Food and Agriculture Organization
of the United Nations

GIEWS Updates

VOLUME 2010

The ***GIEWS Updates*** are issued by FAO's **Global Information and Early Warning System (GIEWS)** from mid-2004. The updates focus on developing anomalous conditions aimed at providing early warnings, as well as latest and more elaborate information than other GIEWS regular reports on the food security situation of countries, at both national and sub-national levels.

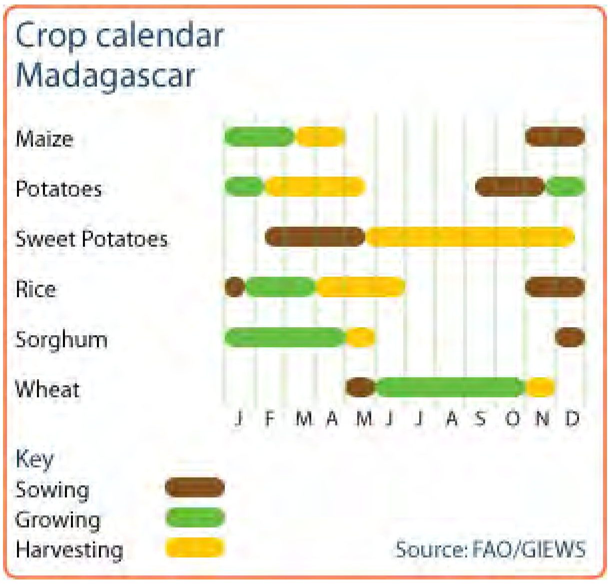
GIEWS Country Brief

Madagascar

Reference Date: 25-January-2010

FOOD SECURITY SNAPSHOT

- Early outlook for 2010 crops remains uncertain and unfavourable in the south. Cyclone threat still present
- Rice production was again good in 2009, but maize and cassava output was sharply reduced in southern regions
- Rice prices decreased with the good harvest, have seasonally climbed again in the second half of the year
- Southern regions remain food insecure



Main season 2010 crop production uncertain due to prolonged dry spell. Cyclone damage still feared

The outlook for the main season rice and other cereal crop is uncertain. After a favourable start of the rains in October and November, a 3 weeks dry spell has reduced soil moisture in central and southern Madagascar and crop development is likely to have been affected in several areas. Satellite imagery as of 20 January 2010 show a large reduction in vegetation activity in central and southern parts of the island.

The cyclones season runs from December through April. So far cyclones have spared the island this year. The UN Country Team appealed in Nov. 2009 for assistance to pre-position emergency supplies in most vulnerable areas but no pledges have been received so far.

Madagascar
Cereal production and imports

Cereal production	2004-2008 average	2008	2009 forecast	change* 2009/2008
	000 tonnes			percent
Rice (milled)	2359	2747	2814	2.4%
Maize	390	435	370	-15%
Wheat	10	10	10	0%
Other	1	1	1	0%
Total Cereals	2760	3193	3195	0%

* Percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheets

Rice harvests in 2009 was good, but maize and cassava in southern provinces sharply reduced

Favourable rainfall levels from October 2008 and April 2009 contributed to an increase in rice production in 2009, estimated at 2.8 million tonnes (milled) by a joint FAO/WFP Crop and Food Security Assessment Mission (CFSAM). This marks an increase of 2.4 percent over the previous year's good production levels. Despite causing significant damage to infrastructure, severe cyclones, which mostly affected the eastern regions of the country from December 2008 to April 2009, had a limited impact on agriculture production. However, dry conditions in the south led to lower production levels for maize and cassava, the main staple in the region. In Toliara, which normally contributes approximately 30 percent to total national maize production, the CFSAM estimated that maize production declined by half compared to the previous season's output. The low cereal production has intensified the already precarious food security situation in the region, following a succession of droughts and poor harvests.

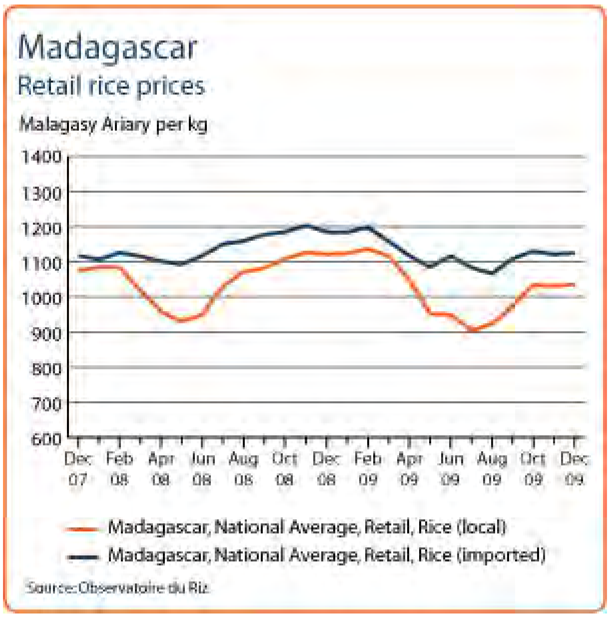
For the 2009/10 marketing year (April/March) the country faces a cereal deficit of 260 000 tonnes. The Government has pledged to import 150 000 tonnes of rice in 2009/10 marketing year (April/March), with the commercial sector expected to import the remaining cereal requirement.

Low producer prices for rice

Comparatively low producer prices for rice, prior to the planting period for the 2009/10 agricultural season in November, could have lead to a reduction in rice intensification efforts by small producers. In addition, the unstable political situation has disrupted the level of technical and financial support provided to the agriculture sector by the Government. In particular the programme of Government distribution of subsidized fertilizers and seeds supplies has been suspended.

Rice prices show seasonal increases

Prices of rice (national average) that had declined up to mid 2009, from their peaks in November 2008, reached a low of MGA 905 per kg in July 2009. The fall in prices reflected the increased market availability following improved rice harvest in April-June 2009. However, rice prices have started to rise again since August and in December 2009 were close to year earlier levels. The increase in prices in this period of the year is normal as the lean season approaches. The depreciation of the Ariary against the US Dollar has probably contributed to the widening of the price difference between local and imported rice prices in recent months. However, the Government has maintained the elimination of VAT and tariffs on imported rice, which has helped to mitigate the inflationary effects of the currency depreciation.



Overall food security improved but serious situation persist in the drought prone south

According to a recent UN national survey, owing to a better rice harvest in 2009, the proportion of food insecure among the poor vulnerable households had declined to 40 percent in November 2009 from 65 percent a year earlier. However, in the South, estimates from the Government's early warning system indicate that 45 municipalities, with an estimated population of 560 000, are food insecure, following their low cereal harvest in 2009 as a result of rainfall deficits. The food insecurity situation in the southern regions is compounded further due to successive seasons of poor cereal production. The current dry spell in these regions is cause of concern as it may mean that production will also be reduced this year. Food insecurity in this region is characterised by both low availability and poor access to food.

GIEWS Country Brief

Malawi

Reference Date: 20-January-2010

FOOD SECURITY SNAPSHOT

- Prospects for 2010 crops are poor in the south due to dry spell since early December. This follows a 2009 record cereal production due to good rainfall and input distribution.
- After the sharp fall early in 2009, maize prices have risen again since last May especially in the south, and remain much higher than two years earlier, despite increased maize availability
- Overall food security is favourable in the country, but it has worsened in several districts in the south

Unfavourable 2010 crop prospects in large part of the country

Distribution of Government subsidized maize and legume seed and fertilizers to poor small-scale farmers have been made in most parts of the country. Weather conditions were mostly favourable in October-November for land preparation, planting and germination of the main season cereal crops. Normal to above normal rains continued in north and favouring crop development, but in the south a prolonged dry spell has severely affected most regions since early December and in parts of the centre since early January. In many southern areas the maize crop had wilted and farmers were waiting for the rains to resume to attempt to replant crops. Revised climate models indicate that in the January-March period the whole of Malawi is expected to receive normal to above normal rains this year.

Record maize harvest for 2009

The 2009 maize harvest (completed in May) was a record 3.7 million tonnes, 61 percent over the five year average. This level of production reflects favourable weather and the availability of inputs through the Government subsidy scheme. Domestic utilization for the 2009/10 marketing year (April/March) is estimated at around 3 million tonnes, resulting in a national surplus for the third consecutive year. Localised areas in the Lower Shire Valley experienced low crop production, on account of the prolonged dry spell from February to March. However, informal cross border trade from Mozambique is expected to stabilise food supplies and maintain cereal availability in the affected region.

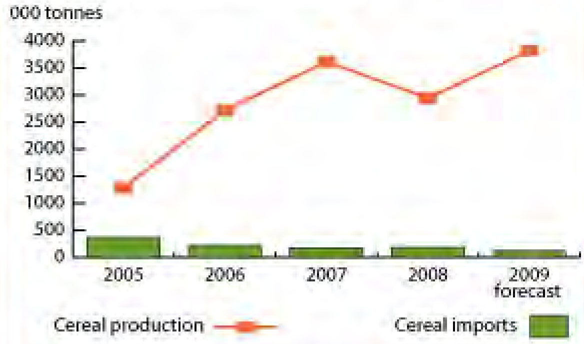
Maize prices remain high, despite a favourable market outlook

After declining sharply from early 2009 to June reflecting the expectation of a record harvest, prices of maize have started to rise again in most areas, although they were in early January 2010 much below a year earlier levels. In Lilongwe the maize price fell from a high of MWK 72/kg in January and February 2009, the peak of the hunger period, to below MWK 40/kg soon after harvest in May but since then it has climbed again to MWK 44/kg in January, almost 50 percent higher than two years earlier. In the southern deficit areas (Nsanje and Chikwawa) maize prices after their fall at harvest time, have risen faster than in other areas from MKW 29 in May to MWK 47/kg in early January in Nsanje..

Malawi
Cereal production and imports

Cereal production	2004-2008 average	2008	2009 forecast	change* 2009/2008
	000 tonnes			percent
Maize	2326	2777	3662	31.8%
Rice (milled)	53	74	75	0.1%
Sorghum	48	62	59	-5.5%
Other	26	35	29	-14.2%
Total Cereals	2455	2948	3825	29.7%

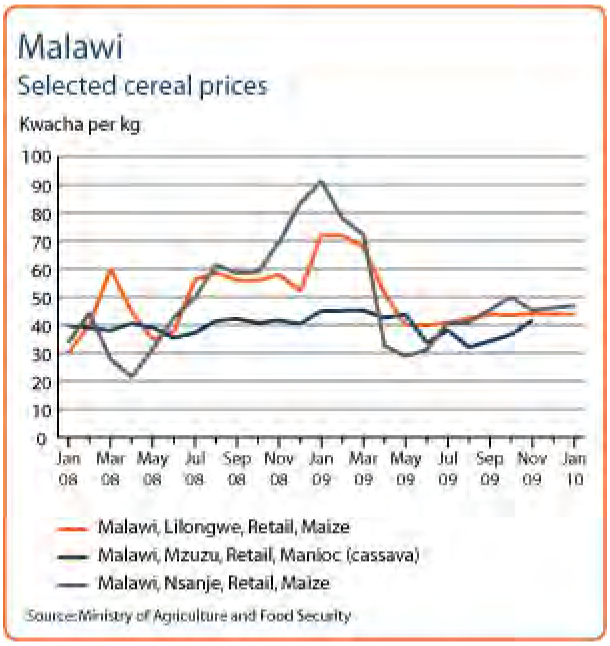
* Percentage change calculated from unrounded data.



Source: FAO/GIEWS Country Cereal Balance Sheets

Overall food security remains favourable, but it worsened in several districts in the south

A report issued in November by the Malawi Vulnerability Assessment Committee (MVAC) has confirmed that the overall food security situation in Malawi remains favourable. However the number of food insecure population in the southern Malawi districts of Balaka, Chikwawa and Nsanje has increased from 147 000 estimated in June to 275 000. In these districts a prolonged dry spell had led to substantial maize crop reduction in 2009. The increase in the estimate of food insecure reflects a combination or reduced income from cotton sales, higher maize prices in the markets and low wage rates which have reduced the purchasing power of affected populations. Government has released 6 678 tons of maize from the SGR for distribution to affected people and asked WFP to coordinate the response. Food distribution of WFP commodities for 147 000 people started in late November and will continue until April.



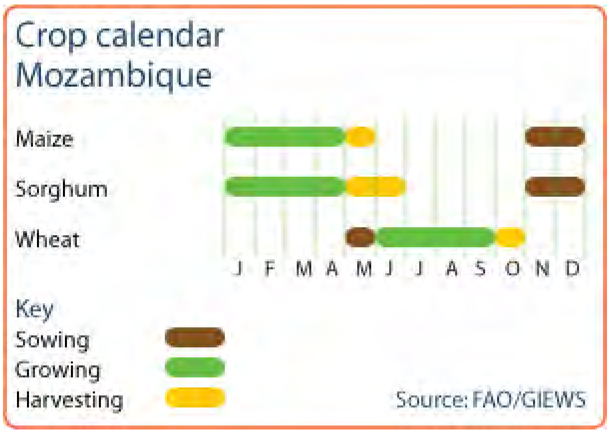
GIEWS Country Brief

Mozambique

Reference Date: 20-January-2010

FOOD SECURITY SNAPSHOT

- Outlook for 2010 cereal harvest unfavourable over large areas of the country
- In 2009 a record cereal crop was harvested and imports needs in 2009/10 marketing year are lower
- Cereal prices have stabilized, but are still higher than last year
- Pockets of food insecurity remain in several areas



Prospects for 2010 crops unfavourable in central and southern areas

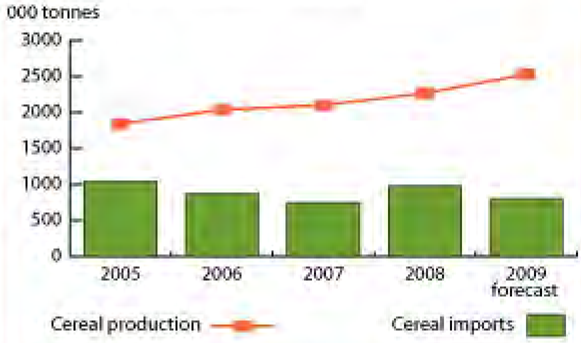
Planting of the main 2009/10 season's crops was completed in early December supported by seed and fertilizers distribution under the Government Food Production Action Plan (2008-2011). The rainy season started early in the North while in the Centre and South precipitations were not received until mid-November. Above normal rains up to mid-December favoured early crop development in most areas. However, a dry spell associated with high temperatures in south and central regions since mid-December have seriously affected the maize crop, while in the north favourable conditions continued. In the south and parts of the centre, crops have already wilted in some areas and farmers are attempting to replant. Crops in the central part of the country can still recover but a resumption of precipitations is urgently needed to avert permanent damage during the crucial flowering stage of the maize crop. Seasonal rainfall forecast for the January to March period indicate the probability of below-normal to normal amounts in the south and normal to above-normal amounts in centre and northern parts of the country.

Satellite-based vegetation monitoring as of the second dekad of January, show about normal development in the north, but much below normal vegetation development in central and southern areas.

Mozambique
Cereal production and imports

Cereal production	2004-2008 average	2008	2009 forecast	change* 2009/2008
	000 tonnes			percent
Maize	1528	1709	1932	13%
Sorghum	342	380	378	-0.5%
Rice (milled)	123	127	173	36.8%
Other	47	53	48	-10.2%
Total Cereals	2041	2269	2531	11.5%

* Percentage change calculated from unrounded data.



Source: FAO/GIEWS Country Cereal Balance Sheets

Record 2009 cereal production

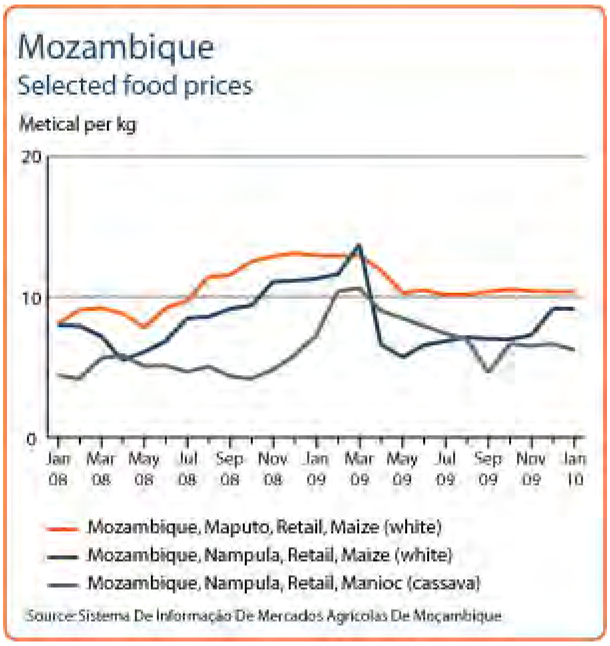
Official estimates from the Ministry of Agriculture indicate that cereal production in 2009, harvested earlier in the year, increased to just over 2.53 million tonnes, representing an increase of 12 percent relative to the previous season's output. Despite this good output, the country has a structural deficit in wheat and rice. The food balance sheet for the 2009/10 marketing year indicates a total cereal import requirement of about 700 000 tonnes (mostly wheat and rice), some 11 percent below actual imports in 2008/09. These shortfalls are being covered mostly through commercial imports.

Stable, but above average prices restrict normal food access

Retail prices of maize have stabilized in recent months, but in Maputo in January 2010 they were still 28 percent above prices observed in January 2008. By contrast in Nampula in the north, prices of maize have been on the increase from the second half of 2009. In general, although maize quotations have fallen from their peaks in early 2009 mainly due to the good production in 2009, prices are still high and are limiting food access for poor households. Prices of the mostly imported rice in the capital remain high and were 13 percent higher in January 2010, compared to prices recorded last year in the same month and 55 percent above two year's ago.

Overall food security outlook still satisfactory, but pockets of insecurity remain

The Technical Secretariat for Food Security and Nutrition (SETSAN) in its November 2009 update projected a satisfactory food security until the next harvest in April for the majority of households in the country. However, a deterioration is possible if the current dry spell result in a poor 2010 cereal harvest. At present around 281 000 people in Tete, Inhambane, Gaza and Sofala provinces continue to require food assistance until the new harvest in April. WFP reports that they lack sufficient resources to assist these populations and are calling for urgent mobilization of missing resources to avoid a break in the pipeline.



GIEWS Country Brief

Zimbabwe

Reference Date: 21-January-2010

FOOD SECURITY SNAPSHOT

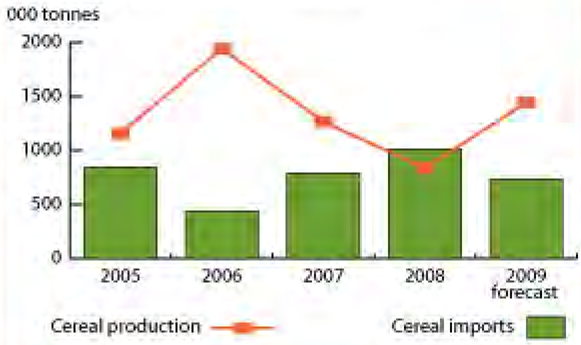
- Prospects for 2010 crops now poor due to prolonged dry weather since late December
- 2009 aggregate cereal production was almost double the previous year's drought-affected level but still insufficient to meet requirements
- Overall food security still favourable aided by ample supplies in the market, but could change rapidly if the new crop fails
- A large number of rural households still lack resources to access food from the market and require food assistance. WFP and NGOs food distribution under way.

Crop calendar
Zimbabwe

Zimbabwe
Cereal production and imports

Cereal production	2004-2008 average	2008	2009 forecast	change* 2009/2008
	000 tonnes			percent
Maize	1137	647	1140	76.2%
Wheat	135	31	27	-11.9%
Sorghum	84	75	156	108%
Other	98	86	123	42.5%
Total Cereals	1450	839	1446	72.3%

* Percentage change calculated from unrounded data.



Source: FAO/GIEWS Country Cereal Balance Sheets

Prospects for 2010 cereal production poor after a prolonged dry spell in late December – early January

Weather conditions had been mostly favourable in the first part of the season favouring increased plantings and early development of main season cereal crops (mostly maize). However since the last days of December a severe three weeks dry spell has severely affected the crop throughout the country. In the north the important provinces of Mashonaland East, Central and West were affected, in the centre the provinces of Midlands, Masvingo and Manicaland and in the south Matabeleland South. Official Government reports depicts the situation serious and are urging farmers to refrain from applying top dressing fertilizers which in absence of moisture would further damage the crop. In some areas farmers were planning to replant if rains resume, but this would be risky as the season is too far advanced. Government is preparing for a first crop assessment covering the whole country to provide early quantification of the likely crop losses.

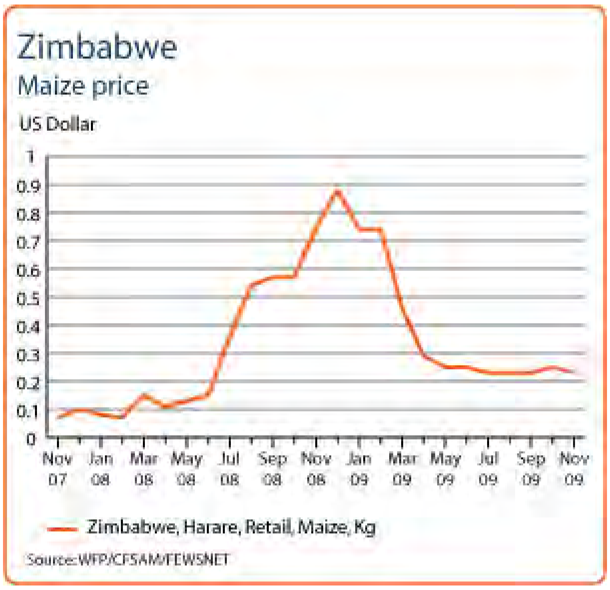
The season had started under favourable premises This was mainly due to the expected improved availability of inputs and the early onset of the rainy season. The government with assistance from donors has been implementing several input support programmes which have targeted a total of 1.3 million communal farmers for the 2009/10 season, a much higher number than assisted in 2008/09. However, the implementation of these programmes has been seriously delayed.

Significant increase in 2009 cereal production but import requirements remain high

Aggregate cereal production in 2009 was about 1.5 million tonnes, some 72 percent above the poor crop in 2008. However this level of cereal production is still much below consumption requirements leaving a deficit of over 700 000 tonnes to be met by imports in 2009/10 marketing year (April/March), although substantially below the previous year. Following the liberalization of the economy, it is expected that commercial imports in the 2009/10 could account for more than 500 000 tonnes. Commercial imports records as of mid-December show that over 330 000 tonnes of maize and wheat had already been contracted for. In addition some 120 000 tonnes of cereal food aid had also been shipped or committed.

Food security situation remain stable, but assistance still required for large sections of population

Ample food supplies in the market, stable prices in recent months (see chart) and adequate stocks in most rural households indicate a generally improved food security situation. However this could rapidly change if current expectations of a poor 2010 crop materialize. In recent months, the liberalized trade of staple cereals has encouraged the flow of commodities to deficit areas and contributed to the improvement of the food situation compared to the previous year. Nevertheless, a large number of rural and urban household lack resources to access their food needs from the market. According to the latest report by the Zimbabwe Vulnerability Assessment Committee (ZimVac) the number of food insecure people requiring food assistance in the January-March 2010 lean season period is 2.17 million people (20 percent of total population), a figure about 18 percent higher than previously estimated. WFP and NGOs are providing food assistance to most of these populations. Total food aid distribution was expected last December to total around 130 000 tonnes in the 12-month period from April 2009 to March 2010.



Policies liberalise grain market

The Government has implemented a number of grain market reforms in 2009 to liberalize the market, including the free movement and buying and selling of grain in the country and designation of the Government parastatal, Grain Marketing Board (GMB), as a buyer of last resort to maintain the floor price. In addition, duty-free regulation on imports for basic food commodities has been maintained throughout 2009. In view of the improved food supply situation the continuation of this measure is currently under reviewed.

GIEWS Country Brief

Mongolia

Reference Date: 02- February -2010

FOOD SECURITY SNAPSHOT

- Extreme cold weather and snow blizzards (*Dzud)* are causing heavy losses of livestock affecting large number of households in rural areas.
- Official estimate puts 2009 wheat harvest at a record level of 388 000 tonnes.
- With bumper crop wheat imports in 2009/10 would be reduced significantly from its usual high levels.

Livestock dependent households suffer serious loss due to *Dzud*

Food security, especially of the rural population, is adversely affected due to the *Dzud* weather conditions. According to the recent FAO rapid needs assessment Mission, the ongoing *Dzud* has killed 1.7 million heads of livestock, causing the estimated economic losses of about USD 62 million and threatening the livelihoods of livestock dependent households. Livestock raising is the dominant agricultural activity and one of country's key economic sectors. The Mission estimated that 21 000 families or about 12 percent of the total herder households have lost more than 50 percent of their animals. There is urgent need of assistance for vulnerable households to prevent further loss of their assets and cash incomes.

Mongolia livestock statistics

	2007	2008	2009
Number of households with livestock	226116	227547	226649
Number of herdsmen households	171588	171124	170142
Average number of livestock per herdsmen household	235	253	259
Losses of animals due to diseases (in 000)	71.7	109.3	135.1
Total livestock (in 000)	40264	43289	44024
camel (in 000)			277
horse (in 000)			2221
cattle (in 000)			2599
sheep (in 000)			19275
goats (in 000)			19652
Total in terms of cattle units (in 000)			10905

Source: National Statistical Office, Mongolia. Monthly Bulletin of Statistics, Dec. 2009.

Total cereal harvest of 2009 officially estimated at a record level

Harvesting of the 2009 wheat crop, virtually the only cereal produced in the country was completed in September. The official estimate of 2009 wheat harvest according to the National Statistical Office (NSO) of Mongolia at the end of December 2009 is 388 100 tonnes and total cereal harvest at 391 700 tonnes. This is more than double the drought affected output of 2008. Much of the wheat is produced under irrigation conditions. Hay production for 2009, on the other hand, is estimated by

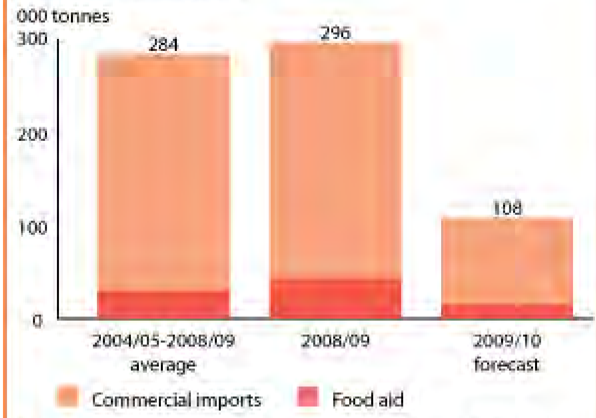
Mongolia

Cereal production

	2004-2008 average	2008	2009 forecast	change 2009/2008
	000 tonnes			percent
Wheat	131	210	388	85
Barley	3	2	2	0
Oats	1	1	1	0
Total	136	213	392	84

Note: percentage change calculated from unrounded data.

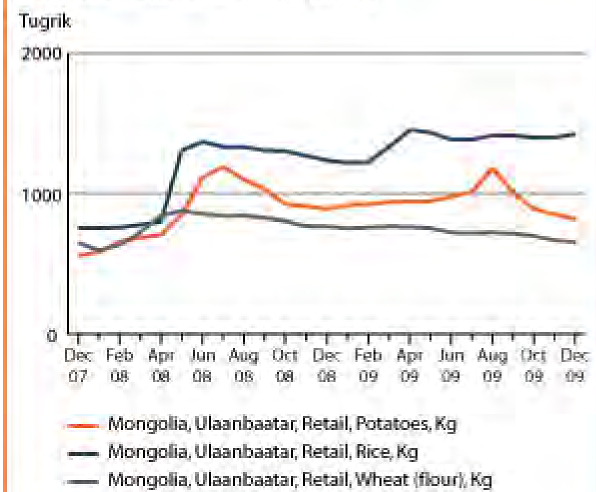
Total cereal imports



Notes: Total cereal includes rice in milled terms. Split year refers to individual crop marketing years.
Source: FAO/GIEWS Country Cereal Balance Sheets

Mongolia

Selected retail food crop prices



Source: National Statistical office of Mongolia the Ministry of Agriculture at a poor level reducing fodder availability. As a result of the bumper harvest, imports of wheat would be reduced to some 70 000 tonnes in 2010 down from usual over 250 000 tonnes.

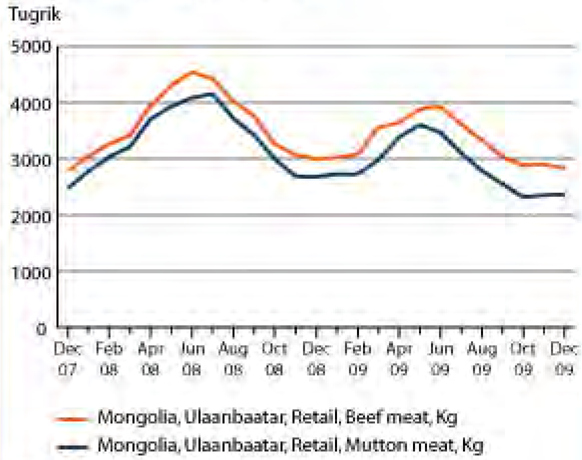
According to NSO, between 2005 and 2008 the country experienced a growth in GDP of 30 percent or an annual average rate of about 9 percent, mainly due to the favourable international prices of its export commodities, copper and gold in particular. GDP in 2009, however, is expected to decline due to declining export prices of minerals.

Staple prices have come down in 2009 but remain higher than the pre-crisis period

Food security for large numbers of urban poor was significantly affected by the surging food prices in 2008 as the year-on-year inflation in the food subsector as a whole was 80.2 percent in June 2008. Prices of wheat flour, the main food staple in the country, have come down steadily since then but still remain higher than the pre- high food prices crisis period. Bread prices, generally subsidised in the capital city Ulaanbaatar, are more stable and below the wheat flour prices. Rice prices on the other hand have remained high at the peak levels of mid-2008 international level and in local currency are at the highest level. Beef and mutton prices in Ulaanbaatar capital city market have followed the usual seasonal highs during May-July and lows during October-December. The country's harsh climate and very short growing season make it heavily dependant on imports for many food items.

Mongolia

Selected retail meat prices



Source: National Statistical office of Mongolia

Special Brief: Haiti Earthquake

January 2010

Key Messages

- **The earthquake which struck Haiti on the 12th of January has caused a dramatic humanitarian crisis and has severely affected the food security situation.**
- **Food security is particularly affected by the widespread displacement of people in the country and rising food prices.**
- **The earthquake has led to distruption of trade and agricultural activities.**
- **The government has appealed for US$ 700,000,000 to implement a special programme to support agriculture and food supply.**

Background

The total population in Haiti was 9.7 million in 2008. OCHA estimated that 3,725,615 people were living in the areas affected by the powerful earthquake of 7.0 magnitude (USGS) on the Richter Scale. Even before the earthquake, Haiti was one of the poorest countries in American hemisfere with over half of the population living with less than 1USD per day and suffering from very high rates of undernutrition. The country has also been affected by protracted political instability and the UN peacekeeping force (MINUSTAH) has been operating in the country for several years.

Economic Indicators	
Total Population - 2008 (WB)	*9780064*
Population growth rate - 2008 (WB)	*1%*
GNI per capita, $ PPP - 2008 (WB)	*1180*
Population earning below 1$ PPP per day - 2001 (MDGI)	*54%*
Rural population - 2007 (WB)	*55%*
Agriculture, value added (% of GDP) - 2003 (WB)	*27%*

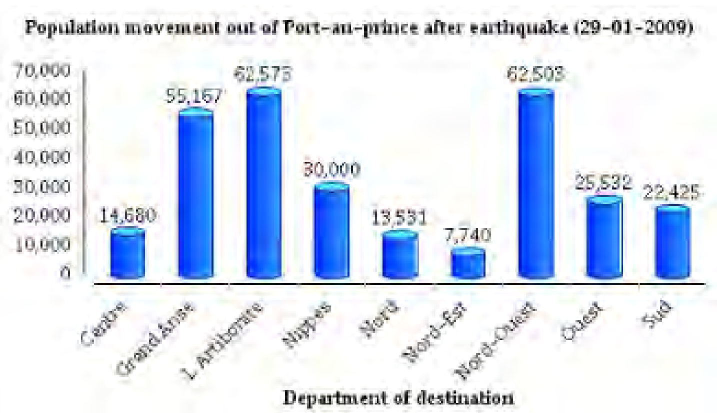
Food Consumption	
Undernourished Population - 2005 (FAO)	*58%*
Cereal share in total dietary energy consumption - 2005 (FAO)	*49%*
Meat share in total dietary energy consumption - 2005 (FAO)	*4%*

Top Five Crop Productions - (metric tonnes)

Crops	2004	2005	2006	2007
Sugar Cane	*1,050,000*	*1050000*	*1,075,000*	*1,340,000*
Cassava	*340,000*	*400,000*	*400,000*	*450,000*
Bananas	*300,000*	*300,000*	*280,000*	*295,000*
Maize	*198,000*	*200,500*	*205,000*	*270,000*

Emergency Situation

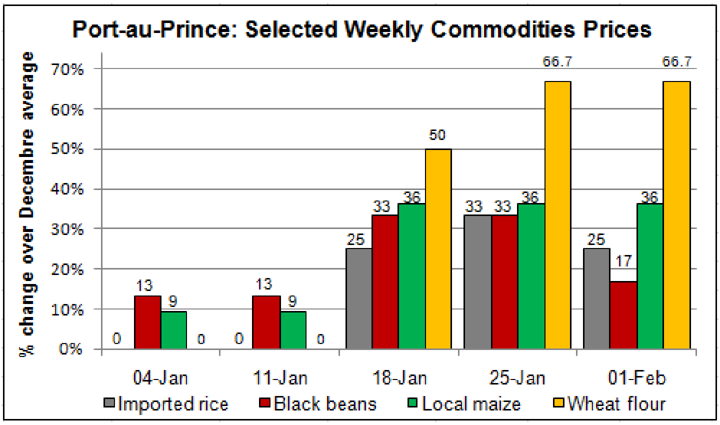
The most affected cities are Port au Prince, Carrefour and Grossier (of which 40-50% have been destroyed), Jacmel (50-60%) and Leogane (80-90%). Major damage had been reported to buildings, infrastructure, hospitals and schools. Communications are difficult: roads and bridges have been considerably damaged, as well as roads connecting rural areas to cities. The port of Port au Prince needs to be rehabilitated. All this is constraining the movement of food aid and internal trade of food. Immediate priorities are medical services, sanitation, food and water but also emergency shelter.
According to OCHA **196,595 people were injured and 112,405 were killed. Moreover 2,000,000 are in need of food aid and 1,100,000 are in acute need of emergency shelter.** IOM is working to finalize the first organized settlement for some 3,500 displaced persons in the Port-au-Prince neighbourhood of Tabarre. A massive number of people have moved mainly towards the Artbonite, North West, Nippes and Grand Anse regions of Haiti, while an unregistered number have entered the Dominican Republic.



Source: UN Office for the Coordination of Humanitarian Affairs

Food Situation

The destruction of productive assets and infrastructure has affected income earning activities and has led to widespread unemployment. This resulted in the loss of income and purchasing power. FAO and WFP jointly approved an emergency operation (EMOP) to support two million people with food aid for 6 months. Although agricultural production was good in 2009, transportation and infrastructural constraints are expected to limit internal trade and have a negative impact on prices. Food prices have significantly increased after the earthquake with serious impacts on the food security of people who no longer have enough income to purchase adeguate food. As the graph below shows, prices of selected commodities rose immediately after the earthquake. Compared to average December prices, a sharp increase of nearly 70% was registered for wheat flour. Local maize and black beans, which are the main commodities produced locally, have registered an increase of about 30-35%. Imported rice prices rose by 20-30% from the December average. It should be noted that the country is heavily dependent on food imports which account for 60% of the national consumption requirements.

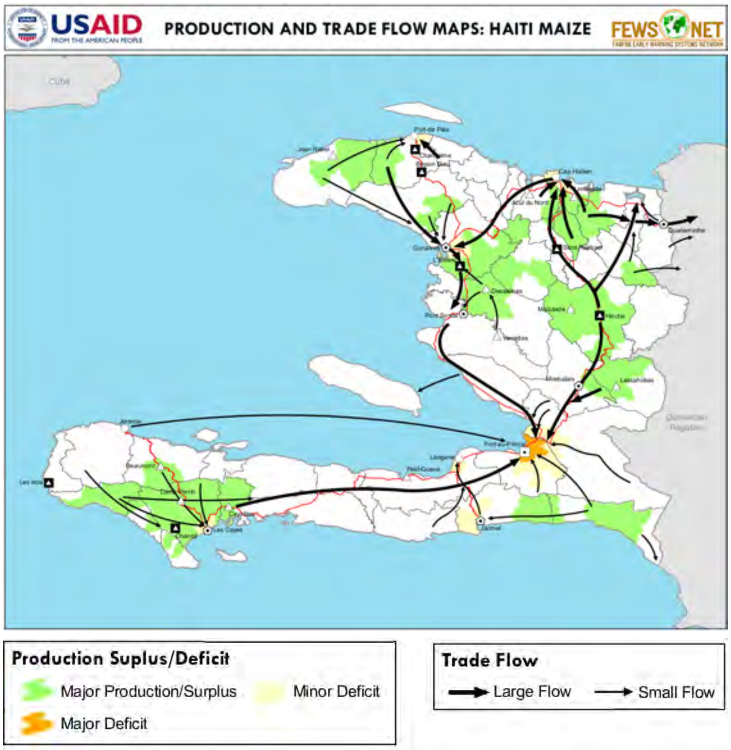


Source: Coordination Nationale de la Securte Alimentaire (CNSA)

Haiti

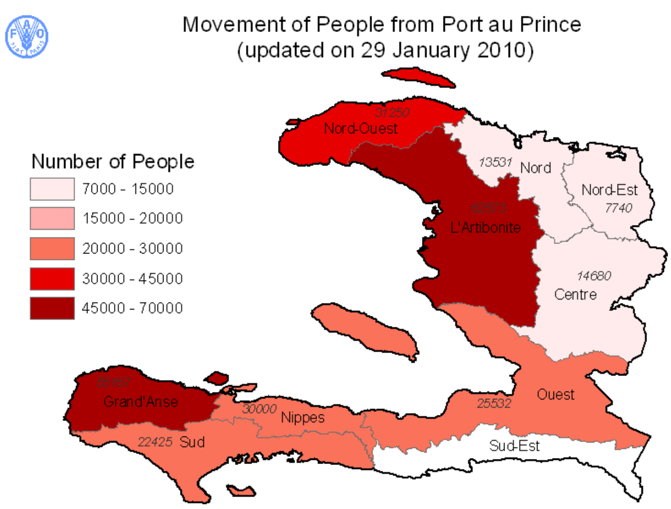
Trade Flow and Movement of Dispaced People

A key priority is to ensure that internal trade continues smoothly in order to guarantee food supply to the population living in earthquake affected areas. Below is the map of maize flows from major productive areas. It is thus important to rehabilitate infrastructure on key routes.



Source: FEWSNET/USGS

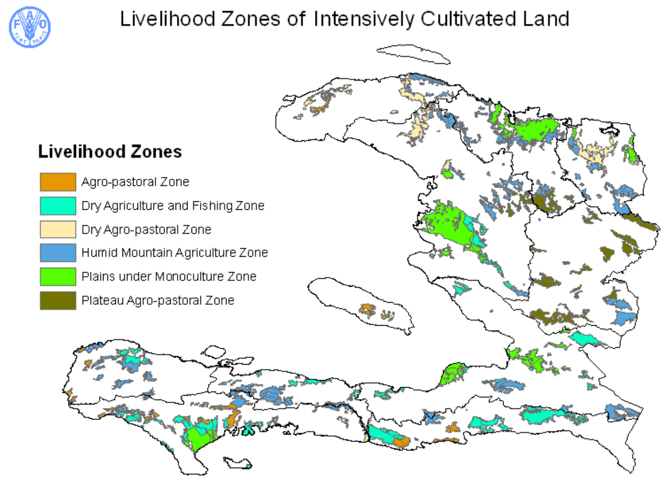
Another major problem following the earthquake is the overwhelming movement of people to the countryside where the degraded soil and natural resources are at high risk of further depletion (see map). On the other hand, these people can be a valuable workforce in rural areas. Reconstruction and rehabilitation of agricultural assets and infrastructure is therefore central to increasing production and supporting the productive employment of the displaced people.



Source: Derived from OCHA

Agriculture and FAO response

More than half of Haitians live in rural areas thus agriculture is one of the major sources of income. Crop production in 2009 was good. The next planting season for maize and rice begins in March in the lowlands, while planting in cooler and wetter highlands will start as early as February. The average planted area with cereals is 459,000 hectares. Therefore FAO's primary priorities include the monitoring of the situation on the ground to get a clearer picture of the immediate impact on food production; supporting ongoing food production activities in areas not directly affected by the disaster; and boosting of food production of the next planting season through input distribution and technical support to farmers.



Source: CNSA/FEWSNET

Crop Calendar by Livelihood Zones

MAIZE	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Agro-pastoral Zone				First Season				Second Season				
Dry Agriculture and Fishing Zone				First Season					Second Season			
Dry Agro-pastoral Zone					First Season					Second Season		
Humid Mountain Agriculture Zone												
Plains under Monoculture Zone												
Plateau Agro-pastoral Zone						First Season						
									Second Season			

Sowing Growing Harvesting

Source: CNSA/FEWSNET

Government Policies

The government seeks to implement a special programme to support agricultural production in order to respond to the crisis caused by the earthquake and address food insecurity. The budget required is US$ 700,000,000, of which 695,500,000 have to be funded by financial partnerships and external donors. The goal of the programme is to improve food supply by supporting production through input distribution policies and the rehabilitation of infrastructure while increasing the flow of money in the country. The main elements of the programme will be: the integration of local products in food aid programmes; input distribution; rehabilitation of productive assets; agricultural mechanization; protection of natural resources; support livestock farming and markets infrastructure, transport and farmers' access to markets.

For more information, contact: Information-for-action@fao.org
Website: www.foodsec.org

Powered By the GIEWS Workstation

The Linking Information and Decision Making to Improve Food Security Programme is funded by the European Union and implemented by the Food and Agriculture Organization of the United Nations.

GIEWS Country Brief

Haiti

Reference Date: 22-January-2010

FOOD SECURITY SNAPSHOT
- Increasing number of food insecure people following devastating earthquake
- Local production to be supported by provision of inputs and seeds

Rising number of food insecure people after devastating earthquake

A worsening of the food security situation has been reported in the urban areas following the disruption of food chain mechanisms and market infrastructure, the loss of income generating sources and also the lack of liquidity and bank facilities, especially in Port-au-Prince, Carrefour, Leogane, Delmas and Jacmel.

The destruction of roads, bridges and stock houses is hampering the supply of food to the markets, therefore, food prices are increasing. However, it is not clear to what extent the population, including the high income households, still has access to markets.

Thousands of people are leaving the Capital city towards rural areas, where there is improved food availability and higher security levels.

In fact, cereal production in 2009 was generally good, due to a milder hurricane season, with satisfactory production levels for the first maize and rice season.

As an immediate response, an FAO/WFP jointly approved Emergency Operation (EMOP) will support 2 million people requiring food aid with assistance for an initial period of six months.
The country relies on imports to satisfy its food needs importing approximately 60 percent of the national consumption requirements.

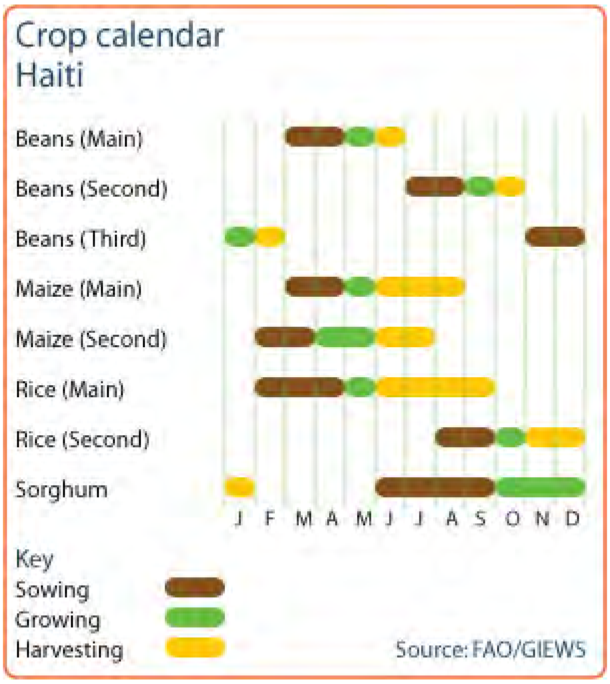
Assistance will be needed to support national agricultural production

Damages to the agricultural infrastructure have not yet been assessed due to the urgency of focusing the overall response on rescuing human lives. The next planting season for maize and rice begins in March in the lowlands, while planting in cooler and wetter highlands will start as early as February. The average planted area with cereals is 459 000 hectares of which almost 60 percent is dedicated to maize and approximately 10 percent to rice paddy.

Prices of local and imported staple food

As of the end of 2009 and the first days of 2010, in the markets of Port-au-Prince and Jacmel, prices of mainly consumed staple food (local and imported rice and maize) were showing a relatively stable or even a downward trend.

Following the earthquake of 12 January 2010, prices have significantly increased although the magnitude of this rise has not yet been estimated in the different areas of the country. However, due to the great number of people who lost their purchasing power, current food



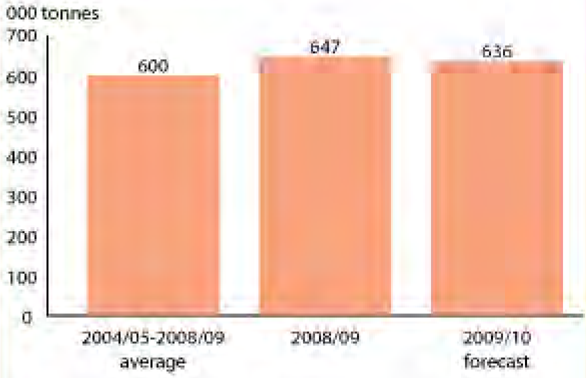
Haiti

Cereal production

	2004-2008 average	2008	2009 forecast	change 2009/2008
	000 tonnes			percent
Maize	205	200	230	15
Sorghum	88	88	100	14
Rice (in milled terms)	62	53	60	13
Others	0	0	0	0
Total	354	341	390	14

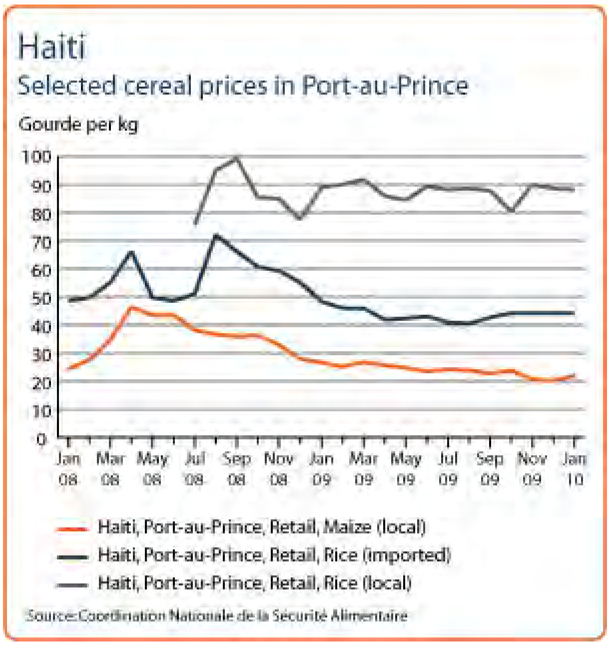
Note: percentage change calculated from unrounded data.

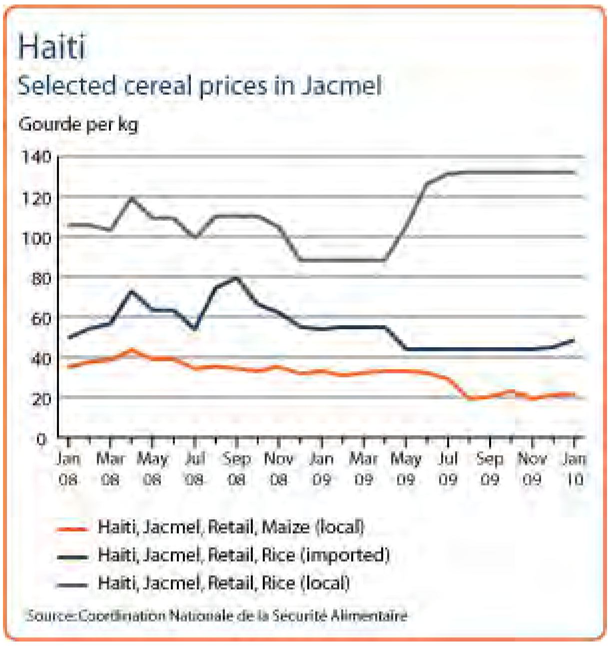
Total cereal imports



Notes: Total cereal includes rice in milled terms. Split year refers to individual crop marketing years.
Source: FAO/GIEWS Country Cereal Balance Sheets

prices might be the result of very few transaction movements.





National Emergency Coordination Centre,
NEMO,
Nuku'alofa

SITUATION REPORT

Incident/Event: Tropical Cyclone Rene STREP No: 004

Date: 17th February, 2010 Time: 1100hrs

From: Manager NEMO To: All Stakeholders

SITUATION

General

Tropical Cyclone Rene has left behind scars that will remain for years especially at the main island where the past major hurricane was way back in 1982. Weather conditions all over the Kingdom of Tonga are generally fine and people are slowly returning to their daily routines. Clean up has progressed satisfactorily all over the country where government resources are complimenting the community efforts.

Government had commenced despatching survey teams around the major islands in the Kingdom while the far outlying ones are to be visited later since they are separated by deep oceans. Statistics so far shows that few houses have been completely destroyed while disruptions to infrastructure and lifelines are minimal. The agriculture sector is the most affected and estimates have since been determined.

Tonga Red Cross is closely working with the National Emergency Operations Committee to ensure basic humanitarian needs of victims that are met. In country resources are now being mobilised and international assistance have not yet been sought.

Impact

It is to be noted that the value indicated below are preliminary as assessment reports are still arriving from survey teams.

Summary of damages to Food, Water & Infrastructure

Sectors		General conditions of damages in %
Food in plantations	Root Crops	50%
	Fruit trees	100%
	Vegetables	25%
Food in shops		10%
Water sources	Tap water	50%
	Rainwater tanks	10%
Communication		75%
Electricity		100%
Transport	Roads	10%
	Bridges	30%
	Airport	0%
	Wharf	0%

Summary of damages to buildings

Class/Use of buildings	Number Completely destroyed	Number Partially damaged	Estimated Cost
Dwelling houses	32	41	1,592,500
Kitchen	2	7	101,800
Toilets	0	5	16,500
Business Houses	0	6	22,500
Churches	1	1	562,000
Church Halls	1	4	398,000
Community Halls	1	2	590
Schools	1	8	84,000
TOTAL	53	74	3,367,300

CURRENT OPERATIONS

Community Response

- utilisation of damaged root crops that can be recovered from plantations
- utilisation of rainwater collected during cyclone for areas where piped water supply are being disrupted
- cleaning up of village surroundings from debris

National Response

- TDS continuing clearing trees along main roads after 4 chainsaws were purchased by NEMO
- TDS continuing clearing of debris in central business district of main islands
- Ministry of Works clearing rocks and boulders from
- Initial Damage Assessment teams continuing to assess damages in remote islands within the Ha'apai Group
- Red Cross NEMO, Health and Police commenced distributing immediate relief supplies to needy families as summarised below

Items distributed	Quantities	Number of families assisted
Tents	11	25
Tarpaulins	45	
Blankets	117	
Hurricane Lamps	30	
Water container	44	

International Assistance

Yet to be determined as in country resources are currently meeting the needs.

Future Responses

1. Sector immediate needs to be determined
2. completion of the initial damage assessments in all islands

National Emergency Coordination Centre,
NEMO,
Nuku'alofa

Maliu Takai
Manager NEMO

FAO/GIEWS Global Watch

25 March 2010

Drought in Southeast Asia affects parts of Bangladesh, Myanmar, Thailand,Lao PDR, Cambodia and Viet Nam

Since early November 2009 rainfall has been consistently below long term average in Southeast Asia, particularly causing drought in parts of Bangladesh, Myanmar, Thailand, Lao PDR, Cambodia and Viet Nam (see Figures 1 and 2).

Figure 1: Anomaly (mm) from estimated rainfall (RFE) – 7 Year climatology

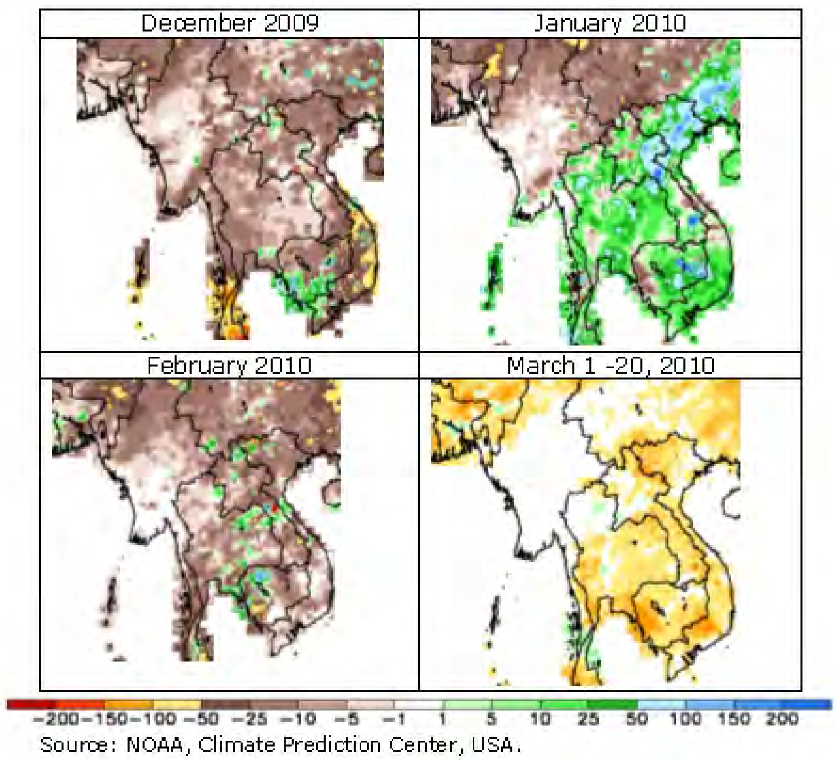
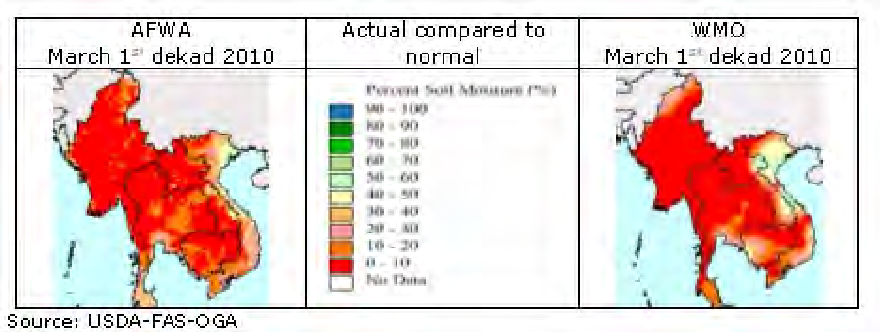


Figure 2: Percent soil moisture



Currently a secondary cropping season for rice is underway in most countries in the region, except in Bangladesh and Viet Nam where the current season is the most important one. It is also a season for winter crops such as wheat in some countries (see Table 1 for the calendar of current main crops). Because this is generally a low rainfall period in most countries, compared to the wet season that will start later in the summer from May onwards, the crops gown are typically irrigated. Low rainfall has however reduced river flows and other water supplies necessary for irrigation in many parts. River side farming practices and fishing activities, in particular, have suffered this year due to low levels of water flows affecting livelihood of dependent communities.

Table 1: Crop calendar - Main cropping activities during this current season in the countries in the region

	Secondary season crops and usual harvest period	Main season crops and usual harvest period
Bangladesh		Rice – Apr/May Wheat – Mar/Apr; Potatoes – Mar/Apr
Myanmar	Rice – Mar/Jun	Wheat – Mar/Apr; Maize – Jan/Apr
Thailand	Rice – Apr/Jun	
Lao PDR	Rice – Apr.	
Viet Nam		Rice – Mar/May
Cambodia	Rice – Mar/Apr	

Source: FAO/GIEWS

Mekong River water levels at present, for example, according to the Mekong River Commission CEO, have been lowest in 20 years. Mekong River flows through six countries, namely, China, Myanmar, Lao PDR, Thailand, Cambodia and Viet Nam, covers some 4350 km and affects livelihood of more than 60 million people living by the river side. Droughts in summer and floods during wet season along the Mekong River are a long term environmental concern possibly exacerbated by a pronounced El Nino event this year and the increased number of dams upstream.

Contribution of the current secondary paddy season in the annual production varies a great deal in different countries accounting for 15 percent in Lao PDR, 18 to 20 percent in Myanmar, 20 to 25 percent in Cambodia and 25 to 30 percent in Thailand.

In **Thailand** due to much reduced precipitation since the beginning of February and so far in March, the Department of Disaster Prevention and Mitigation has declared 19 provinces in the North and Northeast and 13 in the Central and East regions as drought affected. In addition to adverse weather, damage by brown plant hopper is also reported. Based on FAO estimates, the current second season paddy harvest may hover around 7 million tonnes, down by about 1.4 million tonnes from 2008/09 and from 1.8 million tonnes from 2007/08.

Low water levels in the **Viet Nam's** Mekong River Delta, the country's rice bowl, have resulted in inward flow of salt water increasing the salinity in the river water endangering rice paddy and other winter-spring crops on about 620 000 hectares.

The full extent of damage to crop yields due to the drought is not yet clear but several localized crop failures are reported. The drought situation and its impact on the winter-spring crops are still evolving and needs to be watched and assessed carefully.

Update of Food Security Situation

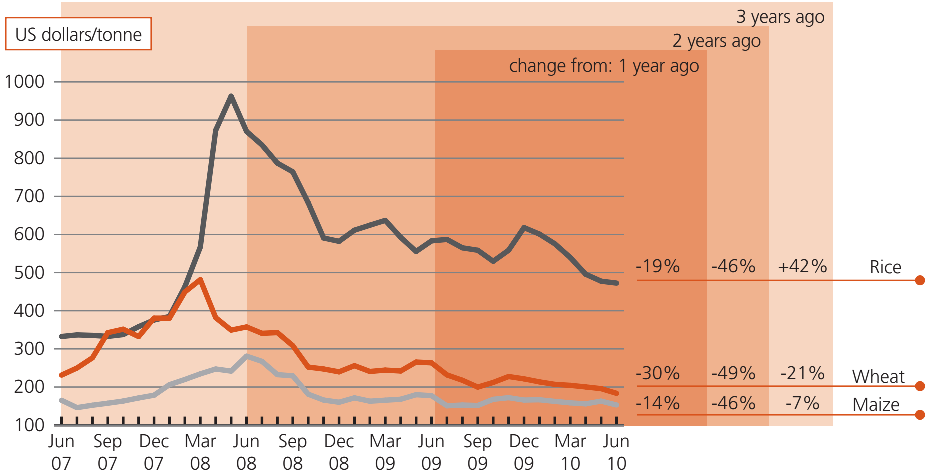
10 -June 2010

❒ Positive outlook for the 2010 global food supplies

FAO's first forecast for the 2010 cereal production points to a near-record level, which combined with ample stocks in the current season, has resulted in a further decline in international prices in the past months. Prices of wheat, maize and rice are lower than a year ago and their peaks of 2008.

Overall, the FAO food price index that had declined from January to March, remained stable in the past two months. In May it was 7 percent higher than a year earlier, although 23 percent below its peak in June 2008.

International cereal prices (benchmark monthly averages)



❒ The food situation still critical in the eastern Sahel

The food and livestock situation remains critical as a result of high food prices, poor rangeland conditions and the deterioration of the terms of trade for pastoralists. Latest information indicates that in Niger, 7.1 million people or 48% of the population, are estimated to be food insecure, including 3.3 million people facing "severe" food insecurity. In Chad, where approximately 2 million people are in need of food assistance, the nutritional situation of children is reported to have deteriorated dramatically. In Niger, emergency interventions have started including cereal sale at subsidized prices by the Government, comprehensive feeding by UNICEF and WFP, as well as distribution of animal feed, seeds and fertilizers by FAO. Input distribution to pastoralists is also underway in Burkina Faso, Chad and Mali. However, pledges are short of requirements, notably in Chad where FAO has only been able to mobilize USD2.0 million of the USD11.8 million requested last November as part of a UN inter-agency appeal.

❒ In Southern Africa, 2010 cereal crops better than anticipated

Favourable end of season rains benefited the recovery of crop conditions after an extended dry spell in several areas. In Mozambique, maize production is estimated slightly down from last year's bumper crop but the regional situation is mixed with sharply reduced crops in southern parts. In Madagascar, a good main paddy harvest is underway. However, in vulnerable southern areas cereal production was reduced by drought for the second consecutive year and food insecurity is severe in 65 districts. In Zimbabwe, larger plantings compensated for lower yields and maize output is forecast similar to last year. In Malawi, the maize output is estimated to have declined by 13 percent from the record level of 2009. In largest producer South Africa, maize production is record

❒ Early prospects for 2010 cereal production favourable in Eastern Africa

Early and abundant rains in the past two months have benefited planting of 2010 main season crops and have improved water and pasture availability for livestock in previously drought-affected areas.

Overall, about 18.5 million people are estimated to be food insecure in the subregion in Sudan, eastern Ethiopia, Somalia and north-eastern Uganda, mainly due to civil conflict. This number is likely to increase as farmers are entering the lean season with very low food stocks as a consequence of a reduced 2009 harvest in several areas.

❒ Lower 2010 winter crops in North Africa

In Egypt, the winter wheat crop is being harvested and forecasts indicate a drop of 8 percent in production from the previous year. Lower winter cereal crops are also expected in Morocco and Tunisia affected by erratic rains.

❒ Good 2010 cereal crops in the Near East

Harvesting of 2010 main winter cereal crops is underway and production prospects are favourable due to abundant precipitation during the season. This follows two consecutive years of drought that affected crop and livestock production.

❒ In Central America, tropical storm caused infrastructure and agricultural damage

The recent passage of the tropical storm Agatha caused flooding and landslides in Guatemala, El Salvador, Honduras and Nicaragua heavily damaging the newly planted 2010 main season crops. Damage to transport infrastructure have also disrupted marketing activities in sub-region. Food security of vulnerable population, previously affected by drought conditions, have further deteriorated.

❒ In South America, above average coarse grains and rice crops being gathering in most countries

In Argentina, maize production is expected to increase 61 percent from last year's record low level. In Brazil, production is also forecast to increase to above average levels.

Regional/national price roundup

❒ Food prices declining in several regions but still high in the Sahel and some other countries

In **Eastern Africa**, prices of maize have been declining since the beginning of the year and in general are returning to their pre-crisis levels. However, in Sudan prices of sorghum and wheat, staple foods, are at record levels following a reduced 2009 cereal harvest. In Kenya, prices increased slightly in the first week of June with the beginning of the lean season.

In **Southern Africa**, prices of the main staple maize have declined in April and May with the overall satisfactory 2010 harvests and have returned to normal levels. However, in southern parts of Mozambique rice and maize prices remain high reflecting drought-reduced first season crops and sustained feed demand.

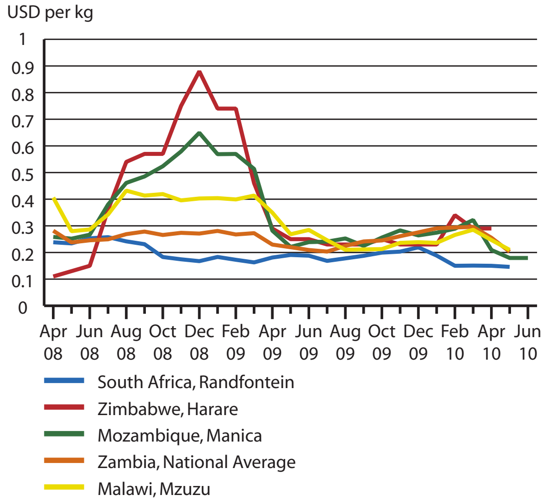
In **Western Africa**, prices of cereals have increased in May in Sahel countries affected by reduced 2009 cereal harvests, particularly in Niger, where millet prices are at record levels, and in northern parts of Chad. In Senegal, prices of rice have been on the increase since late last year. Overall, cereal prices in Western Africa are well above the pre-crisis level.

In **Asia**, price trends for rice are mixed. In the main exporter countries Thailand and Viet Nam domestic prices have markedly declined in the last three months following good winter harvests. In Bangladesh, prices of rice started to decline with the good harvest of the 2010 "boro" season. However, in India rice prices remain at almost record levels despite a slight decline in May. Prices of wheat continue to decline in India and Pakistan following the recent satisfactory harvests.

In **Central America and the Caribbean**, prices of the main staple maize have declined slightly in the last month, in most countries, including Guatemala where prices were increasing since December 2009. In Haiti, prices of rice have returned to the pre-earthquake level given the increased supply of imported rice.

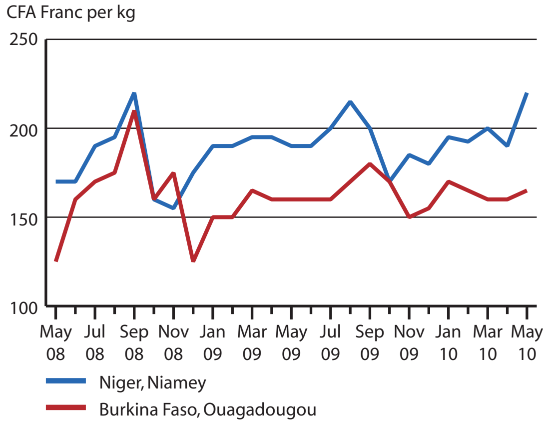
In **South America** prices of main staples wheat and rice remain generally stable.

Maize prices in selected Southern African markets



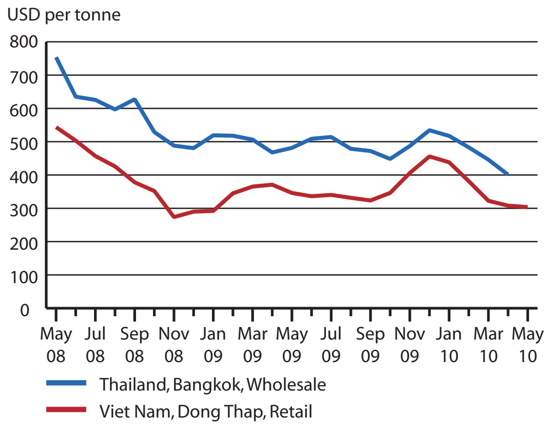
Source: SAFEX Agricultural Products Division, WFP/CFSAM/FEWSNET , Sistema De Informação De Mercados Agrícolas De Moçambique, Central Statistical Office, Ministry of Agriculture and Food Security

Millet prices in selected Western African markets



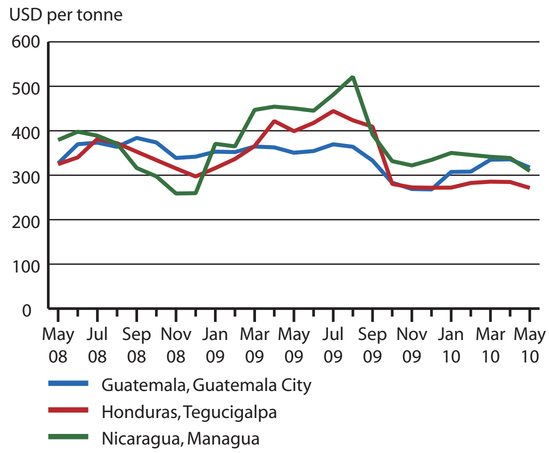
Source: Afrique Verte

Rice prices in selected Asian markets



Source: Bank Of Thailand, Agroinfo

Maize prices in selected Central American markets



Source: Ministerio de Agricultura, Ganadería y Alimentación, SIMPAH, Ministerio agropecuario y forestal

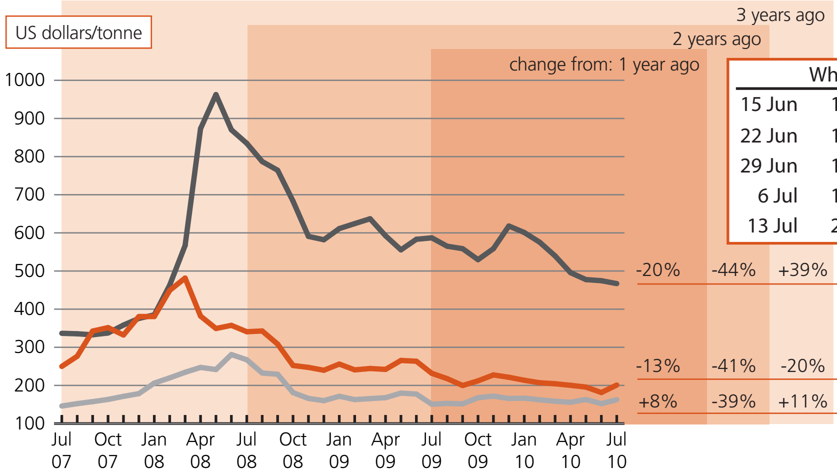
Update of Food Security Situation

15 - July 2010

❒ Rising international cereal prices

International prices of wheat and maize increased by 19 percent and 12 percent in the first two weeks of July reflecting concerns about deterioration of global wheat prospects, particularly in some main exporter countries. By contrast, rice prices continued to decline given abundant supplies. By mid-July export prices of maize are higher than a year ago.

International cereal prices (benchmark monthly averages[1])



	Wheat	Maize
15 Jun	179	154
22 Jun	185	154
29 Jun	176	147
6 Jul	192	160
13 Jul	210	165

[1]Wheat: US No.2 Hard Red Winter (Ordinary protein) f.o.b. Gulf; Maize: US No2. Yellow, Gulf; Rice: 100% second grade, f.o.b. Bangkok.

❒ Reduced wheat crop in Eastern Europe lowers prospects for 2010 world production

The worst drought in four decades has adversely affected this year's wheat production in the Russian Federation, the fourth world exporter of wheat. Emergency has been declared in 16 regions and an output reduction of 20-25 percent is forecast. However, due to high carryover of stocks from the previous seasons, exports are expected to remain at about last year's level. In Kazakhstan, wheat production is anticipated some 20 percent less than the record level of 2009. Exports are expected to decline, which may affect neighbouring wheat deficit countries in Central Asia. By contrast, excessive rains in Ukraine are delaying harvest of wheat and lowering quality of the crop. Elsewhere, wheat production is forecast to decline by 20 percent in Canada but prospects are satisfactory in Europe, the largest producing region, and very good in the United States.

Overall, the global wheat production is anticipated lower than earlier forecast but supply should remain adequate in the 2010/11 marketing year reflecting large stocks

❒ Delayed monsoon rains rise concern for main 2010 rice crop in parts of South-east Asia

Serious damage to paddy seedlings is reported in Lao People's Democratic Republic. Late main season rains are delaying sowing in Viet Nam and some parts in Thailand. More precipitation is needed soon to avoid plantings reduction. By contrast, favourable monsoon rains in India and Bangladesh benefited the wet season paddy crops currently being planted. Rice and wheat crops from the 2010 winter season, already harvested, were good in most countries despite rainfall deficits during the growing period.

❒ Overall good prospects for 2010 cereal production in Eastern Africa but large numbers remain food insecure

Following good rains in the past months, prospects for the 2010 cereal crops are generally favourable in Uganda, Tanzania, Somalia and south Sudan. The pasture and livestock conditions in pastoral and agro pastoral areas have also improved. However, dry weather has caused some losses to late planted Belg crops in northeastern and eastern Ethiopia.

Despite favourable production prospects, overall, 17 million people are estimated to be food insecure in the sub-region and the number of people in need of assistance is likely to increase during the peak of the lean season (August/September).

❒ Deterioration of food security situation in eastern Sahel

Prospects for the 2010 cereal crop planting are favourable reflecting good rains so far.

The food security situation, already critical in all the subregion, will worsen with the peak of the hunger season (July/September), due to the early depletion of stocks. In some areas of Chad households have been forced to cut their daily cereal ration by as much as 50 percent, while in Niger the number of undernourished children is more than double a year ago. The impact of emergency food assistance throughout the area, despite the great efforts, remains mixed due to port congestion and the landlocked position of the countries.

❒ In Southern Africa, better than anticipated maize crops in most parts

The recent main maize harvests turned out better than earlier expected throughout most of the subregion, mainly in Malawi and Zimbabwe. However, localized reduced crops are estimated in southern areas of Mozambique and Madagascar.

❒ In Central America, prospects general favourable for the 2010 main cereal season

Despite localized crop damage and planting delays caused by tropical storm Agatha in late May, abundant rains have overall benefited crops. In Haiti, a FAO Mission preliminarily estimates a satisfactory 2010 main season food production but a reduction in bean output.

The first tropical cyclone of the Atlantic hurricane season 2010, Alex, hits Central America and the Caribbean countries on 13 July. Heavy rains, floods and landslides resulted in loss of life and damage to infrastructure and agriculture, mainly in Mexico. Assessment of crop losses is underway.

❒ Record 2010 coarse grains output in Brazil

The maize output in Brazil is forecast at 53.3 millions tonnes and problems of storage capacity for grain are reported. In Argentina maize output will recover from the poor level of last year, while rice production is estimated close to the record. In Bolivia, drought is affecting the main cereal season in the Chaco region, where 19 000 families are estimated to have been affected.

Regional/national price roundup

❒ Food prices remain high in Western Africa and Asia

In **Western Africa**, prices are seasonally increasing. But in Niger and Chad, affected by poor 2009 harvests, millet prices are at record levels. Import demand from Niger has caused millet prices to increase also in neighbouring Burkina Faso and Nigeria. Overall, prices in the region are well above their pre-crisis level.

In **Eastern Africa**, prices of maize kept following the downward trend started in early 2010 and are near their pre-crisis levels in many countries. However, in Sudan prices of main staple sorghum reached a new record in June. Sorghum prices also increased in recent months in Somalia, due to the escalation of conflict.

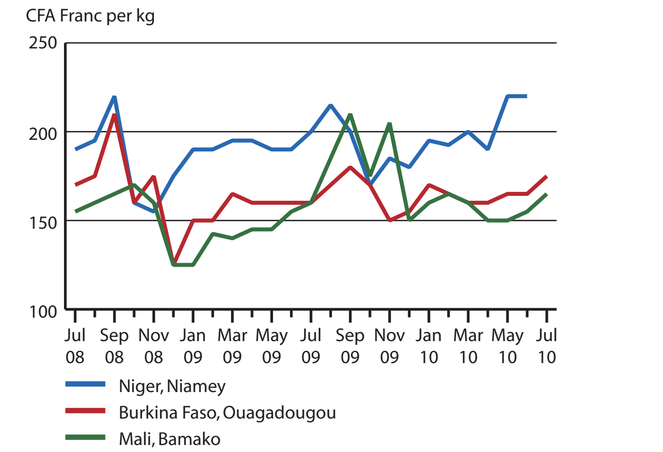
In **Southern Africa**, prices of main staple maize levelled off in June after having declined in April and May due to satisfactory 2010 harvests. Prices have returned to normal levels.

In **Asia**, prices of rice that had generally declined in the past months stabilized in June in Thailand, Viet Nam, India, Sri Lanka and the Philippines. However, rice prices are still above their pre-crisis level. Prices of wheat have slightly increased in Afghanistan, India and Mongolia, but remained stable in Pakistan.

In **Central America and the Caribbean** prices of maize white in June remain generally stable and are below the levels of two years ago. However, prices of important staple beans have increased in recent months in Honduras, Nicaragua and El Salvador, and parts of Guatemala affected by drought last year. In Haiti prices of rice keep decreasing with the arrival of the new harvest and are now lower than in June 2008.

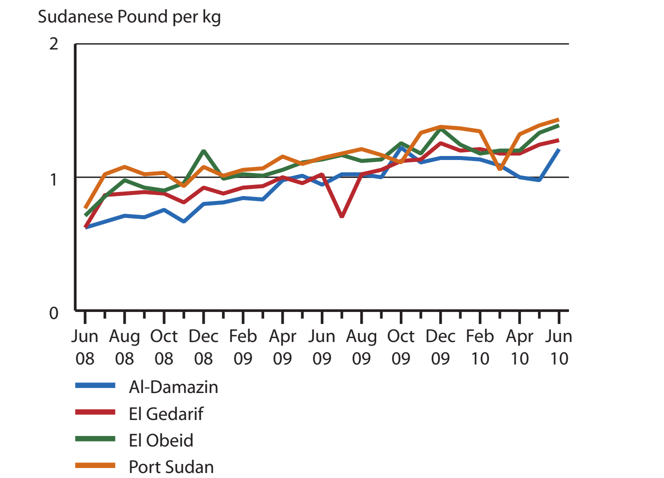
In **South America**, in Argentina prices of wheat increased in the last two months as domestic supplies are reduced. In Colombia prices of staple maize are also increasing. Elsewhere, cereal prices are generally stable.

Millet prices in selected Western African markets



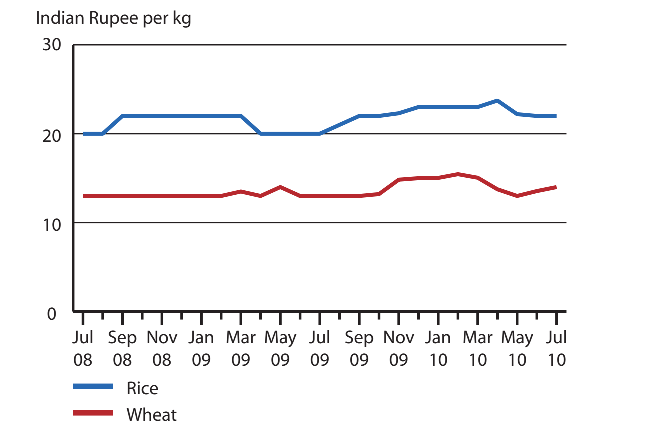
Source: Afrique Verte

Sorghum prices in selected Sudanese markets



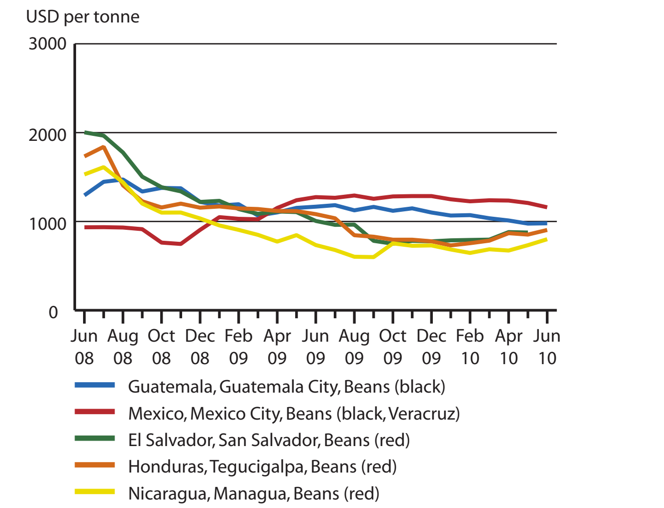
Source: Ministry of Agriculture, Sudan

Selected cereal prices in Delhi, India



Source: Ministry of Consumer affairs

Bean prices in selected Central American markets



Source: Ministerio de Agricultura, Ganadería y Alimentación, Sistema Nacional de Información e Integración de Mercados, Dirección General de Economía Agropecuaria, SIMPAH, Ministerio agropecuario y forestal

Global cereal supply and demand update

World cereal production lower than anticipated earlier but still the third highest on record

The forecast for world cereal production in 2010 has been lowered to 2 238 million tonnes (including rice in milled terms) from 2 280 million tonnes reported by FAO in June. However, even at this lower level, world cereal output in 2010 would be the third highest on record and above the five-year average. Among the major cereals, wheat accounts for most of the cut in this latest forecast, reflecting mainly smaller crops in the leading producers in the CIS due to adverse weather.

At the current forecast levels, world cereal utilization would slightly exceed production in 2010/11. This will result in a two percent contraction in world ending stocks from their 8-year high opening levels and this, in turn, could lead to a small decline in world cereal stocks-to-use ratio, to 23 percent, still well above the 19.5 percent low level witnessed in the 2007/08 food crisis period.

World cereal balance
(million tonnes, rice in milled equivalent)

	2007/08	2008/09	2009/10 estimate	2010/11 forecast 04.06.10*	2010/11 forecast 01.09.10
Production 1/	2132	2285	2257	2280	2238
Supply 2/	2561	2712	2774	2808	2777
Utilization	2138	2183	2234	2268	2248
Trade 3/	272	281	264	264	261
Ending stocks 4/	427	517	540	533	527
World stock-to-use ratio %	19.5	23.1	24.0	23.3	23.1

Note: Totals computed from unrounded data.
* Published in June issue of Food Outlook.
1/ Data refer to the calendar year of the first year shown.
2/ Production plus opening stocks.
3/ July/June for wheat and coarse grains, January/December for rice.
4/ May not equal the difference between supply and utilization due to differences in individual country marketing years.

Wheat markets remain tight but supplies are adequate

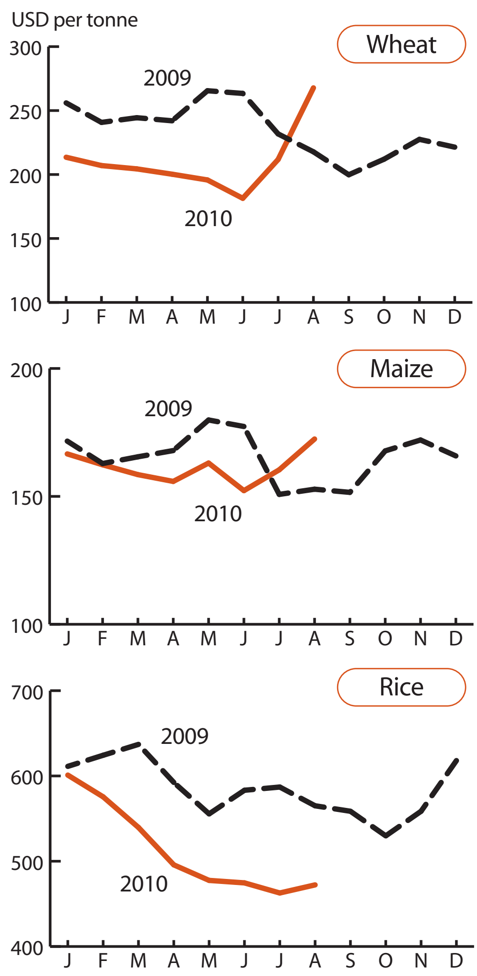
A further cut in the forecast for 2010 world **wheat** production since the previous update (4 August) puts this year's wheat production at 646 million tonnes, down 5 percent from 2009 but still the third highest on record. The latest revision reflects a further cut in the estimate of this year's harvest in the Russian Federation to 43 million tonnes (from 48 million tonnes in August) more than offsetting higher forecasts for crops in a number of other countries including the United States and China. At the same time, the forecast for world wheat utilization has been raised by 6 million tonnes since August, mainly driven by expectation of higher feed use of wheat in the Russian Federation because of an extremely tight domestic barley situation, the production of which is forecast to

World wheat balance
(million tonnes)

	2007/08	2008/09	2009/10 estimate	2010/11 forecast 04.06.10*	2010/11 forecast 04.08.10**	2010/11 forecast 01.09.10
Production 1/	611	684	681	677	651	646
Supply 2/	774	828	860	873	845	845
Utilization	629	647	660	675	659	665
Trade 3/	112	139	126	122	122	119
Ending stocks 4/	144	179	199	194	188	181
World stock-to-use ratio %	22.3	27.1	30.0	29.0	28.0	27.2

Note: Totals computed from unrounded data.
* Published in June issue of Food Outlook.
** Published on the FAO web site: http://www.fao.org/news/story/en/item/44570/icode/
1/ Data refer to the calendar year of the first year shown.
2/ Production plus opening stocks.
3/ July/June.
4/ May not equal the difference between supply and utilization due to differences in individual country marketing years.

International cereal prices
(benchmark monthly averages)



drop by 50 percent this year. As a result of a cut in world wheat production but an increase in the utilization, the forecast for world wheat ending stocks in 2011 has also been lowered, to 181 million tonnes, down 9 percent from their 8-year high opening level. The stock-to-use ratio for wheat in 20010/11 is projected to reach 27 percent, down 3 percentage points from the previous season but still 5 percentage points higher the 30-year low in 2007/08. The forecast for world wheat trade (including wheat flour) has also been lowered this month, mostly on higher international prices which may curb imports of wheat, especially for animal feeding.

Coarse grains and rice markets are more balanced

World production of **coarse grains** is forecast to reach 1 125 million tonnes, down 6 million tonnes from the previous forecast in June but up marginally from 2009 and the second highest on record. While maize production is heading towards an all-time high of 845 million tonnes, with expectation of record crops in China and in the United States, world barley production is forecast to fall by 22 percent to a 30-year low of only 129 million tonnes in 2010, driven mostly by a sharp cut in production in the CIS and in the EU as a result of unfavourable weather conditions. However with global utilization of coarse grains growing only marginally, stocks are anticipated to decline slightly which helps in limiting the fall in the stocks-to-use ratio to 18.4 percent, down slightly from the previous season. The forecast for world trade in 2010/11 has been raised by 1 million tonnes since June, reflecting stronger import demand for maize as result of reduced export supplies of feed wheat.

The forecast for global **rice** production in 2010 has also been revised downward and now stands at 467 million tonnes, 5 million tonnes lower than the June 2010 forecast. Much of the revision was the consequence of lowering of the forecast for the crop about to be harvested in Pakistan, where the floods have hit the two major producing provinces, but also revisions in China, Egypt, India, Laos and the Philippines. Despite the adjustment, the new production estimate would still translate in a 3 percent increase of world rice output from 2009 and an historical record. Global supplies (production plus opening stocks) are also foreseen to be much more ample than they have been for the past three years. So, although prospects for world rice consumption and stocks in 2011 were negatively affected by the downward revision in world output, they are still foreseen to increase compared to the 2009 estimates. On the other hand, floods in Pakistan, the fourth largest rice exporter in 2009, could negatively affect rice trade in 2010 and, especially, in 2011, with international rice flows foreseen to fall from 30 million tonnes in 2010 to 29 million tonnes next year.

World coarse grain balance
(million tonnes)

	2007/08	2008/09	2009/10 estimate	2010/11 forecast	
				04.06.10*	01.09.10
Production 1/	1081	1143	1121	1131	1125
Supply 2/	1243	1315	1336	1338	1340
Utilization	1073	1091	1121	1130	1122
Trade 3/	131	113	108	112	113
Ending stocks 4/	172	215	215	204	213
World stock-to-use ratio %	15.8	19.1	19.2	17.6	18.4

Note: Totals computed from unrounded data.
* Published in June issue of Food Outlook.
1/ Data refer to the calendar year of the first year shown
2/ Production plus opening stocks
3/ July/June.
4/ May not equal the difference between supply and utilization due to differences in individual country marketing years

World rice balance
(million tonnes, milled equivalent)

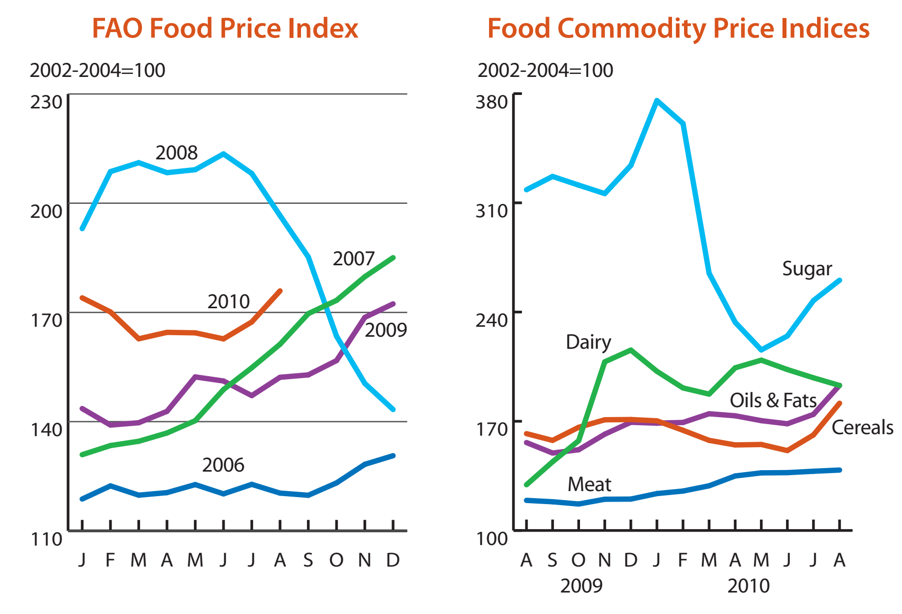
	2007/08	2008/09	2009/10 estimate	2010/11 forecast	
				04.06.10	01.09.10
Production 1/	440	458	454	472	467
Supply 2/	544	569	578	597	592
Utilization	436	445	453	463	460
Trade 3/	30	29	30	30	29
Ending stocks 4/	111	124	125	135	133
World stock-to-use ratio %	24.9	27.3	27.2	29.4	28.9

Note: Totals computed from unrounded data.
1/ Data refer to the calendar year of the first year shown
2/ Production plus opening stocks
3/ January/December.
4/ May not equal the difference between supply and utilization due to differences in individual country marketing years

The surge in wheat prices is the main driver for the jump in the FAO Food Price Index in August

The FAO Food Price Index (FFPI) averaged 176 points in August 2010, up 5 percent, or nearly 9 points from July. At this level, the FFPI stands at its highest level since September 2008 although still down 38 percent from its peak in June 2008.

The surge in August reflected the sudden sharp rise in international prices of wheat as well as higher prices of sugar and oilseeds. However, the increase in wheat prices was the most pronounced, reflecting the impact of drought-reduced crops in the Russian Federation and the subsequent decision by the country to restrict wheat sales until the end of this year. In early August, international wheat prices soared to their highest levels since April 2008 on fears of a global shortage but, by the end of the month, prices had fallen by nearly 11 percent on expectation of good supplies in other major exporting countries. Barley prices also rose sharply in August; up over 60 percent from the previous year, reflecting tight supplies in the Black Sea and in the EU. The surge in wheat and barley prices helped in pushing up rice and maize prices and this resulted in a 5 percent jump in the FAO Cereal Price Index to 182 points, the highest level since June 2009.



The latest statistics on the FAO Food Indices are found at: http://www.fao.org/worldfoodsituation/wfs-home/.

Intersessional Meeting - Intergovernmental Group on Grains

FAO Calls for an Extraordinary meeting to discuss the turmoil in global cereal markets

The Director-General of the Food and Agriculture Organization of the United Nations has called for the one-day extraordinary Intersessional Meeting of the Intergovernmental Group on Grains and the Intergovernmental Group on Rice. This exceptional meeting is convened in response to the recent episode of disturbance in world cereal markets and the sudden increase in prices happening only two years after the 2007/08 food crisis.

The meeting will start at 9:30 hours on Friday, 24 September 2010, at FAO Headquarters, in Rome. It will be open only to FAO Members and official observers.

Weblinks

- A background information note is available at: **http://www.fao.org/economic/est/commodity-markets-monitoring-and-outlook/grains/grains-meetings/extraordinary-meeting-of-the-igg-on-grains/en/**

- A preliminary Agenda will be made available on the following site in due course: **http://www.fao.org/economic/est/en/**

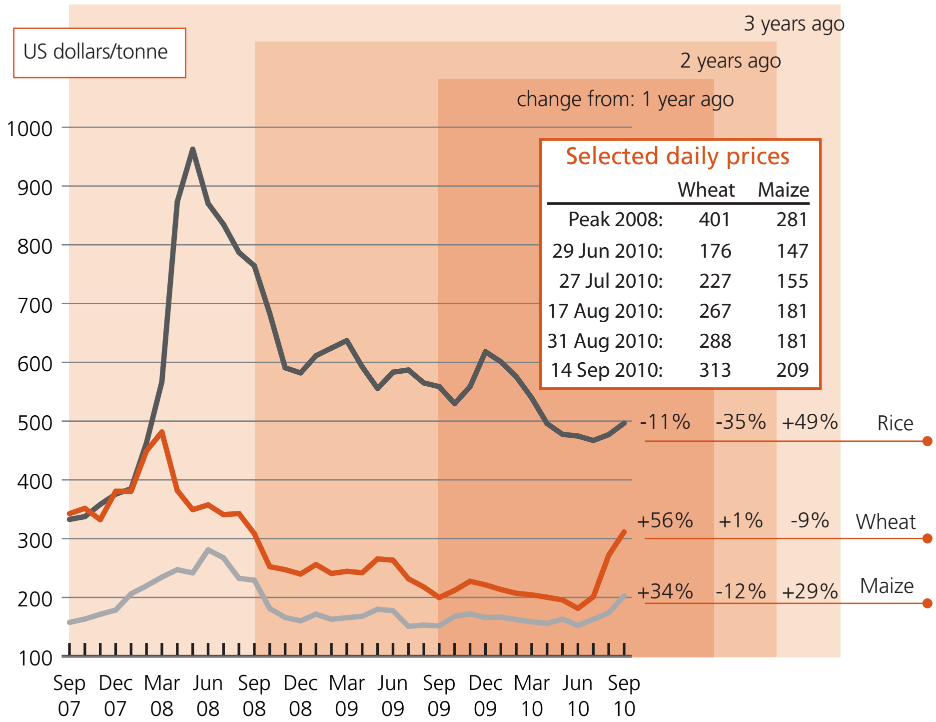
Global food security review

15 - September 2010

International prices of wheat continue to increase

Export prices of wheat have sharply increased since the beginning of July reflecting the impact of drought-reduced crops in the Russian Federation and subsequent decision by the country to ban wheat exports until next year's harvest. By 14 September the benchmark US wheat price (№2 HR winter), at USD 313, was about 78 percent higher than in late June when prices started their upward trend. However, at this level prices are still one-third below their peak of 2008. In the same period, the benchmark price of maize (US N.2 Yellow) increased by 42 percent but those of rice (Thai 100%B) by only 6 percent. International wheat prices of other origins have also surged including Black Sea market, Europe (France), Canada and Australia.

International cereal prices (benchmark monthly averages[1])



Selected daily prices	Wheat	Maize
Peak 2008:	401	281
29 Jun 2010:	176	147
27 Jul 2010:	227	155
17 Aug 2010:	267	181
31 Aug 2010:	288	181
14 Sep 2010:	313	209

[1]Wheat: US No.2 Hard Red Winter (Ordinary protein) f.o.b. Gulf; Maize: US No2. Yellow, Gulf; Rice: 100% second grade, f.o.b. Bangkok.

2010 cereal production marginally down from last year

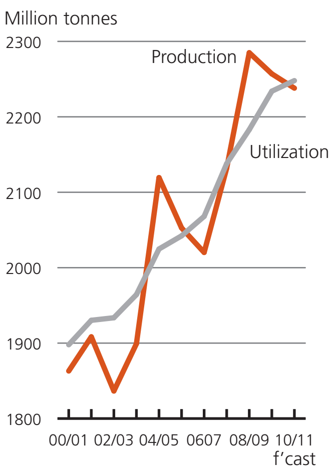
FAO's latest forecast indicates a 2010 global **wheat** production of about 650 million tonnes, 5 percent lower than last year but still the third highest crop on record. Reduced outputs in the Russia (-32% or -20 million tonnes), Kazakhstan (-24% or -4 million tonnes) and Ukraine (-16% or - 3.3 million tonnes), will be partially compensated by satisfactory harvests in the EU, USA and Australia, where a bumper crop is anticipated. In Argentina, wheat production is forecast to recover from the poor levels of the past two years.

Good outputs of **coarse grains** and **rice** are expected and, in aggregate, the 2010 cereal production (rice in milled terms) is put at 2 238 million tonnes, only marginally below the 2009 level.

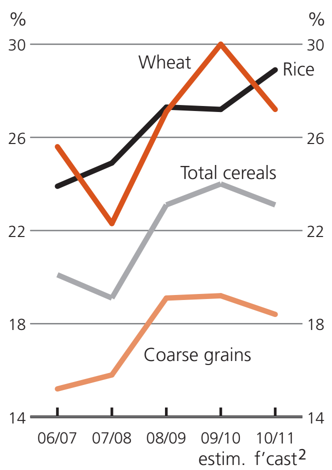
Cereal supplies still adequate in 2010/11 (July/June)

The current forecast production, coupled with the ample carry-over stocks from the previous seasons, should be adequate to cover the projected world cereal utilization in 2010/11

World cereal production and utilization



Ratio of world cereal stocks to utilization[1]



1 Compares closing stocks with utilization in following season
2 Utilization in 2009/10 is a trend value based on extrapolation from the 1998/99-2008/09 period.

World cereal balance

(million tonnes, rice in milled equivalent)

Next update on 24/09/10

	2007/08	2008/09	2009/10 estimate	2010/11 forecast 1 Sep 2010*
Production[1]	2 132	2 285	2 261	2 238
Supply[2]	2 556	2 712	2 779	2 808
Utilization	2 137	2 182	2 237	2 268
Trade[3]	272	282	265	264
Ending stocks[4]	427	518	541	533
World stock- to-use ratio %	19.6	23.2	24.0	23.3

* Published on the FAO web site:
http://www.fao.org/news/story/en/item/44570/icode

[1] Data refer to the calendar year of the first year shown
[2] Production plus opening stocks
[3] July/June for wheat and coarse grains, January/December for rice.
[4] May not equal the difference between supply and utilization due to differences in individual country marketing years

(July/June). The resulting draw-down in stocks will lead to a small decline in the world cereal stocks- to- use ratio at the end of marketing year 2010/11 to 23 percent (24 in 2009/10). This is still well above the 19.6 percent low level in the 2007/08 food crisis period.

Prices of wheat already increasing in some importing countries

The higher international wheat prices will particularly affect importing countries where wheat is a main staple. These include countries in North Africa - above all Egypt the first importer in the world- and in the Middle East that are heavily dependent on Russia exports; as well as countries in CIS Asia and in South America. The wheat import bill of LIFDCs in 2010/11 is forecast 14 percent higher than in 2009/10. The impact of higher international wheat prices on consumers will depend on policies in place in individual countries.

Prices of wheat and wheat flour have already increased markedly in July and August in some developing countries, including Kyrgyzstan (19%), Tajikistan (50%) and Mongolia (23%). Despite large supplies, prices of wheat flour have also raised in Afghanistan (average 24%) and Pakistan (average 8%). In Latin America, prices of wheat flour remain generally stable. Overall, a less immediate impact is foreseen in sub-Saharan Africa, where maize and other coarse grains are the main staples. In Mozambique, the increase of 30 percent in the regulated price of bread in early September was revoked by the Government following serious civil disturbances.

In developing countries prospects for 2010 cereal crops generally favourable except in some Asia countries

The outlook for the 2010 cereal crops still to be harvested, are generally good in most regions of the world. Bumper harvests are anticipated in Eastern and Western Africa, despite floods in parts. A satisfactory cereal harvest was gathered in Southern Africa earlier in the year. Good cereal crops are expected in Latin America. The outlook for the main rice crop is favourable in Asian countries, with record cereals crops anticipated in China and India. However, reduced harvests due to adverse weather during the season are expected in DPR Korea, Cambodia, and Lao PDR. The outlook for the 2010 wheat is also unfavourable in the Syrian Arab Republic.

Concern mounting for the 2010/11 cropping season in Pakistan

In Pakistan, prospects for the 2011 main wheat crop, to be planted from October, give serious cause for concern following the severe floods that have damaged agricultural areas, irrigation infrastructure and resulted in the loss of seeds and agricultural tools.

Global food security review

13 December 2010

International prices of most agricultural commodities strengthened in November

The **FAO Food Price Index** averaged 205 points in November 2010, up 7 points from October and only 7 points below its peak in June 2008. The biggest contributors to the increase were Sugar and Oils prices.

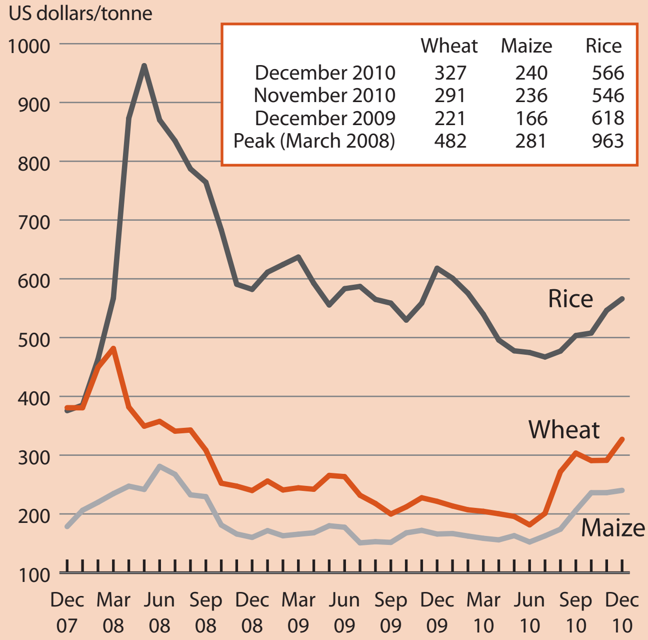
Rising international cereal prices

International prices of **wheat** have increased 12 percent in the first week of December compared to their November average. The benchmark US wheat price (US No2 Hard Red winter) reached USD 327 per tonne, about 70 percent higher than at the beginning of July but still 32 percent below its record of March 2008. The market is supported by concerns about continuing rainfall in Australia that has reduced the quality of this year's crop, and by unfavourable weather conditions for the 2011 winter crop in some main producing countries.

Export prices of **coarse grains** that have increased 50 percent since early July, remained firm in November and early December. A further cut in the official forecast for this year's maize crop and carry-over stocks in the United States supported prices. However, the concurrent strengthening of the US dollar meant that by the first week of December the benchmark US **maize** price (US No2, Yellow) rose only marginally above its November average to USD 240 per tonne. This level is still 15 percent lower than the peak reached in June 2008.

International **rice** prices that had remained substantially stable in October, increased in November and early December, with the reference Thai price (Thai100%B) rising some 12 percent from its October average to USD 566 per tonne. This level is 41 percent below the peaks reached in mid 2008. The increase in prices followed downward revisions of the 2010 rice production forecasts in the main exporter countries Thailand and Vietnam and strong international demand.

International cereal prices[1]



	Wheat	Maize	Rice
December 2010	327	240	566
November 2010	291	236	546
December 2009	221	166	618
Peak (March 2008)	482	281	963

[1] Prices are monthly averages except for December 2010 which refers to the first week of the month. Wheat: US No.2 Hard Red Winter (Ordinary protein) f.o.b. Gulf; Maize: US No2. Yellow, Gulf; Rice: 100% second grade, f.o.b. Bangkok.

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

The forecast for world cereal production in 2010 has been revised up to 2 229 million (rice in milled terms). At this level, world cereal production would be 1.4 percent below 2009. However, world supply and demand balance for cereals could still tighten considerably with total utilization exceeding world production; thus necessitating a 6 percent decline in ending stocks. As a result, the global **cereal stocks-to-use ratio** would fall by 2 percentage points to 23 percent (still above the 30-year low of 19.6 percent registered in 2007/08).

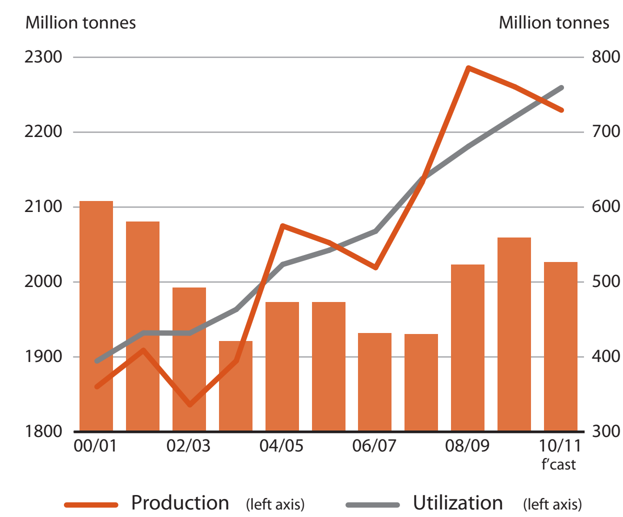
Overall good 2010 cereal production in Low-Income Food-Deficit Countries

In aggregate, cereal production of the 77 LIFDCs is now forecast to rise by 2.5 percent in 2010, marking a third consecutive year of sustained growth. Most LIFDCs regions with the exception of the Asian CIS and Europe (Moldova) have larger crops in 2010 As a result of the improved supply situation, per capita cereal consumption levels in the 2010/11 marketing year are expected to increase slightly in the LIFDCs as a group.

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

In view of the improved domestic production in 2010, the cereal imports of the LIFDCs, as a group, are forecast to fall to some 87 million tonnes in 2010/11, a level substantially lower than in the previous two years. Lower cereal imports are expected in the Asian and most of the African LIFDCs, with the exception

Global cereal producion, utilization and stocks



of North Africa. However, as a result of the sharp increase in international cereal prices since the beginning of the 2010/11 marketing season, the cereal import bill of the LIFDCs, which had fallen in 2009/10, is forecast to increase by 11 percent to USD 29.6 billion. This would still be below the record level reached during the food crisis in 2007/08, but the new increase in cereal costs combined with that of other food imports by these countries is cause of concern.

Record 2010 cereal crops in Africa, except in North Africa

A record aggregate cereal harvest was estimated for **Southern Africa**, despite poor outcomes in southern parts of Madagascar, Mozambique, Malawi and Zimbabwe. Similarly, in spite of serious localized damage to households and crops caused by floods this season, harvests of record crops have just been concluded in most countries in **Eastern and Western Africa** and **Central Africa**, as weather has been beneficial overall for cereal production this year. By contrast, a sharp decline in cereal production is estimated in the **North Africa** subregion, mainly reflecting drought reduced wheat crops in Morocco and Tunisia.

Overall increase in cereal production in Asia

In **Far East Asia**, this year's cereal output is forecast higher than in 2009, but reduced rice crops are being harvested in Pakistan, Cambodia and Lao People's Democratic Republic affected by floods and dry weather. In **CIS Asia**, the 2010 cereal outputs were average but significantly lower than the bumper levels of last year. In the **Near East**, good cereal crops were harvested in Afghanistan, Iraq and Iran but unfavourable growing conditions reduced wheat production in the Syrian Arab Republic.

Cereal production recovered In Latin America and the Caribbean

In South America, cereal production is expected sharply up from last year's reduced level in Argentina, while a record crop is anticipated in Brazil. In **Central America**, despite severe localized floods, good cereal outputs are estimated in most countries. However, production of beans is forecast to be reduced b y adverse weather conditions. In the **Caribbean,** lower cereal production is estimated in Cuba due to the drought that affected the paddy crop, as well as in Haiti where the second crop season, being harvested, has been severely affected by hurricane Tomas.

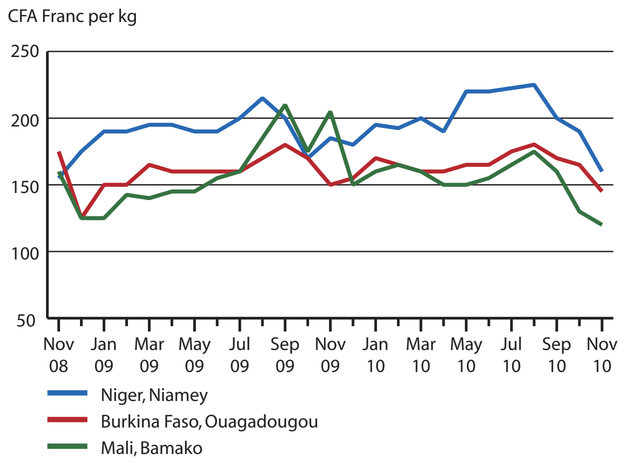
Food prices at low levels in Africa but increasing in Asia

In **Africa**, prices of main staple coarse grains are generally stable or declining in most subregions reflecting bumper harvests this year. Overall, coarse grains prices are around their levels of the pre-food crisis of late 2007. Exceptions are Benin, where prices increased in October following floods, and Mozambique, where prices of maize and mostly imported rice are increasing because lower production this year, sustained demand from the feed industry and depreciation of the national currency.

In **Asia,** domestic rice prices have increased in the past months in several countries, including in exporters such as Thailand and Vietnam; in the latter domestic prices of rice in November were 50 percent higher than in July. Prices of rice are also increasing in India, Indonesia, Sri Lanka and Bangladesh. Prices of wheat and wheat flour that rose markedly in July and August in the CIS, Afghanistan and other importing countries, following trends in international prices, stabilized in November.

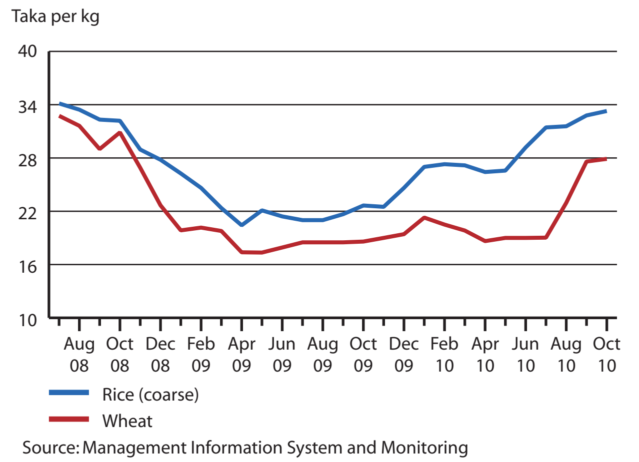
In **Central America,** prices of staple beans are at record levels as a result of unfavourable prospects for the main harvest but those of maize, that have seasonally declined in recent months remained overall stable in November. In Haiti, prices of mostly imported rice have sharply increased in the past two months. In **South America,** price of wheat flour that increased in September and October in importing countries, Brazil, Peru and Bolivia, remained firm in November. In Andean countries, prices of potatoes are on the rise or at high levels.

Wholesale millet prices in Western Africa



Source: Afrique Verte

Retail prices of cereals in Dhaka, Bangladesh



Source: Management Information System and Monitoring

This report is prepared by the **Global Information and Early Warning System (GIEWS)** of the Trade and Markets Division of FAO. The updates focus on developing anomalous conditions aimed at providing early warnings, as well as latest and more elaborate information than other GIEWS regular reports on the food security situation of countries, at both national and sub-national levels. None of the information in this report should be regarded as statements of governmental views.

For more information visit the **GIEWS Website** at: www.fao.org/giews

Enquiries may be directed to:
Global Information and Early Warning System (GIEWS)
Trade and Markets Division (EST)
Food and Agriculture Organization of the United Nations (FAO)
Viale delle Terme di Caracalla
00153 Rome, Italy
E-mail: GIEWS1@fao.org

AZ000E