

**High-Level Regional Consultation on Policies to respond to
High Food Prices in Asia and the Pacific Region**

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CO-ORGANISER WELCOME ADDRESS

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Good morning distinguished guests. Thank you for taking the time to attend this important consultation, and thank you Mr. Konuma for organising this event.

One of the key concerns of high food price is its devastating impact on the food and nutrition security of the poor people.

Effects of high food prices

When food prices rise, everyone notices. But for a poor family struggling to bring food to the family table every day, the effects can be crippling. The poorest households can spend as much as 60 – 80 percent of their incomes on food. When prices increase, these households must spend even more of their meager resources on food. That means they have less for their other needs, such as clothes, shelter, medicines, school books for the children. And little by little, non-essentials get cut.

To begin with, people start reducing the quality of the food they eat as the first coping mechanism. That means less fresh fruit and vegetables, less meat. They will concentrate on staples, usually grain such as wheat, maize or rice. This impacts their intake of vitamins

and protein, which can be harmful, especially on young children and pregnant or nursing mothers.

After that, families might start cutting the number of times they eat a day, from three to two and then even to one. Naturally, as things get tough, families start to look for other ways to make savings. Their children may drop out of school. They may start selling their assets. They may not be able to buy medicine they may desperately need.

WFP, as a food assistance agency, is also profoundly affected. Rising food prices mean that with the same amount of donor funding, we buy less food from our suppliers. The problem during a high food price crisis, is of course, that the number of people we need to assist goes up dramatically. So we get double hit, and, we often have to make some painful decisions to curtail programmes, cut rations , or prioritise our beneficiaries.

Maintaining the momentum

But there is good news -- Global food security remains very much on the international agenda.

The meeting of G20 Agricultural Ministers in Paris last June marked a historic effort to combat the challenges of hunger, nutrition, and food price volatility.

At the request of the G20, we, at WFP, have developed a five-point action plan to help countries to cope with rising food prices and to

address the challenges of providing a stable food supply for the most vulnerable populations:

- 1. Develop emergency food reserves systems.** This can be done by scaling up WFP's existing advance purchase and pre-positioning facilities, allowing access for WFP to national and regional food stocks during crisis.
- 2. Scale up social protection safety nets.** Such as mother/child nutrition, school meals, and job creation programs – whether using food- or cash-based schemes.
- 3. Support smallholder and women farmers.** To reduce their vulnerability and help smallholders become a bigger part of the supply solution to food security, including local purchases directly by WFP (P4P)
- 4. Exempt humanitarian food from export bans, restrictions or extraordinary taxes.** A code of good conduct which explicitly allows exemptions for WFP food purchases for humanitarian purpose.
- 5. Set up a multilateral mechanism** in collaboration with FAO to improve analysis of food prices, production and stocks to support the G20 efforts to enhance transparency of food markets.

Conclusion

In conclusion, we do not wish to witness another global food crisis. Indeed, August saw a stabilisation of the FAO Food Price Index, leading FAO's Director General to describe the news as reassuring.

But we need to remain vigilant to protect more people from sliding into hunger. The UN High Level Task Force on Global Food Security called for a twin-track approach – one which supports long-term investments in agriculture, while ensuring safety nets are in place to help the poor avoid hunger and loss of livelihoods.

This meeting signals that there is already a strong collective will to come together to discuss the food security situation in the region and measures to prevent the re-emergence of another food price crises.

Working with FAO, IFAD and the Asian Development Bank, WFP stands ready to support and respond. And, I look forward to discussing these important issues further with you in the next few sessions.