier. In **El Salvador**, a steady inflow of imports has contributed to limiting price increases of white maize compared to neighbouring countries. However, prices of wheat flour spiked in July and August and were some 70 percent higher than in June. The Government is examining the possibility of temporarily eliminate import tariffs in an attempt to moderate the increase. In **Mexico**, prices of white maize remained relatively stable in the past few months, after significant declines from their peaks with the good 2012 secondary harvest. However, maize prices in early September remained close to the high levels at the same time last year, due to a 2011 reduced production. Prices of *tortillas* remained firm at near record highs. Prices of red beans, another basic food in the subregion, showed some decline in September reflecting improved availabilities from the ongoing harvest, and were well below their levels of a year earlier. By contrast, prices of black beans, the most consumed staple in **Guatemala** and **Mexico**, remain relatively high.

Figure 10. Wholesale wheat flour prices in selected countries in South America



South America

The 2012 wheat production forecast to decline, but a record maize crop was harvested

Harvesting of the 2012 wheat crop is underway in the centre-south states of **Brazil** and in **Paraguay**, while it is expected to start from November in **Argentina** and **Uruguay**. The subregion's aggregate wheat production is forecast at about 21 million tonnes, 12 percent lower than in 2011 and below normal. The reduction follows a general decline in the area planted due to diversion of land to more profitable crops and dry weather at sowing time in June and July.

Harvesting of the 2012 second season maize is virtually completed in the subregion. The 2012 aggregate production (first and second seasons) is estimated at a record high of some 107 million tonnes. This mainly reflects a bumper second season maize crop in **Brazil**, following an increase in the area planted and favourable weather, which more than offset the drought-reduced output in **Argentina**.

Sowing of the 2013 first season maize crops has just started in southern countries of the subregion. Recent rains have improved soil moisture, reduced by previous dry weather, but caused plantings delays in some areas.

Prices of wheat flour and yellow maize on the increase

Prices of mainly imported wheat rose in many countries of the subregion in the past few months, following trends in the international markets. In **Ecuador**, wholesale prices of wheat flour in the capital Quito rose by 18 percent

since June. In **Bolivia**, prices of domestic wheat flour are regulated and they remained stable and similar to a year earlier. Prices of common bread (*de batalla*) are still unchanged, although the bakery industry depends by some 60 percent on imported flour, mainly from Argentina. In **Brazil** wheat flour prices in early September were 12 percent up on their levels in August, reflecting

higher prices in the international markets and the expected declines in this year's production.

Yellow maize prices in importing countries **Colombia** and **Ecuador** rose in August and September while in **Bolivia**, which imports only marginal volumes; they dropped sharply over the last year, reflecting the completion of a good 2012 main season harvest and adequate stocks.

North America, Europe and Oceania

North America

United States 2012 cereal crop will be smallest in six years

The **United States'** 2012 wheat output is officially estimated to have increased by some 13 percent from last year to about 62 million tonnes. The increase is attributed to an increase in planted area, less abandonment and better average yields after severe drought affected crops in southern areas last year. Winter wheat planting for the 2013 crop got underway in September. After a slow start due to very dry field conditions, the arrival of much-needed rains in the southern Great Plains during the month allowed field operations to pick up speed, and on 24 September, the USDA reported that plantings were complete on 25 percent of the expected national area, just slightly below the average pace.

Regarding coarse grains, the USDA September report put the 2012 maize output at some 272 million tonnes, about 13 percent below last year, well below the average of the past five years and the smallest crop since 2006. After a promising start to the season with significant expansion of planted area, a widespread severe drought devastated crops.

In **Canada**, the 2012 small grains harvest has been completed much earlier than usual due to early planting. Official estimates in mid-September put the total wheat output at 27 million tonnes, about 7 percent up from last year's crop and the largest output since 2008. A 10 percent increase in the planted area for the 2012 crop was partially offset by higher abandonment and lower yields. Production of barley in 2012 is also estimated sharply up by some 22 percent to 9.5 million tonnes, following increased plantings and higher yields. The maize crop, still to be harvested in Eastern Canada, is forecast to increase by about 9 percent,

rising to 11.7 million tonnes, somewhat less than expected earlier as expanded plantings are expected to be offset by lower yields.

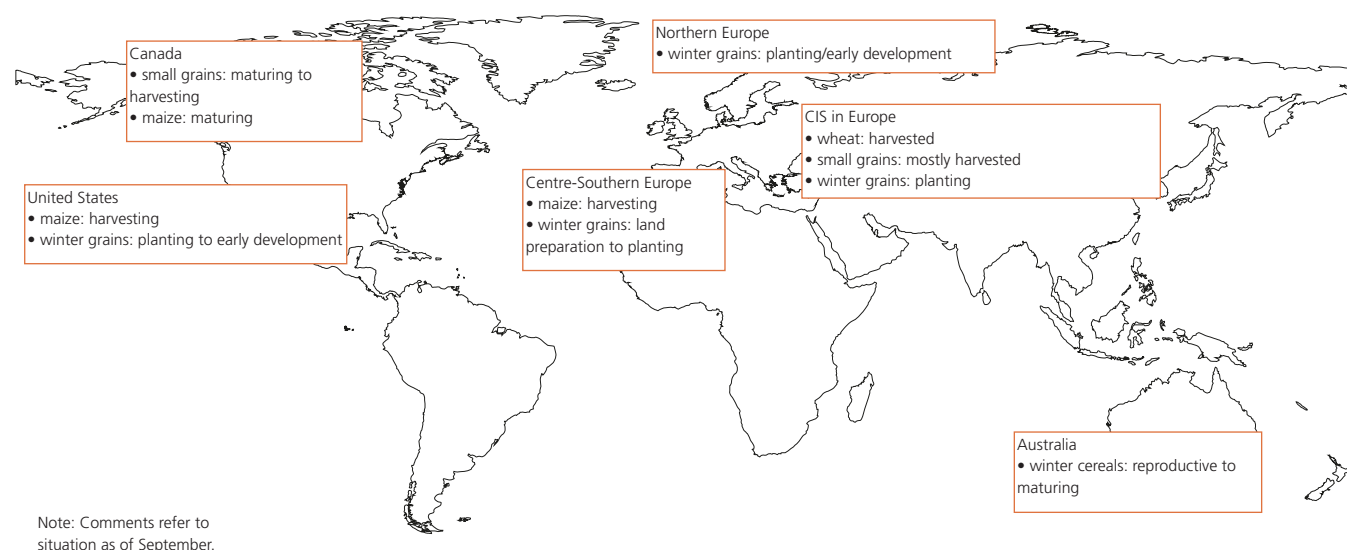
Europe

European Union

Prospects for the EU's maize crop deteriorate and aggregate cereal output in 2012 is forecast at lowest level since 2007

The forecast for the **European Union's** aggregate cereal output in 2012 has been revised downward slightly since the previous report in June to 278 million tonnes, about 4 percent below the 2011 output and the smallest crop since 2007. The latest revision largely reflects the impact of hot, dry weather on the maize crops in the central and southeastern parts of the region, Hungary, Italy and Romania in particular, although the impact of dry weather has led to a slight reduction of yield prospects also in France, the EU's major producing country. With reduced outputs registered also for most small coarse grains, the aggregate output of coarse grains is now forecast at about 142 million tonnes, 5.5 percent down from last year's level. The EU's aggregate output of wheat, mostly harvested earlier in the summer, is estimated at 134 million tonnes, 2.6 percent down from last year's about-average level, despite a similar area of plantings. The reduction largely reflects the impact of adverse winter conditions on crops in several western and northern countries namely, France, Germany, Poland, as well as exceptionally high spring temperatures in some central parts, particularly in Hungary and Slovakia.

Planting of the winter wheat crop for harvest in 2013 is already underway in some countries or due to start in October. After this year's reduced harvest in the EU, and globally, wheat should remain an attractive option for farmers. Conditions for planting are generally favourable with the exception of some southeastern countries, namely Bulgaria, Hungary and Romania, where hot,



dry weather has reduced soil moisture and significant rainfall will be needed to replenish normal levels for crop establishment.

CIS in Europe **Sharp reduction in 2012 cereal output**

In the European CIS countries (Belarus, Republic of Moldova, the Russian Federation and Ukraine), harvesting of the 2012 cereal crops has been almost completed, except for maize. With the exception of Belarus, cereal outputs were reduced by this year's severe drought and extremely hot temperatures during summer that particularly affected key growing areas. In aggregate, the subregion's output is estimated at 124 million tonnes, 21 percent below last year's level and 12 percent lower than the five-year average.

In **the Russian Federation**, the 2012 cereal output is put at 70 million tonnes, 23 percent down on 2011. Wheat, the most affected crop, is estimated 30 percent lower than last year at about 39 million tonnes. The Government has confirmed that in spite of the poor harvest it has no intention to introduce restrictions on grain exports. However, the total cereal export potential of the country is foreseen to drop from some 28 million tonnes in marketing year 2011/12 (July/June) to about 12 million tonnes in 2012/13. The Russian Federation was the second largest wheat exporter last season accounting for about one-quarter of global wheat exports. In **Ukraine**, cereal production is estimated significantly below last year and the average levels. However, because ample carry-over stocks, it is expected that the reduced harvest will not impact significantly other cereal export availability, estimated at around 21 million tonnes, only slightly below the previous year's volume. In the **Republic of Moldova** cold winter and severe drought conditions in summer contributed to sharply reduce cereal production in 2012, preliminary estimated some 40 percent lower than in the previous year. Despite this significant decline, import requirements are not expected to

increase significantly. Adequate carryover wheat stocks from last year's good harvest and high level of imports are likely to make up for most of the production deficit. The country has been exporting maize in recent years but official statements indicate a suspension of exports in marketing year 2012/13 (July/June).

By contrast, a record cereal harvest was gathered in **Belarus**, mainly due to a well above average coarse grains production.

Prospects for 2012/13 winter grains planting are satisfactory

In **the Russian Federation**, planting of winter grains, mainly wheat, is progressing well under overall satisfactory weather conditions. The winter wheat accounts for two-third of the annual production. The total area planted to grains, including barley and winter rye, is expected at 16.8 million hectares, around the level of the previous year. Although beneficial rains arrived since late August, soil moisture levels still remain low in some key growing southern areas. The planting of winter cereals has started earlier in **Ukraine**. Rains during the last decade of August have improved soil conditions in the majority of grain producing regions, except in southern areas where more precipitation is needed. The winter grains planted area, mostly wheat, is forecast at an average level of 8.1 million hectares. In the **Republic of Moldova**, official forecasts indicate an 18 percent increase plantings following the reduced wheat production this year.

Cereal prices increasing

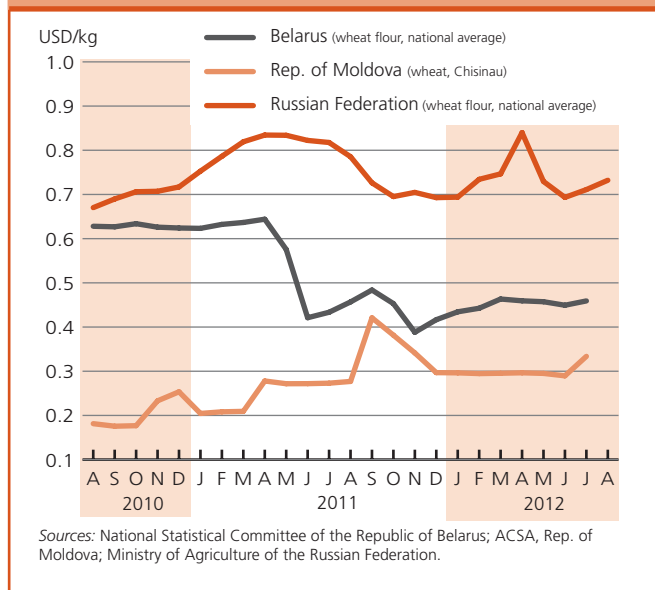
In European CIS countries food prices are increasing following the reduced wheat harvests in the region. In exporter countries, **Ukraine** and **the Russian Federation**, export prices of wheat in August were 17 percent and 15 percent respectively up on June and higher than a year earlier. In **Belarus** high inflation has accelerated the rise of domestic food prices. In the

Table 18. North America, Europe and Oceania cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	2010	2011 estim.	2012 f'cast	Change: 2012/2011 (%)
North America	83.2	79.7	88.7	353.0	346.0	309.9	11.0	8.4	8.9	447.2	434.0	407.5	-6.1
Canada	23.2	25.3	27.0	22.4	21.9	24.9	0.0	0.0	0.0	45.6	47.2	51.9	9.9
United States	60.1	54.4	61.7	330.6	324.0	285.0	11.0	8.4	8.9	401.7	386.8	355.7	-8.1
Europe	200.8	223.5	194.9	203.3	236.5	218.2	4.4	4.5	4.3	408.5	464.5	417.4	-10.1
Belarus	1.7	2.0	2.0	4.9	5.7	6.6	0.0	0.0	0.0	6.6	7.7	8.6	12.2
EU	136.0	137.6	134.0	143.1	149.9	141.6	3.1	3.1	2.9	282.3	290.6	278.4	-4.2
Russian Federation	41.5	56.2	39.0	19.9	34.2	30.0	1.1	1.2	1.2	62.4	91.6	70.3	-23.3
Serbia	1.7	2.1	2.0	7.6	7.0	6.3	0.0	0.0	0.0	9.2	9.0	8.2	-9.2
Ukraine	16.9	22.3	15.0	21.0	33.3	28.2	0.2	0.2	0.2	38.0	55.7	43.4	-22.2
Oceania	27.7	29.8	22.9	11.9	13.6	12.0	0.2	0.7	1.0	39.9	44.1	35.9	-18.8
Australia	27.4	29.5	22.5	11.4	13.0	11.5	0.2	0.7	1.0	39.0	43.3	35.0	-19.1

Note: Totals and percentage change computed from unrounded data.

Figure 11. Retail wheat and wheat flour prices in Belarus, Russian Federation and Republic of Moldova



Republic of Moldova prices of wheat flour and maize have risen in recent months and in some areas of the country prices of maize in August were up to 50 percent compared to last year. Similarly, prices of vegetables, meat and dairy products rose in July.

Oceania

Mixed prospects for 2012 winter grains but average output is expected overall

The prospects for the 2012 winter cereal crops in **Australia** are mixed, reflecting varied winter rainfall and moisture conditions. Dry conditions have adversely affected production prospects in Western Australia and parts of southeastern Australia, while favourable weather in New South Wales and Queensland has boosted yield prospects to above-average levels. The latest official estimate in mid-September put the country's total wheat output in 2012 at 22.5 million tonnes, 24 percent down from last year's record harvest but close to the average of the past five years. With the overall planted area estimated down by just 1 percent from 2011, most of the decline is attributed to lower yields expected in the major producing areas affected by dry conditions. The early outlook for the minor summer grain crop for harvest in 2013 (mainly sorghum and maize), to be planted in the coming weeks, points to an increase in area. Soil moisture conditions in key growing regions of New South Wales and southern Queensland are favourable for planting and, moreover, irrigation supplies for the growing season are plentiful. Combined with the incentive of high prices, the area sown to sorghum is forecast to increase by 24 percent to about 0.8 million hectares which, assuming average yields, could result in a crop of 2.6 million tonnes, 10 percent up from the previous year.

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Table A1. Global cereal supply and demand indicators

	Average 2005/06 - 2009/10	2008/09	2009/10	2010/11	2011/12	2012/13
1. Ratio of world stocks to utilization (%)						
Wheat	26.4	26.3	30.1	27.8	28.1	24.8
Coarse grains	16.4	17.6	16.9	14.6	15.4	13.1
Rice	26.5	28.6	29.1	30.1	32.9	34.5
Total cereals	21.4	22.4	23.2	21.7	22.8	20.7
2. Ratio of major grain exporters' supplies to normal market requirements (%)						
	125.0	128.5	124.2	115.4	117.6	108.9
3. Ratio of major exporters' stocks to their total disappearance (%)						
Wheat	17.3	17.9	21.5	20.2	18.8	14.6
Coarse grains	14.3	15.7	15.1	10.5	11.1	9.4
Rice	17.6	22.7	20.5	19.5	24.2	24.9
Total cereals	16.4	18.8	19.1	16.7	18.0	16.3
	Annual trend growth rate 2002-2011	2008	Change from previous year			2012
			2009	2010	2011	
4. Changes in world cereal production (%)						
	2.8	7.2	-1.0	-0.3	3.9	-2.6
5. Changes in cereal production in the LIFDCs (%)						
	3.6	3.9	-0.2	7.3	1.1	1.7
6. Changes in cereal production in the LIFDCs less India (%)						
	3.6	5.7	4.7	6.8	-2.5	2.9
	Average 2005-2009	2008	Change from previous year (%)			2012*
			2009	2010	2011	
7. Selected cereal price indices:						
Wheat	158.3	31.5	-34.6	9.6	31.5	-11.5
Maize	146.0	36.5	-25.5	12.0	57.6	-2.6
Rice	194.2	82.9	-14.0	-9.4	9.5	-5.8

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 Wheat Exporters are Argentina, Australia, Canada, the EU, Kazakhstan, Russian Fed., Ukraine and the United States; Major Coarse Grain Exporters are Argentina, Australia, Brazil, Canada, the EU, Russian Fed., Ukraine 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-September average.

Table A2. World cereal stocks¹
(million tonnes)

	2008	2009	2010	2011	2012 estimate	2013 forecast
TOTAL CEREALS	420.3	501.1	528.3	502.9	527.0	499.1
Wheat	141.5	173.5	199.5	192.6	193.0	171.8
held by:						
- main exporters ²	32.6	49.3	54.9	50.6	46.0	39.9
- others	108.9	124.2	144.6	142.0	147.0	131.9
Coarse grains	165.3	199.5	194.6	169.3	177.9	162.0
held by:						
- main exporters ²	71.8	84.8	85.6	61.8	63.8	48.6
- others	93.5	114.7	109.0	107.5	114.1	113.4
Rice (milled basis)	113.6	128.2	134.2	141.0	156.1	165.3
held by:						
- main exporters ²	28.1	35.0	31.8	31.3	39.0	40.6
- others	85.5	93.2	102.4	109.7	117.1	124.7
Developed countries	126.4	176.0	188.8	151.0	155.0	118.5
Australia	5.5	6.2	6.7	8.6	9.8	5.6
Canada	8.5	13.0	13.6	10.8	9.3	10.4
European Union	30.3	46.9	44.0	32.5	32.9	29.5
Japan	4.8	4.6	4.8	4.9	4.7	4.6
Russian Federation	5.2	17.7	20.3	16.3	12.4	6.9
South Africa	1.8	2.7	3.6	4.5	3.2	2.4
Ukraine	4.9	8.0	6.7	5.2	11.7	6.3
United States	54.3	65.9	75.9	57.3	54.1	41.2
Developing countries	293.9	325.1	339.5	351.9	372.0	380.6
Asia	247.7	270.6	284.6	291.8	313.1	322.1
China	145.1	158.5	168.0	171.8	183.5	191.1
India	40.9	47.9	43.3	43.7	48.9	50.4
Indonesia	6.1	7.4	8.7	10.9	12.2	11.8
Iran (Islamic Republic of)	3.2	3.6	5.8	6.1	4.9	5.5
Korea, Republic of	2.9	2.8	3.8	3.8	4.4	3.6
Pakistan	3.2	3.5	4.1	2.2	2.8	2.6
Philippines	3.2	4.2	4.8	4.0	3.7	3.2
Syrian Arab Republic	4.0	2.9	3.6	2.4	1.7	1.5
Turkey	5.2	4.1	4.2	4.2	4.7	4.1
Africa	24.0	25.6	30.0	34.2	34.6	31.7
Algeria	3.4	2.7	3.6	3.9	3.8	3.6
Egypt	3.3	5.6	6.9	6.5	8.5	8.2
Ethiopia	0.7	0.8	1.5	1.6	2.2	2.1
Morocco	1.9	1.3	2.9	3.4	3.6	3.2
Nigeria	1.2	1.3	1.2	1.5	1.4	1.1
Tunisia	1.9	1.5	1.5	1.0	1.2	1.0
Central America	5.3	5.9	4.4	5.5	3.9	4.5
Mexico	3.2	4.1	2.7	3.6	2.1	2.7
South America	16.5	22.7	20.1	20.1	19.9	21.8
Argentina	7.3	3.7	2.2	5.3	5.3	3.3
Brazil	2.3	10.9	10.3	6.7	6.3	10.4

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 Major Wheat Exporters are Argentina, Australia, Canada, the EU, Kazakhstan, Russian Fed., Ukraine and the United States; Major Coarse Grain Exporters are Argentina, Australia, Brazil, Canada, the EU, Russian Fed., Ukraine and the United States; Major Rice Exporters are India, Pakistan, Thailand, the United States, and Viet Nam.

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
2010/11	316	289	311	254	260	248
2011/12	300	256	264	281	269	264
Monthly						
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	327	310	300	252	260	251
2011 - January	340	317	317	263	272	262
2011 - February	362	336	347	287	288	276
2011 - March	334	302	348	291	288	279
2011 - April	364	318	352	321	314	302
2011 - May	362	309	351	309	303	277
2011 - June	333	282	341	308	306	285
2011 - July	307	264	310	304	300	279
2011 - August	336	280	292	313	312	304
2011 - September	329	270	300	300	294	285
2011 - October	301	255	260	275	276	265
2011 - November	299	256	239	275	271	275
2011 - December	290	246	224	259	242	261
2012 - January	298	258	249	275	258	271
2012 - February	297	262	263	279	267	268
2012 - March	294	259	260	280	270	266
2012 - April	279	255	252	273	256	242
2012 - May	279	252	251	269	246	219
2012 - June	288	250	263	268	238	234
2012 - July	352	318	314	330	285	293
2012 - August	362	332	335	328	294	296
2012 - September	371	341	336	323	278	286

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, 2011/12 or 2012 estimates
(thousand tonnes)

	Marketing year	2010/11 or 2011 Actual imports			2011/12 or 2012 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		39 407.9	1 711.3	41 119.2	44 567.8	29 954.1	979.0	28 975.1
North Africa		16 101.0	0.0	16 101.0	17 971.0	17 364.1	0.0	17 364.1
Egypt	July/June	16 101.0	0.0	16 101.0	17 971.0	17 364.1	0.0	17 364.1
Eastern Africa		6 247.5	1 015.3	7 262.8	8 376.3	4 280.6	643.3	3 637.3
Burundi	Jan./Dec.	104.6	28.5	133.1	135.0	17.5	10.7	6.8
Comoros	Jan./Dec.	54.1	0.0	54.1	57.0	19.9	0.0	19.9
Djibouti	Jan./Dec.	106.2	9.0	115.2	92.5	74.6	9.3	65.3
Eritrea	Jan./Dec.	361.0	6.0	367.0	383.0	0.0	0.0	0.0
Ethiopia	Jan./Dec.	515.0	534.1	1 049.1	1 123.7	427.8	168.8	259.0
Kenya	Oct./Sept.	1 699.7	125.2	1 824.9	1 943.9	1 007.1	119.3	887.8
Rwanda	Jan./Dec.	155.0	8.1	163.1	72.0	1.1	1.1	0.0
Somalia	Aug./July	420.4	28.3	448.7	505.0	190.3	186.0	4.3
Sudan ³	Nov./Oct.	1 874.9	208.7	2 083.6	2 840.0	1 834.1	135.6	1 698.5
Uganda	Jan./Dec.	367.9	34.5	402.4	451.2	65.3	3.6	61.7
United Rep. of Tanzania	June/May	588.7	32.9	621.6	773.0	642.9	8.9	634.0
Southern Africa		1 532.3	225.3	1 757.6	2 430.0	1 566.0	168.4	1 397.6
Lesotho	April/March	208.5	0.5	209.0	249.0	215.8	0.0	215.8
Madagascar	April/March	166.8	19.9	186.7	340.0	159.6	23.6	136.0
Malawi	April/March	82.2	24.4	106.6	164.1	144.2	29.1	115.1
Mozambique	April/March	721.6	137.2	858.8	991.9	946.3	93.8	852.5
Zambia	May/April	28.9	2.0	30.9	47.0	31.6	1.3	30.3
Zimbabwe	April/March	324.3	41.3	365.6	638.0	68.5	20.6	47.9
Western Africa		13 609.4	355.4	13 964.8	13 808.5	5 982.1	154.5	5 827.6
Coastal Countries		10 719.5	122.4	10 841.9	10 342.5	4 810.6	15.4	4 795.2
Benin	Jan./Dec.	438.8	17.2	456.0	397.0	276.0	6.6	269.4
Côte d'Ivoire	Jan./Dec.	1 505.0	15.0	1 520.0	1 485.0	481.4	2.3	479.1
Ghana	Jan./Dec.	893.2	25.0	918.2	875.0	259.0	0.9	258.1
Guinea	Jan./Dec.	517.0	30.0	547.0	547.0	21.0	0.0	21.0
Liberia	Jan./Dec.	350.0	15.7	365.7	374.0	22.2	0.1	22.1
Nigeria	Jan./Dec.	6 620.0	0.0	6 620.0	6 320.0	3 665.6	0.0	3 665.6
Sierra Leone	Jan./Dec.	150.0	19.0	169.0	119.0	29.0	5.5	23.5
Togo	Jan./Dec.	245.5	0.5	246.0	225.5	56.4	0.0	56.4
Sahelian Countries		2 889.9	233.0	3 122.9	3 466.0	1 171.5	139.1	1 032.4
Burkina Faso	Nov./Oct.	350.0	10.0	360.0	385.0	47.9	8.5	39.4
Chad	Nov./Oct.	113.0	95.5	208.5	193.0	129.5	55.8	73.7
Gambia	Nov./Oct.	165.0	0.0	165.0	180.5	22.2	1.9	20.3
Guinea-Bissau	Nov./Oct.	142.0	7.0	149.0	154.3	13.7	0.0	13.7
Mali	Nov./Oct.	119.2	2.6	121.8	301.2	135.6	25.3	110.3
Mauritania	Nov./Oct.	471.0	43.0	514.0	504.0	207.4	10.2	197.2
Niger	Nov./Oct.	323.8	53.9	377.7	373.0	53.9	31.6	22.3
Senegal	Nov./Oct.	1 205.9	21.0	1 226.9	1 375.0	561.3	5.8	555.5
Central Africa		1 917.7	115.3	2 033.0	1 982.0	761.3	12.8	748.5
Cameroon	Jan./Dec.	889.0	0.0	889.0	845.0	392.0	0.0	392.0
Cent.Afr.Rep.	Jan./Dec.	53.0	10.0	63.0	63.0	20.1	2.4	17.7
Congo	Jan./Dec.	342.7	5.3	348.0	327.0	148.6	0.4	148.2
Dem.Rep.of the Congo	Jan./Dec.	615.0	100.0	715.0	730.0	191.9	9.6	182.3
Sao Tome and Principe	Jan./Dec.	18.0	0.0	18.0	17.0	8.7	0.4	8.3

Table A4b. Cereal import requirements of Low-Income Food-Deficit Countries¹, 2011/12 or 2012 estimates
(thousand tonnes)

	Marketing year	2010/11 or 2011 Actual imports			2011/12 or 2012 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		38 730.4	603.4	39 333.8	41 554.2	26 072.2	209.5	25 862.7
Cis in Asia		3 800.8	24.5	3 825.3	5 587.3	5 587.3	0.0	5 587.3
Georgia ⁴	July/June	692.2	0.4	692.6	847.0	847.0	0.0	847.0
Kyrgyzstan	July/June	372.8	24.1	396.9	648.3	648.3	0.0	648.3
Tajikistan	July/June	961.8	0.0	961.8	1 168.0	1 168.0	0.0	1 168.0
Uzbekistan	July/June	1 774.0	0.0	1 774.0	2 924.0	2 924.0	0.0	2 924.0
Far East		22 412.0	428.1	22 840.1	21 586.5	13 679.5	158.6	13 520.9
Bangladesh	July/June	5 307.6	168.0	5 475.6	2 339.6	1 384.5	102.0	1 282.5
Bhutan	July/June	66.3	0.0	66.3	62.2	2.6	0.0	2.6
Cambodia	Jan./Dec.	35.6	6.4	42.0	41.4	10.6	0.0	10.6
D.P.R. of Korea	Nov./Oct.	390.5	144.5	535.0	732.0	431.0	43.0	388.0
India	April/March	338.7	0.0	338.7	283.5	4.9	0.0	4.9
Indonesia	April/March	9 525.6	2.0	9 527.6	11 104.1	7 262.1	0.2	7 261.9
Lao, P.D.R.	Jan./Dec.	35.5	8.2	43.7	44.9	25.8	1.6	24.2
Mongolia	Oct./Sept.	138.0	5.0	143.0	125.3	92.6	0.0	92.6
Nepal	July/June	427.0	10.0	437.0	281.8	20.8	3.3	17.5
Philippines	July/June	4 683.7	50.0	4 733.7	5 300.4	3 944.8	0.0	3 944.8
Sri Lanka	Jan./Dec.	1 414.3	30.0	1 444.3	1 191.8	484.6	8.5	476.1
Timor-Leste	July/June	49.2	4.0	53.2	79.5	15.2	0.0	15.2
Near East		12 517.6	150.8	12 668.4	14 380.4	6 805.4	50.9	6 754.5
Afghanistan	July/June	1 010.4	96.9	1 107.3	2 250.4	254.6	42.3	212.3
Iraq	July/June	4 659.9	0.1	4 660.0	5 160.0	2 543.4	0.0	2 543.4
Syrian Arab Republic	July/June	3 737.3	3.8	3 741.1	3 510.0	2 881.1	1.4	2 879.7
Yemen	Jan./Dec.	3 110.0	50.0	3 160.0	3 460.0	1 126.3	7.2	1 119.1
CENTRAL AMERICA		1 723.0	112.0	1 835.0	1 780.5	1 177.1	38.5	1 138.6
Haiti	July/June	525.0	108.0	633.0	655.5	285.1	24.1	261.0
Honduras	July/June	794.0	1.0	795.0	795.0	611.0	12.7	598.3
Nicaragua	July/June	404.0	3.0	407.0	330.0	281.0	1.7	279.3
OCEANIA		433.7	0.0	433.7	441.9	104.2	0.0	104.2
Kiribati	Jan./Dec.	8.7	0.0	8.7	8.7	2.7	0.0	2.7
Papua New Guinea	Jan./Dec.	382.2	0.0	382.2	390.2	95.0	0.0	95.0
Solomon Islands	Jan./Dec.	42.8	0.0	42.8	43.0	6.5	0.0	6.5
EUROPE		81.2	0.0	81.2	111.4	111.4	0.0	111.4
Republic of Moldova	July/June	81.2	0.0	81.2	111.4	111.4	0.0	111.4
TOTAL		80 376.2	2 426.7	82 802.9	88 455.8	57 419.0	1 227.0	56 192.0

Source: FAO

¹ The Low-Income Food-Deficit (LIFDC) group of countries includes net food deficit countries with annual per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 905 in 2009); for full details see <http://www.fao.org/countryprofiles/lifdc.asp>.² Estimates based on information as of end of August 2012.³ Including South Sudan.⁴ Georgia is no longer a member of CIS but its inclusion in this group is maintained temporarily.

Table A5. Cereal import requirements of Low-Income Food-Deficit Countries¹, 2012/13 estimates
(thousand tonnes)

	Marketing year	2011/12 Actual imports			2012/13 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		19 400.0	363.3	19 763.3	20 041.0	295.6	2.7	292.9
Northern Africa		17 364.1	0.0	17 364.1	16 271.0	0.0	0.0	0.0
Egypt	July/June	17 364.1	0.0	17 364.1	16 271.0	0.0	0.0	0.0
Eastern Africa		638.3	194.9	833.2	1 370.0	0.0	0.0	0.0
Somalia	Aug./July	4.3	186.0	190.3	540.0	0.0	0.0	0.0
United Rep. of Tanzania	June/May	634.0	8.9	642.9	830.0	0.0	0.0	0.0
Southern Africa		1 397.6	168.4	1 566.0	2 400.0	295.6	2.7	292.9
Lesotho	April/March	215.8	0.0	215.8	263.0	86.8	0.0	86.8
Madagascar	April/March	136.0	23.6	159.6	443.0	18.3	2.5	15.8
Malawi	April/March	115.1	29.1	144.2	110.0	19.4	0.0	19.4
Mozambique	April/March	852.5	93.8	946.3	940.0	125.8	0.0	125.8
Zambia	May/April	30.3	1.3	31.6	29.0	3.5	0.0	3.5
Zimbabwe	April/March	47.9	20.6	68.5	615.0	41.8	0.2	41.6
ASIA		23 752.1	149.2	23 901.3	33 310.9	2 200.7	0.0	2 200.7
CIS in Asia		5 587.3	0.0	5 587.3	3 605.3	458.8	0.0	458.8
Georgia ³	July/June	847.0	0.0	847.0	629.0	161.6	0.0	161.6
Kyrgyzstan	July/June	648.3	0.0	648.3	418.3	48.3	0.0	48.3
Tajikistan	July/June	1 168.0	0.0	1 168.0	863.0	79.3	0.0	79.3
Uzbekistan	July/June	2 924.0	0.0	2 924.0	1 695.0	169.7	0.0	169.7
Far East		12 529.4	105.5	12 634.9	17 973.6	1 741.9	0.0	1 741.9
Bangladesh	July/June	1 282.5	102.0	1 384.5	3 540.0	0.0	0.0	0.0
Bhutan	July/June	2.6	0.0	2.6	64.2	0.0	0.0	0.0
India	April/March	4.9	0.0	4.9	250.0	3.4	0.0	3.4
Indonesia	April/March	7 261.9	0.2	7 262.1	9 404.1	1 738.5	0.0	1 738.5
Nepal	July/June	17.5	3.3	20.8	356.8	0.0	0.0	0.0
Philippines	July/June	3 944.8	0.0	3 944.8	4 287.0	0.0	0.0	0.0
Timor-Leste	July/June	15.2	0.0	15.2	71.5	0.0	0.0	0.0
Near East		5 635.4	43.7	5 679.1	11 732.0	0.0	0.0	0.0
Afghanistan	July/June	212.3	42.3	254.6	1 262.0	0.0	0.0	0.0
Iraq	July/June	2 543.4	0.0	2 543.4	5 260.0	0.0	0.0	0.0
Syrian Arab Republic	July/June	2 879.7	1.4	2 881.1	5 210.0	0.0	0.0	0.0
CENTRAL AMERICA		1 138.6	38.5	1 177.1	1 775.1	0.0	0.0	0.0
Haiti	July/June	261.0	24.1	285.1	660.1	0.0	0.0	0.0
Honduras	July/June	598.3	12.7	611.0	795.0	0.0	0.0	0.0
Nicaragua	July/June	279.3	1.7	281.0	320.0	0.0	0.0	0.0
EUROPE		111.4	0.0	111.4	119.0	10.8	0.0	10.8
Republic of Moldova	July/June	111.4	0.0	111.4	119.0	10.8	0.0	10.8
TOTAL		44 402.1	551.0	44 953.1	55 246.0	2 507.1	2.7	2 504.4

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 1 905 in 2009), 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 end August 2012.³ Georgia is no longer a member of CIS but its inclusion in this group is maintained temporarily.

continuously monitors crop prospects and food security situation at global, regional, national and sub-national levels and warns of impending food difficulties and emergencies. Established in the wake of the world food crisis of the early 1970s, GIEWS maintains a unique database on all aspects of food supply and demand for every country of the world. The System regularly provides policy makers and the international community with up-to-date information so that timely interventions can be planned and suffering avoided.

Crop Prospects and Food Situation is published by the Trade and Markets Division of FAO under the Global Information and Early Warning System (GIEWS). It is published four times a year and focuses on developments affecting the food situation of developing countries and the Low-Income Food-Deficit Countries (LIFDCs) in particular. The report provides a review of the food situation by geographic region, a section dedicated to the LIFDCs and a list of countries requiring external assistance for food. It also includes a global cereal supply and demand overview to complement the biannual analysis in the ***Food Outlook*** publication. ***Crop Prospects and Food Situation*** is available in English, French, Spanish and Chinese in print as well as electronic format.

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Enquiries may be directed to:

Global Information and Early Warning System on Food and Agriculture
Trade and Markets Division (EST)
Food and Agriculture Organization of the United Nations
Viale delle Terme di Caracalla
00153 Rome - Italy

Direct Facsimile: 0039-06-5705-4495

E-mail: GIEWS1@fao.org

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