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Crop Prospects and Food Situation

HIGHLIGHTS

- **World cereal production in 2007 remains on course to reach a record level of 2 095 million tonnes**, but with some major crops yet to be planted, the forecast is still tentative.

- **Based on the current 2007 production outlook, global cereal supplies are forecast to increase in the new 2007/08 marketing season**. However, with carryover stocks at their lowest level since the early 80s, total supplies would still be barely adequate to meet the anticipated demand, which is forecast to increase strongly boosted by the fast-growing biofuels industry.

- **International prices for most cereals have risen significantly in 2006/07 so far, and are likely to remain high in 2007/08**. As a result, the cereal import bill of the LIFDCs is forecast to increase by about one-quarter in the current season.

- **In the LIFDCs as a group, production prospects point to a 2007 cereal output similar to last year's good level. However, excluding China and India, the largest producers**, the aggregate crop of the remaining countries is forecast to decline slightly.

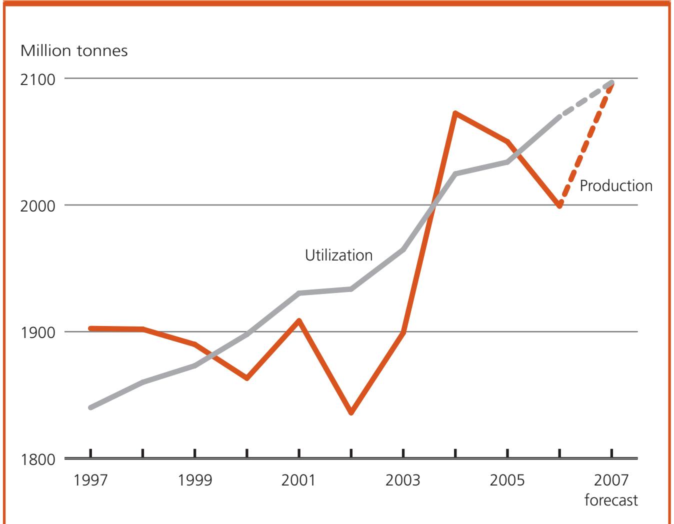
- **In North Africa, a sharp decline is expected in 2007 aggregate cereal production**, mainly reflecting dry conditions in Morocco, which are anticipated to halve the country's wheat production this year.

- **In Southern Africa, an aggregate reduced cereal harvest is being gathered for the second year in succession**. In drought-affected Zimbabwe, a huge rise in the price of the basic staple maize is anticipated. By contrast, in Malawi, an ample exportable surplus is available following a bumper harvest.

- **Despite improved food supply in many of the countries normally most at risk from food insecurity**, following record or bumper 2006 cereal crops, food difficulties persist in 33 countries worldwide.

CONTENTS

Record cereal production in 2007 would improve supplies but supply and demand to remain closely balanced



Countries in crisis requiring external assistance[1] (33 countries)

AFRICA (25 countries)

Exceptional shortfall in aggregate food production/supplies

Lesotho	Multiple year droughts, HIV/AIDS impact
Somalia	Conflict, floods and drought
Swaziland	Multiple year droughts, HIV/AIDS impact
Zimbabwe	Deepening economic crisis, drought

Widespread lack of access

Eritrea	IDPs, returnees, high food prices
Ethiopia	Low incomes, localized floods
Liberia	Post-conflict recovery period, IDPs
Mauritania	Multiple year droughts
Niger	After effects of 2004 drought and locusts
Sierra Leone	Post-conflict recovery period, refugees

Severe localized food insecurity

Burundi	Civil strife, IDPs, returnees and recent dry spells
Central African Republic	Civil strife, IDPs
Chad	Refugees, insecurity
Congo	IDPs, refugees
Congo, Dem. Rep.	Civil strife, IDPs and refugees
Côte d'Ivoire	Civil strife, IDPs
Guinea	IDPs, refugees, high food prices
Guinea-Bissau	After effects of floods, localized insecurity
Kenya	Drought and floods in parts
Madagascar	Dry weather in southern areas
Mozambique	Dry weather and floods in parts
Sudan	Civil strife, returnees, drought in parts
Tanzania, U.R.	Drought in parts and refugees
Uganda	Civil strife, IDPs, drought in parts
Zambia	Dry weather and floods in parts

ASIA (7 countries)

Exceptional shortfall in aggregate food production/supplies

Iraq	Conflict and insecurity, IDPs

Widespread lack of access

Afghanistan	Conflict, IDPs and returnees, floods
Korea, DPR	Economic constraints, floods
Nepal	Civil strife and drought

Severe localized food insecurity

Pakistan	After effects of the Kashmir earthquake, floods
Sri Lanka	After effects of the Tsunami, deepening conflicts and floods
Timor-Leste	Civil strife, IDPs, and drought

LATIN AMERICA (1 country)

Severe localized food insecurity

Bolivia	Adverse weather conditions (floods in lowlands; drought, hail and frost in highlands)

Countries with unfavourable prospects for current crops[2]

AFRICA

Morocco	Lack of rainfall
Somalia	Conflict

ASIA

Iraq	Conflict, displacement
Timor-Leste	Bad weather

Terminology

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

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

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

Emergency update

Despite improved food supply in many of the countries normally most at risk from food insecurity, following record or bumper 2006 cereal crops, FAO's latest assessment indicates that food difficulties persist in 33 countries worldwide. In **Western and Central Africa**, in spite of an overall good food supply situation, serious localized food insecurity is reported in **Mauritania**, **Niger**, **Guinea-Bissau** and **Chad** due mostly to lack of access or civil strife. In **Central African Republic**, persistent insecurity continues to compromise the food situation of thousands of people and nearly 200 000 people are in need of urgent food assistance. In **Côte d'Ivoire**, **Guinea**, **Liberia**, **Sierra Leone** large numbers of IDPs and refugees as a result of civil conflicts continue to require emergency food aid.

In **Eastern Africa**, notwithstanding the general improvements in overall food availability, millions of people face serious food difficulties due to the effects of localized drought conditions and ongoing or past conflicts. The situation in southern **Somalia** is of particular concern with the impact of recent flare up of conflict, mainly in the capital Mogadishu. Hundreds of thousands of people have been displaced but some are reported to have started to go back as the heavy fighting seems to have subsided. In **Eritrea**, high food prices and the cumulative effect of earlier displacements and drought conditions continue to affect large number of vulnerable people. In **Ethiopia**, the Food Security Bureau (FSB) tentatively estimates that about 7.3 million chronically food insecure people need cash or food assistance through the Productive Safety Net Program and a further 1.3 million people require emergency food assistance. In **Kenya**, large numbers of people, particularly in pastoral areas, continue to receive food assistance due to drought or floods. In **Sudan**, insecurity remains a major factor in inhibiting access to food, particularly in the troubled Darfur region. In **Tanzania U.R.**, food difficulties persist in parts due to localized drought. In **Uganda**, conflict coupled with a poor cropping season, continues to affect the food security of thousands of people in the Karamoja region. In northern parts, better security conditions have improved access to productive resources for IDPs, but the slow progress of the peace process continues to hamper their return home.

In **Southern Africa**, prolonged dry spells and erratic rainfall has resulted in reduced 2007 cereal crops in areas, while excessive rains and serious flooding adversely affected production in others. In **Zimbabwe**, where this year has been declared as a "drought year", food shortages are anticipated for millions of vulnerable people struggling under the deepening economic crisis and sky rocketing inflation, considered to be highest in the world currently. In **Lesotho** and **Swaziland**, anticipated poor cereal harvests again in 2007 preclude an improvement in the food security of these countries. Despite overall average cereal outputs this year, localized food insecurity has affected large numbers of people in **southern Madagascar**, affected by dry weather and severe floods this season; **southern and central Mozambique**, where prolonged dry weather and floods respectively resulted in serious crop losses, and **one-third of the districts in Zambia**, due to floods or insufficient rains during the season. In the **Great Lakes region**, the continuing civil strife in the **Democratic Republic of the Congo**, has adversely affected large numbers of people who need food assistance. Food aid is also needed in **Burundi** following the reduced 2006 foodcrops harvest, combined with resettlement of returnees and IDPs.

In **Far East Asia**, in **Timor-Leste**, production of the current cropping season has been severely compromised by unfavourable weather. Food shortages and high market prices have been reported since February. The food supply situation remains tight in **Nepal** as a result of a big decline in 2006 main crop production despite a recently harvested good secondary wheat crop. Chronic shortages are reported particularly in the Far-Western and Mid-West mountain regions. In the **Democratic People's Republic of Korea**, despite a recent pledge of 400 000 tonnes of food aid by the Republic of Korea, the food supply situation for millions of people remains a serious concern. In **Sri Lanka**, conflict continues to affect the food security of large numbers of people.

In the **Near East**, in **Iraq**, insecurity continues to affect the entire population with civilians bearing the brunt of the violence. According to the United Nations High Commissioner for Refugees (UNHCR), some 50 000 people leave Iraq every month seeking refuge. Overall, nearly 1.8 million are internally displaced and 2 million have fled to neighbouring countries. In **Afghanistan**, recent flash floods have caused significant damage to lives and livelihoods throughout the country.

In **South America**, emergency assistance is required for large numbers of vulnerable population in **Bolivia**, affected by serious crop and livestock losses following drought and floods during the 2007 main cropping season.

Global cereal supply and demand brief

Improvement in global cereal supplies forecast in 2007/08 but supply and demand will remain closely balanced

The prospect of a strong recovery in global cereal production in 2007 is a positive development for the world cereal supply/demand balance in the new 2007/08 marketing year. The forecast improvement in supplies is much needed after a significant tightening of the global balance in the preceding 2006/07 season, when a significant reduction in global cereal production in 2006, for the second consecutive year, coupled with a strong increase in demand, resulted in a sharp drop in the level of world cereal stocks and a surge in their international prices. However, with carry-in stocks forecast at their lowest level since the early 80s, even with the improvement in production expected, total supplies in the new season would still be barely adequate to meet the anticipated demand, which is forecast to increase not only from the traditional food and feed sectors but in particular from the fast-growing biofuels industry. As a result, international prices for most cereals are likely to remain high in 2007/08. Markets are also expected to remain volatile, as total stocks held in major exporting countries, the principal buffer against any sudden drops in production or rise in demand, will remain low.

Table 1. Cereal production[1] (*million tonnes*)

	2006 estimate	2007 forecast	Change: 2007 over 2006 (%)
Asia	**900.3**	**909.2**	**1.0**
Far East	799.3	807.8	1.1
Near East in Asia	71.5	71.4	-0.1
CIS in Asia	29.4	29.8	1.5
Africa	**143.6**	**135.0**	**-6.0**
North Africa	35.5	30.3	-14.5
Western Africa	48.7	47.8	-1.9
Central Africa	3.6	3.4	-4.1
Eastern Africa	34.7	33.3	-4.2
Southern Africa	21.2	20.2	-4.6
Central America & Caribbean	**36.4**	**37.5**	**3.1**
South America	**108.5**	**123.4**	**13.8**
North America	**386.8**	**429.5**	**11.0**
Europe	**404.7**	**422.3**	**4.3**
EU [2]	248.9	282.0	13.3
CIS in Europe	118.5	123.3	4.1
Oceania	**18.6**	**38.2**	**105.7**
World	**1 998.9**	**2 095.0**	**4.8**
Developing countries	**1 141.1**	**1 157.3**	**1.4**
Developed countries	**857.8**	**937.7**	**9.3**
- wheat	597.6	621.4	4.0
- coarse grains	981.5	1 051.2	7.1
- rice (milled)	419.7	422.4	0.6

[1] Includes rice in milled terms.
[2] EU-25 in 2006 and EU-27 in 2007.
Note: Totals computed from unrounded data.

Record world cereal output forecast in 2007 but some major crops still to be planted

FAO's latest forecast for world **cereal** production in 2007 continues to point to a record output, now put at almost 2 095 million tonnes (including rice in milled terms), 4.8 percent up from 2006. Expectations for the world **wheat** harvest have deteriorated slightly since the previous report in April, and the crop is now forecast at just below 621 million tonnes. However, this would still be a significant 4 percent above the previous year's level, and well above the average of the past five years. The downward adjustment since the last report concerns mostly North America, where a sudden return to harsh winter conditions in the United States in early April, caused varying degrees of damage to the well-developed crops over a large part of the main producing winter wheat plains, making the earlier predictions of a bumper crop less likely. Also for Canada, where planting is just underway, latest information points to a slightly larger reduction in wheat output this year than had been earlier predicted. The wheat crop is generally progressing well in Europe, and recent indications still point to larger crops in most major producing countries. In Asia, wheat output in 2007 is seen to remain close to last year's good level. A reduction in China's production will likely be offset by increased outputs in both India and Pakistan, where bumper to record crops are approaching harvest. In North Africa, however, prospects for the wheat crop have deteriorated further because of prevailing dry conditions. In the southern hemisphere, planting of the major wheat crops is just underway or coming up in the next few weeks. Early indications point to a smaller crop in South America, where planting is about to begin, with a forecast reduction in Argentina more than offsetting a likely recovery in Brazil from last year's reduced harvest. In Oceania, the outlook for Australia remains very uncertain pending the weather conditions in the May/June planting period. Should sufficient rainfall arrive in time, wheat producers remain poised to plant a large area, allowing the possibility for a sharp recovery from last year's drought-reduced harvest.

FAO's forecast for **coarse grains** production in 2007 has been revised upward since the last report to some 1 051 million tonnes, 7.1 percent up from last year and a record high. The bulk of the increase is expected in maize, which accounts for about 70 percent of the total. In the southern hemisphere the main 2007 harvests are already underway or already complete in some countries. In South America, a record main crop harvest is being gathered and the secondary crop in Brazil looks set to increase also. In Southern Africa, however, prospects are less favourable and aggregate output is forecast slightly lower than last year's below-average crop. In the northern hemisphere, the bulk of the coarse grain crops have now been sown throughout Europe, but much of maize crop in United States, the world's largest producer, has yet to be planted. Planting progress is behind normal but if weather conditions in the next few weeks are clement, survey data indicates that producers intend to plant the largest area since 1944, mostly in response to exceptionally strong domestic demand for maize-based ethanol production.

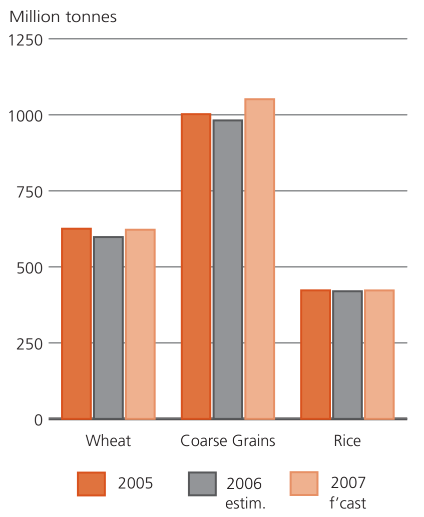
FAO's early and very tentative forecast for world rice production in 2007 points to a slightly larger crop at some 422 million tonnes, which would match the 2005 record. The increase is expected entirely among the developing countries, and mostly those in Asia, since production in the developed countries is anticipated to fall for the third consecutive year, bringing their contribution to the world total down to less than 4 percent. Expectations of growth reflect favourable price outlooks, renewed institutional support to the sector, and also assume a return to average growing conditions among the countries concerned.

Table 2. Basic facts of world cereal situation (*million tonnes*)

	2005/06	2006/07	2007/08	Change: 2007/08 over 2006/07 (%)
PRODUCTION[1]	**2 049.9**	**1 998.9**	**2 095.0**	**4.8**
Wheat	625.2	597.6	621.4	4.0
Coarse grains	1 002.0	981.5	1 051.2	7.1
Rice (milled)	422.6	419.7	422.4	0.6
SUPPLY[2]	**2 515.5**	**2 470.0**	**2 496.5**	**1.1**
Wheat	801.3	773.0	769.9	-0.4
Coarse grains	1 192.2	1 171.7	1 201.3	2.5
Rice	521.9	525.3	525.3	0.0
UTILIZATION	**2 033.8**	**2 069.6**	**2 096.7**	**1.3**
Wheat	622.8	626.7	628.3	0.3
Coarse grains	994.1	1 022.1	1 045.5	2.3
Rice	416.9	420.8	422.9	0.5
Per caput cereal food use *(kg per year)*	*152.9*	*153.0*	*152.4*	*-0.4*
TRADE[3]	**246.4**	**248.4**	**241.9**	**-2.6**
Wheat	110.3	109.4	106.0	-3.1
Coarse grains	107.5	109.2	106.5	-2.5
Rice	28.6	29.8	29.4	-1.2
END OF SEASON STOCKS[4]	**471.1**	**401.5**	**400.8**	**-0.2**
Wheat	175.4	148.5	142.5	-4.0
- main exporters[5]	58.6	36.9	40.5	9.7
Coarse grains	190.2	150.1	155.1	3.3
- main exporters[5]	91.3	49.0	54.0	10.2
Rice	105.6	102.9	103.2	0.3
- main exporters[5]	22.9	21.3	20.6	-3.2
Low-Income Food-Deficit Countries[5]				
Cereal production[1]	**858.4**	**880.9**	**882.9**	**0.2**
excluding China and India	291.9	304.4	300.3	-1.3
Utilization	**923.1**	**1 112.5**	**1 120.3**	**0.7**
Food use	653.4	662.3	668.8	1.0
excluding China and India	270.8	277.1	281.1	1.5
Per caput cereal food use *(kg per year)*	157.8	157.6	156.9	-0.5
excluding China and India	158.1	158.6	157.8	-0.5
Feed	163.6	168.3	170.1	1.0
excluding China and India	45.4	46.7	46.4	-0.8
End of season stocks[4]	231.6	237.4	234.1	-1.4
excluding China and India	53.1	54.7	50.6	-7.6

[1] Data refer to calendar year of the first year shown.
[2] Production plus opening stocks.
[3] For wheat and coarse grains, trade refers to exports based on July/June marketing season. For rice, trade refers to exports based on the calendar year of the second year shown.
[4] May not equal the difference between supply and utilization because of differences in individual country marketing years.
[5] For definition see footnote 1 on page 12.

Figure 1. World cereal production by type



World cereal utilization to remain above trend in 2007/08 despite a strong price outlook

World **cereal** utilization in 2007/08 is tentatively forecast to rise by 1.3 percent to a record 2 097 million tonnes, remaining above the projected trend value. Most of the increase is expected to come from higher utilization of coarse grains, maize in particular. Global **coarse grains** utilization is forecast to expand by 2.3 percent, largely due to a continuing fast growth in demand for maize-based ethanol production, which is expected to boost total industrial use of coarse grains in 2007/08 by 9 percent. The bulk of this growth is expected in the United States where, in spite of rising maize prices and a decline in the price of crude oil, ethanol production is on its way to having another record season as more plants become operational. By contrast, the amount of coarse grains used for feed which normally accounts for the bulk of its total use (or about 60 percent) is forecast to rise only marginally; namely in Argentina, Brazil and Mexico. Total world **wheat** utilization is forecast to remain barely unchanged at around 628 million tonnes, of which food consumption continues to account for over 70 percent. In 2007/08, world wheat use for food is forecast to reach 450 million tonnes, nearly 1 percent more than in 2006/07, which would just be sufficient to maintain per caput consumption close to the previous year's level of 68Kg. Feed use of wheat is forecast to grow more rapidly in the new season, by about 2 percent. Improved supplies in the EU and a number of CIS countries are expected to encourage higher utilization of wheat for feed and more than offset a small decline anticipated in North America. Although still tentative, the early outlook for **rice** utilization points to a marginal (0.5 percent) increase in 2007/08, to 423 million tonnes. As food consumption accounts for 89 percent of total world rice utilization, gradual declines in per caput food intake of rice in a number of important rice consuming countries, such as China, have slowed down growth in total utilization over the past 5 years, a trend likely to continue in 2007/08.

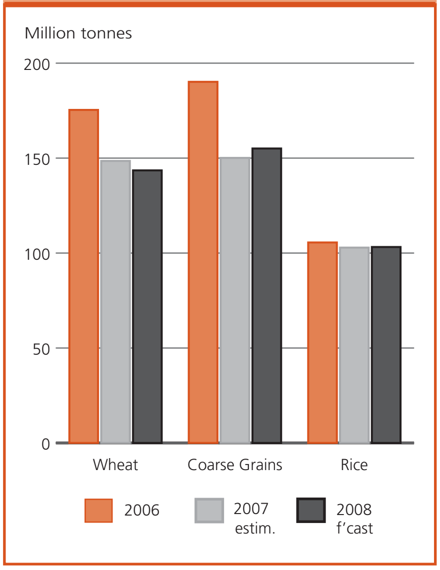
World cereal stocks to remain low

In spite of the record level of production forecast in 2007, global end-of-season **cereal** stocks for crop years closing in 2008 are forecast to remain virtually unchanged from their low opening level, at just 401 million tonnes. Lack of any recovery in the size of world stocks, despite good production prospects, stems from the fact that the bulk of the growth in production would be in coarse grains, for which a significant increase in utilization is also expected.

Total **wheat** inventories by the close of the crop seasons in 2008 are currently forecast at 142.5 million tonnes, down 6 million tonnes from their already low opening level. Total wheat stocks held by the major exporters[1] are forecast to reach 40.5 million tonnes, up slightly from their low opening level. However, the expected increase counts mostly on materialization of the forecast strong recovery in production in Australia after a drought-reduced crop last year, which remains uncertain pending the arrival of good planting rains in the next two months. Ending wheat inventories in the United States and the EU are expected to change little from their low levels at the start of the season while in Canada, lower output is expected to cause a drawdown of stocks also in the new season. Among other countries, significant drawdowns are likely in China, Egypt and Morocco as a result of the forecast decline in their domestic production but closing inventories are likely to recover in India due to imports and the anticipated increase in production.

World **coarse grains** carryovers by the close of seasons in 2008 could increase slightly from their sharply reduced level at the start of the season to 155 million tonnes. Among the major producers in the southern hemisphere, where this year's crops are mostly harvested, the expected bumper maize crops in Argentina and Brazil are likely to result in a significant build-up of stocks in both countries. However, inventories in Southern Africa are expected to diminish following reduced crops, with the

Figure 2. World cereal stocks



[1] The major wheat and coarse grain exporters are Argentina, Australia, Canada, the EU and the United States.

exception of Malawi, where a record crop will likely cause stocks to rise, and Angola. Among northern hemisphere countries, coarse grains inventories in China are set to increase if this year's anticipated record maize production materializes. By contrast in the United States, where maize production is also forecast to be a record this year, the rising domestic utilization could keep the end-of-season stocks low; close to their reduced opening level. Similarly, in the EU, the expected recovery in barley and maize production may not be sufficient for rebuilding inventories because of strong domestic demand and increase in exports. World **rice** stocks by the close of seasons in 2008 are forecast at about 103 million tonnes, virtually unchanged from their forecast level at the close of the 2007 seasons. However, this forecast is highly tentative as the bulk of the world's 2007 rice crop has yet to be planted later this year.

World cereal trade to contract in 2007/08

Following a small increase in world **cereal** trade in 2006/07, FAO's first forecast for the new 2007/08 season, points to a contraction of about 2.6 percent, to 242 million tonnes. This anticipated decrease would be on account of lower wheat and coarse grains exports in 2007/08, while world trade in rice may decline only slightly.

Early indications for world trade in **wheat** in 2007/08 (July/June), point to a sharp decline of nearly 3.5 million tonnes, to 106 million tonnes. Overall, smaller wheat purchases by Brazil, the EU and India from international markets would more than offset increased imports expected by China, Bangladesh, Morocco and South Africa. India's imports are forecast to reach 2 million tonnes in 2007/08, down 4.5 million tonnes from the previous season as production in 2007 is expected to increase and local procurement by the Government is likely to rise compared to last year, following the announced 30 percent rise in the wheat procurement price. In contrast, the production shortfalls in Bangladesh and Morocco are expected to lead to much larger imports by those countries. In Bangladesh, because of the likely decline in wheat output this year, the Government decided in March to waive the 5 percent duty on imports. Similarly in Morocco, where prolonged dry conditions may halve production this year, the Government has recently lowered tariffs for soft wheat imports in an effort to put a break on the rise in domestic prices.

The expected reduction in world imports could be regarded as a welcome development given the likelihood for overall export availabilities in major exporting countries to again remain tight in 2007/08. Argentina and Canada in particular are expected to export less in 2007/08 due to a likely decline in their supplies. Argentina suspended wheat exports beginning in early March in order to contain domestic price increases. This interruption is seen to negatively affect plantings and, therefore, production this year. Slightly higher exports are forecast from the EU and the United States as well as a number of non-traditional exporters; namely, the Russian Federation, Ukraine and this season also Pakistan where the Government has lifted the ban on exports in December 2006 and since then allowed 800 000 tonnes of exports.

Making trade forecasts for **coarse grains** for next season is subject to more uncertainty than is the case for wheat. This is because at this time of the year, key harvests in the northern hemisphere producing countries are still months away and final results will depend on actual plantings and weather developments, especially during the critical summer period. Based on the current forecasts for production and utilization in the new season, world trade in coarse grains is forecast to reach 106.5 million tonnes, down nearly 3 million tonnes from the current estimate for the 2006/07 marketing season. International trade in maize is likely to fall most, by 6 percent to about 80 million tonnes. The decline in maize is expected to be partly offset by a strong rebound in barley, sorghum and oats markets.

A record maize crop potential in Brazil, an expected bumper harvest in Indonesia

Table 3. World wheat trade (*million tonnes*)

	2003/04	2004/05	2005/06	2006/07 estim.	2007/08 f'cast
Imports					
Asia	41.9	49.0	45.5	48.4	45.1
Africa	25.6	30.3	31.2	27.1	29.0
Central America	7.1	7.3	7.3	7.3	7.5
South America	10.9	10.1	11.8	13.3	13.5
North America	1.4	1.6	1.9	2.5	1.7
Europe	15.8	10.6	11.0	10.2	8.5
Oceania	0.6	0.6	0.6	0.6	0.6
Exports					
Major exporters:					
Argentina	6.9	12.4	7.5	8.8	6.5
Australia	17.0	15.8	15.1	11.7	14.5
Canada	15.4	15.2	15.5	20.1	17.5
EU	8.9	13.5	14.1	13.0	14.0
United States	32.0	28.3	27.1	24.5	25.5
Other exporters	23.4	25.6	31.0	31.3	28.0
Total exports	103.6	110.8	110.3	109.4	106.0

and a likely strong production rebound in the EU are among the main factors for the anticipated decline in imports in 2007/08. However, several countries are forecast to increase their purchases from world markets. A number of countries in Africa are confronted with unfavourable weather conditions, hampering their production and raising their import requirements. Barley imports by Morocco are forecast to double in 2007/08 while South Africa, normally a net maize exporter, is forecast to become a net importer.

The overall maize exportable supply prospect for 2007/08 is favourable. Among the major exporters, Argentina and Canada in particular are set to sharply increase their shipments because of improved supplies. However, sales from the United States, the world largest exporter, are forecast to decline in spite of an anticipated record production. Strong domestic demand and low carry-in stocks would mean another tight supply situation in the United States. Aside from the five major exporters, sales from China may decline slightly but Brazil and Ukraine are likely to export more because of improved supplies.

International trade in **rice** in 2008 may fall somewhat below the forecast for the current year. However, as for coarse grains, this forecast is very tentative because major harvests are still many months away and the 2007 calendar trade year is still 8 months from completion. FAO's latest forecast for world trade in rice for 2007 stands at 29.8 million tonnes, up 1.2 million tonne from 2006 and very near the record in 2005. The anticipated rise in trade in 2007 reflects greater supply needs by importing countries facing production shortfalls. Much of the expected increase would be on account of larger deliveries to Asian countries, especially Bangladesh, Indonesia, Nepal, the Philippines and Viet Nam, while African countries could cut imports reflecting their relatively good 2006 paddy production. Imports by countries in Latin America and the Caribbean are set to rise, sustained by larger purchases by Brazil, Colombia and Peru, which would compensate for smaller shipments to Mexico and Cuba. In the rest of the world, the United States and the EU are poised to import more in 2007, while an increase in border protection could depress purchases by the Russian Federation.

Among exporters, only Thailand and Cambodia appear to be in a position to respond to the growing import demand by substantially stepping up deliveries. Attractive world prices may also foster a small increase of exports from India and Egypt, but most of the other major suppliers, including Australia, Pakistan, the United States and Viet Nam are now foreseen to cut theirs.

Table 4. World coarse grains trade (*million tonnes*)

	2003/04	2004/05	2005/06	2006/07 estim.	2007/08 f'cast
Imports					
Asia	59.0	58.0	58.0	59.8	58.2
Africa	13.8	15.4	15.7	15.2	16.3
Central America	12.7	13.7	14.3	14.7	15.0
South America	6.4	6.0	7.5	8.0	7.5
North America	5.0	5.0	3.9	4.7	4.5
Europe	12.2	4.7	5.1	7.4	4.9
Oceania	0.1	0.1	0.1	0.1	0.1
Exports					
Major exporters:					
Argentina	10.3	12.9	11.9	9.7	14.5
Australia	5.8	6.5	5.0	2.7	3.5
Canada	3.5	2.7	4.1	3.7	5.0
EU	4.1	4.0	3.9	4.2	5.5
United States	52.8	52.4	56.9	61.9	51.5
Other exporters	32.8	26.9	25.7	26.9	26.6
Total exports	109.3	105.4	107.5	109.2	106.5

International cereal prices remain high

International prices of all cereals increased sharply during the course of the 2006/07 season. The decline in the 2006 production on one hand and the rise in utilization on the other, contributed to the strengthening of prices in nearly all markets. However, the increase in maize prices has been more pronounced, and the strong prices of maize, mostly driven by a surge in its use for production of ethanol in the United States, continued to influence the prices of other cereals, wheat in particular.

While the report of an intended sharp increase in **maize** plantings in the United States and likely improvements of exportable supplies in Argentina and Brazil contributed to a significant decline in maize prices in recent weeks, export prices remain high compared to the previous season. The US No. 2 maize (Gulf) averaged US$150 per tonne in April, down sharply (US$20) from March but still up nearly 40 percent from the corresponding period last year. Strong regional demand has been supportive to South African prices, especially for white maize, the supply of which is limited this season. Looking ahead, in spite of the anticipated large production entering world markets later in the year, rising demand is likely to keep maize prices high. By late April, the Chicago Board of Trade (CBOT) December maize futures stood at US$147, US$42 above the same time in the previous year.

International **wheat** prices have also risen in 2006/07 due to declines in 2006 production in a number of major producing regions, export restrictions imposed by several exporters and spill over from surging maize markets. The US wheat No. 2 (HRW, fob) averaged US$206 per tonne in April, down slightly from March but up US$19 per tonne or 10 percent from April 2006. Generally improved supply prospects in the new season, recent reductions in maize values and the nearing of the major harvesting period are likely to put more downward pressure on wheat prices in the coming months. However, the outlook could change significantly, should planting conditions prove unfavourable in Australia, the only major exporter yet to plant the bulk of its 2007 crop, and where the outcome will depend wholly on good rains in May/June. By late April, wheat futures for September delivery at the CBOT were quoted at US$186 per tonne, still up nearly US$50 from the corresponding period last year.

Since December last year, export prices of **rice** from all origins have remained on a steady upward trend, as indicated by the FAO All Rice Price Index (1998-2000=100) that passed from 115 in December 2006 to 120 in March 2007. The strength concerned most quotations, in particular fragrant rice varieties and rice from Pakistan.

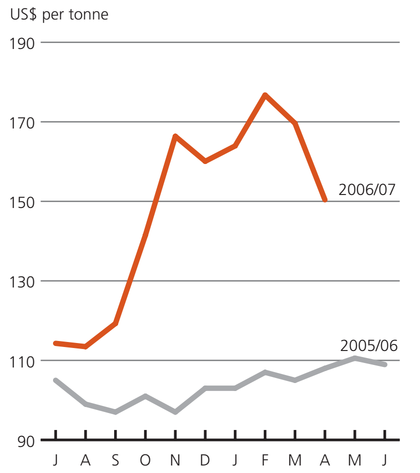
Table 5. Cereal export prices* (*US dollars per tonne*)

		2007			2006	
	April	Mar.	Feb.	Jan.	Dec.	April
United States						
Wheat [1]	206	209	209	208	216	187
Maize [2]	150	170	177	164	160	108
Sorghum [2]	145	171	178	173	169	114
Argentina [3]						
Wheat	209	187	175	183	186	135
Maize	143	160	165	161	162	106
Thailand [4]						
Rice white [5]	323	325	322	318	311	309
Rice, broken [6]	257	263	259	245	228	215

*Prices refer to the monthly average.
[1] No.2 Hard Red Winter (Ordinary Protein) f.o.b. Gulf.
[2] No.2 Yellow, Gulf
[3] Up river, f.o.b.
[4] Indicative traded prices.
[5] 100% second grade, f.o.b. Bangkok.
[6] A1 super, f.o.b. Bangkok.

As April and May coincide with the harvesting of the main 2007 crops in the southern hemisphere and of the secondary 2006 crops in the northern hemisphere, the tendency for prices to rise may be dampened until June by the arrival of new supplies to the market. However, rice prices in the next few months are unlikely to weaken much, given expectations of continued strong import demand, while governments in Thailand, Viet Nam and now Cambodia are also adamant about keeping them at remunerative levels. The general price outlook therefore points to continued gains for the months to come.

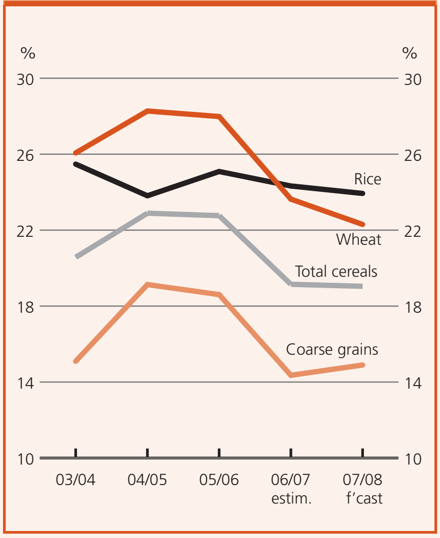
Figure 3. Maize export price
(US no.2 yellow, Gulf)



FAO's global cereal supply and demand Indicators point to another tight season

Early signs that global cereal supply and demand will be closely balanced in the new season (2007/08) are further confirmed by the leading indicators used by FAO for its regular assessment of world cereal market conditions.

1. Ratio of world cereal stocks to utilization

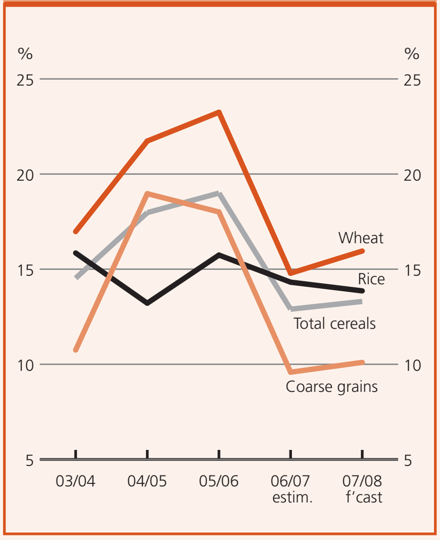


■ The ratio of world cereal ending stocks in 2007/08 to the trend world cereal utilization in the following season is forecast to remain virtually unchanged from the low level of the previous year at 19 percent. Surging utilization, which is expected to again exceed trend in 2007/08, is likely to absorb most of the anticipated gain in world 2007 cereal production, hence keeping world ending stocks and consequently this ratio at very low levels. The world wheat stocks-to-use ratio is forecast to decrease to 22.3 percent, slightly below the already reduced level in 2006/07 and well under 34 percent observed during the first half of the decade. Also for rice, the ratio is seen to decline further, to about 24 percent. However, for coarse grains, the ratio is expected to register a small increase from 2006/07, which was the lowest level since the early 80s, to around 15 percent.

2. Ratio of major grain exporters supplies to normal market requirements

■ Based on the latest production forecasts and assuming normal growing conditions to prevail, aggregate supplies of the major grain exporters in 2007/08 are expected to exceed their normal market requirements by just 17 percent, unchanged from the previous season, and a relatively low level, considering the figure was over 30 percent in the mid-2000s. This indicates no expected change in the ability of these exporters to meet the global demand for wheat and coarse grains imports and points to a likely continuation of a tight market situation in the new season.

3. Ratio of major exporters stocks to their total disappearance



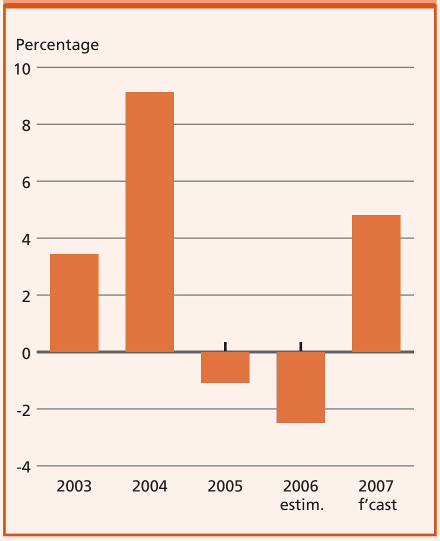
■ The ratio of the major exporters' ending wheat stocks to their total disappearance is expected to increase slightly in 2007/08 from the 2006/07 low. However, at only 16 percent, the wheat ratio would remain precariously low, and any significant deterioration in the 2007 production from current forecasts, which is still possible, could have serious implications for the supply/demand outlook. For coarse grains, the ratio is also expected to increase slightly but to remain low at 10 percent. The fast growing demand for biofuels is expected to keep maize exportable supplies at exceptionally tight levels even with a record harvest that is anticipated in the United States, the world's largest maize producer and exporter. For rice, the ratio is expected to decline slightly to about 14 percent as total supplies in major rice exporting countries are anticipated to rise marginally.

1 The **first indicator** is the ratio of world cereal ending stocks in any given season to world cereal utilization in the following season. Utilization in 2008/09 is a trend value based on extrapolation from the 1997/98-2006/07 period.

2 The **second indicator** is the ratio of the exporters' grain (wheat and coarse grains) supplies (i.e. a sum of production, opening stocks, and imports) to their normal market requirements (defined as domestic utilization plus exports of the three preceding years). The major grain exporters are Argentina, Australia, Canada, the EU and the United States.

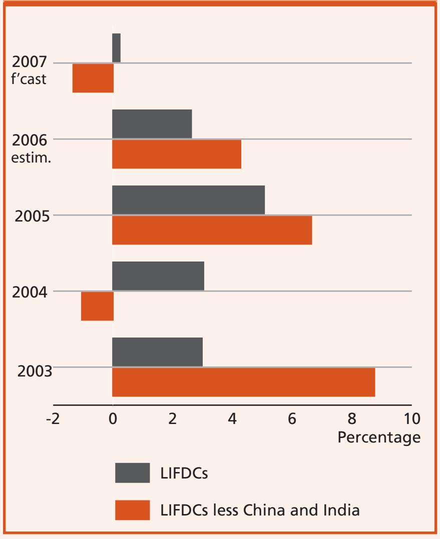
3 The **third indicator** is the ratio of the major exporters' ending stocks, by cereal type, to their total disappearance (i.e. domestic consumption plus exports). The major **wheat** and **coarse grain** exporters are Argentina, Australia, Canada, the EU and the United States. The major **rice** exporters are India, Pakistan, Thailand, the United States, and Vietnam.

4. Year-to-year change in world cereal production



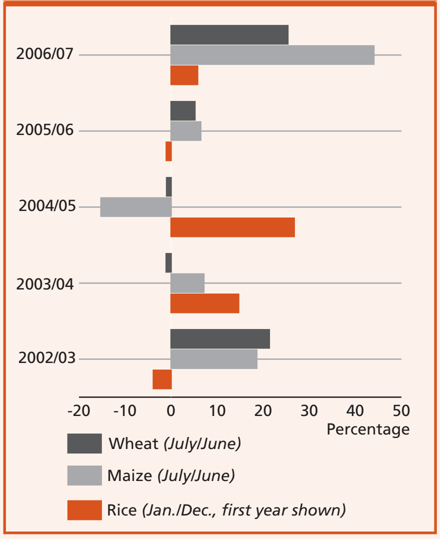
■ World cereal production is forecast to increase by about 5 percent in 2007, which would represent a strong rebound after two consecutive years of contraction. This is a positive development for the world cereal supply/demand balance, in view of the tightly balanced situation shown by the first 3 indicators. However, with the harvests of many important 2007 cereal crops still several months off and some yet to be sown, this forecast remains very tentative and a deterioration in the coming months cannot be ruled out.

5 & 6. Year-to-year change in cereal production in the LIFDCs



■ Following four years of sustained growth, the cereal production of LIFDCs in 2007 is forecast to increase only marginally from 2006, which means a less comfortable supply situation in the new 2007/08 season. Excluding China and India, which account for some two-third of the aggregate cereal output, production in the rest of LIFDCs would decline by 1.3 percent after two consecutive years of substantial increases. Lower cereal crops than last year are in prospects in LIFDCs in Southern and North Africa, while in other regions where the new agricultural seasons are just beginning, outputs are expected to drop from last year's bumper levels. This, coupled with population increases, is likely to result in several LIFDCs resorting to larger imports to cover their consumption needs.

7. Year-to year change in selected cereal price indices



■ The tightening of the global cereal balance in 2006/07 has pushed up prices of all cereals. In the case of wheat, the price index during the first 8 months of the current marketing year (July 2006 to April 2007), has averaged 25 percent above the average for 2005/06. For maize, the price surge has been even more significant with the index rising by nearly 44 percent. For rice, a modest 6 percent increase was registered in 2006 but prices continue their upward trend since the start of 2007. These increases have contributed to a significant rise in the cereal import bill of the LIFDCs which is forecast to jump 26 percent from 2005/06 to reach US$23 billion in 2006/07. Given the prospect for strong international prices again in 2007/08, a more burdensome season may lie ahead for the LIFDCs, especially for those countries needing larger imports to cover domestic production shortfalls. This is a development which FAO will continue to monitor closely.

4 The **fourth indicator** shows the aggregate cereal production variation from one year to the next at the global level.

5&6 In view of the fact that the Low-Income Food-Deficit Countries (LIFDCs) are most vulnerable to changes in their own production and therefore supplies, the FAO's **fifth indicator** measures the variation in production of the LIFDCs. The **sixth indicator** shows the annual production change in the LIFDCs excluding China and India, the two largest producers in the group.

7 The **seventh indicator** demonstrates cereal price developments in world markets based on changes observed in selected price indices.

Low-Income Food-Deficit Countries food situation overview[1]

Prospects for the 2007 cereal crops deteriorate in North and Southern Africa

FAO's early forecast for the 2007 cereal production of the LIFDCs as a group points to a crop of about 883 million tonnes, marginally above the good level of 2006. However, when excluding China and India, accounting for some two-thirds of the LIFDCs' aggregate cereal output, production of the remaining countries is seen to decline slightly, following two consecutive years of substantial increases, but would remain above average.

In Southern Africa, where the harvest of the 2007 main season coarse grains crops is well advanced, prolonged dry spells in parts, coupled with floods in others, have lowered outputs in all countries, except in Angola and Malawi, where a bumper crop is being gathered and an ample exportable maize surplus is anticipated. Sharp output reductions are expected in Zimbabwe, Lesotho and Swaziland, affected by severe dry weather, while in other countries the cereal output will still remain at normal or above-normal levels. In North Africa, rains in April arrived too late to benefit the winter wheat crop in Morocco, adversely affected by below-normal precipitation since the beginning of the season; the output is anticipate to decline by 50 percent from last year's good level. In Egypt, the irrigated wheat crop is forecast to decrease but to remain at an average level. In Asia, prospects for winter crops, to be harvested from July, are overall favourable in CIS countries and in the Near East, where an increase in production is anticipated following good weather since the beginning of the season. In particular, in Afghanistan, despite localized losses due to flash floods, cereal output is anticipated to recover from last year's drought-affected level. In the Far East, prospects for the 2007 wheat crops, about to be harvested, remain overall favourable. The subregion's aggregate output of LIFDCs is forecast slightly above last year's good level with larger crops in India, Pakistan and Nepal, more than offsetting lower outputs in China and Bangladesh.

Elsewhere in the group of LIFDCs, planting of the 2007/08 main season cereal crops is underway or about to start in Eastern, Western and Central Africa, as well as in Central America. For countries of Africa, FAO's early and tentative production forecast assumes a return to average growing conditions and a drop of cereal yields from last year's record levels.

Improvement in 2006/07 food aid allocations

The aggregate cereal import requirements of the 82 LIFDC's in marketing years 2006/07 or 2007 (calendar basis) are estimated by FAO at 89 million tonnes, some 1.5 million tonnes above the previous year's actual imports. This reflects an increase of about 6 million tonnes of wheat imports in India, which more than offset lower

Table 6. Cereal production of LIFDCs[1] (*million tonnes*)

	2005	2006	2007	Change: 2007 over 2006 (%)
Africa *(44 countries)*	**113.5**	**128.0**	**120.4**	**-5.9**
North Africa	25.4	29.5	25.1	-15.0
Eastern Africa	30.6	34.7	33.2	-4.2
Southern Africa	8.7	11.5	10.9	-5.5
Western Africa	45.4	48.7	47.8	-1.9
Central Africa	3.3	3.6	3.4	-4.2
Asia *(25 countries)*	**733.9**	**742.2**	**751.5**	**1.2**
CIS in Asia	14.1	12.9	13.4	3.4
Far East	705.7	715.8	724.0	1.1
- China	372.7	384.1	383.4	-0.2
- India	193.8	192.5	199.2	3.5
Near East	14.1	13.5	14.1	4.6
Central America *(3 countries)*	**1.7**	**1.6**	**1.6**	**0.7**
South America *(1 country)*	**1.7**	**1.6**	**1.6**	**-0.5**
Oceania *(6 countries)*	**0.0**	**0.0**	**0.0**	**0.0**
Europe *(3 countries)*	**7.6**	**7.4**	**7.7**	**4.6**
Total *(82 countries)*	**858.4**	**880.9**	**882.9**	**0.2**

[1] Includes rice in milled terms.
Note: Totals computed from unrounded data.

[1] **The Low-Income Food-Deficit group of countries (LIFDCs)** includes food deficit countries with per caput annual income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. US$1 575 in 2004), which is in accordance with the guidelines and criteria agreed to by the CFA should be given priority in the allocation of food aid.

volumes in most of the other LIFDCs, notably in North, Eastern, Southern and Western Africa, where record or bumper crops were gathered in 2006. As a result of this good performance, the LIFDCs' total food aid requirements in marketing years 2006/07 declined by one-third from the previous season's level, to some 4.5 million tonnes or about 5 percent of their total cereal import requirements. Based on information received in GIEWS by mid-April, 68 percent of the food aid requirements have been covered by donors' deliveries of pledges. In Southern Africa, where countries have just entered their new marketing year, about 80 percent of the food aid needs were covered, while total imports reached 93 percent of FAO's initial forecast level. In countries of North Africa and in the four countries of Latin America, food aid deliveries/pledges have more than covered the requirements in 2006/07. Good progress has also been made in countries of CIS Asia, where the new marketing year will start next July, as well in Western and Eastern Africa where the seasons only started in November last year and in January 2007, respectively.

Table 7. Cereal import position of the LIFDCs (*000 tonnes*)

	2005/06 or 2006 Actual imports	2006/07 or 2007			
		Requirements[1]		Import position[2]	
		Total imports:	*of which food aid*	Total imports:	*of which food aid*
Africa *(44 countries)*	**39 361**	**35 376**	***2 440***	**16 003**	***1 584***
North Africa	16 353	15 238	*12*	9 775	*12*
Eastern Africa	5 740	4 743	*1 465*	2 017	*874*
Southern Africa	4 268	3 045	*415*	2 835	*323*
Western Africa	11 338	10 783	*471*	1 324	*334*
Central Africa	1 662	1 567	*77*	52	*40*
Asia *(25 countries)*	**43 315**	**49 000**	***1 834***	**30 892**	***1 194***
CIS in Asia	2 871	2 777	*177*	2 356	*156*
Far East	28 585	35 928	*1 426*	23 683	*878*
Near East	11 859	10 295	*231*	4 853	*160*
Central America *(3 countries)*	**1 757**	**1 705**	***184***	**1 243**	***270***
South America *(1 country)*	**1 011**	**946**	***30***	**695**	***30***
Oceania *(6 countries)*	**416**	**416**	***0***	**53**	***0***
Europe *(3 countries)*	**1 619**	**1 550**	***60***	**705**	***0***
Total *(82 countries)*	**87 478**	**88 992**	***4 548***	**49 592**	***3 079***

[1] The import requirement is the difference between utilization (food, feed, other uses, exports plus closing stocks) and domestic availability (production plus opening stocks). Utilization is based on historical values, adjusted upon assessment of the country's current economic situation.
[2] Estimates based on information available as of mid-April 2007.
Note: Totals computed from unrounded data.

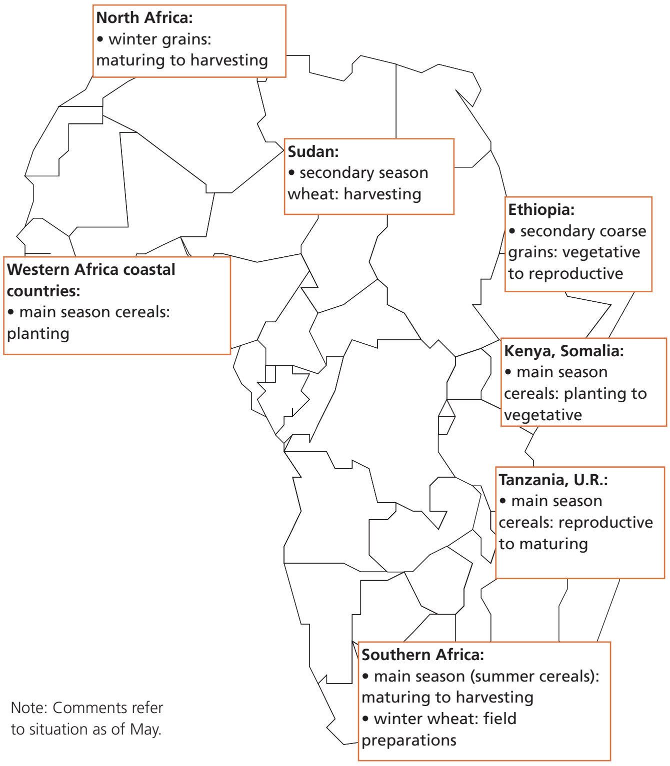
Regional reviews

Africa

North Africa

Unfavourable prospects for 2007 wheat crop, sharply reduced harvest in Morocco

Harvesting of the 2007 winter cereal crops is due to start from June in most countries of North Africa. Although precipitation improved in April, the outlook for the subregion's aggregate wheat and barley crops is poor due to insufficient soil moisture at planting and subsequent erratic rains in several growing areas. In **Morocco,** the most affected country, wheat production is forecast to drop by over 50 percent, to the lowest level of the past five years. In **Algeria** and **Tunisia**, reductions in area planted and yields due to inadequate rains during the season are expected to result in lower crops compared to last year. In **Egypt** by contrast, the outlook is favourable, mainly for the irrigated wheat crop, although production is forecast lower than last year's bumper crop. Overall, FAO forecasts the subregion's aggregate wheat output at 14.5 million tonnes, 22 percent down from the good crop of 2006 and below average. Production of barley is put at 3.2 million tonnes, a decrease of over 28 percent.



Western Africa

Overall food supply situation remains satisfactory but localized food difficulties persist in several countries

In **western Africa,** rains started in March in the southern parts of the coastal countries, allowing sowing of the first 2007 maize crops due for harvest from July. Planting of coarse grains will progress northwards in these countries following the onset of the rains. By contrast, seasonably dry conditions prevail in the Sahelian zone where bumper crops were harvested last year. Following the release of the final production figures, the 2006 aggregate cereal production in the nine Sahelian countries was estimated at a record 15.1 million tonnes, slightly higher than the previous year's crop and 19 percent above the average of the previous five years.

Reflecting two consecutive bumper harvests, markets are well supplied and cereal prices continue to follow the normal trend in most countries. However, localized food security problems persist in several areas due mostly to lack of access or civil strife. In **Chad**, the worrying security situation in the eastern part of the country is disrupting marketing activities, limiting the flow of commodities between regions and leading to food price spikes in some areas. The continuing population displacement may also affect land preparation for the 2007 cropping season due to start in May. In **Mauritania**, **Niger** and **Burkina Faso,** localized populations, already suffering the effects of reduced production in recent years, have yet again had poor harvests because of adverse weather, and their food security situation remain precarious. Food insecurity is also reported in parts of **Guinea-Bissau** due to marketing disruptions. In **Senegal,** where insufficient rainfall and inadequate supply of inputs resulted in a 33 percent drop in cereal production compared to the previous year, low supply and increasing prices of millet and sorghum continue to be reported in most regions. However, in areas with high consumer population such as Dakar, Saint-Louis, Thiès and Kaolack, higher purchasing power and effective demand have meant that markets are better supplied both with domestic production and imports. It has been reported that the millet price has dropped by 10 percent in March in Saint-Louis. Since prices are increasing more rapidly in rural areas, vulnerable groups in areas that have experienced sharp declines in production, or were affected by other shocks, need to be continuously monitored and assisted as necessary. Emergency food assistance continues to be also needed in **Côte d'Ivoire**, **Guinea**, **Liberia** and **Sierra Leone** for large numbers of IDPs and refugees as a result of civil conflicts.

Central Africa

Food insecurity persists due to civil strife

Satellite imagery indicates that the rainy season started on time in the south, allowing land preparation and sowing of the first

2007 maize crop, due for harvest from July. Planting of coarse grains will progress northwards following the onset of the rains. In **Central African Republic**, persistent insecurity continues to hamper farming activities and large-scale population movements both within the country and to neighbouring countries are reported, notably in the north. Nearly 200 000 people are in need of urgent food assistance according to WFP.

Eastern Africa

Early prospects for the 2007 cereals crops favourable despite slow start to season in parts

In Eastern Africa, the 2007 main season cereal crops are at different stages, from planting to maturing, except for Ethiopia, Eritrea and Sudan where sowing is not due to commence until late May-June. In **Kenya**, the 2007 long-rains season is well advanced in the main growing areas. Planting prospects have improved with a significant increase in precipitation in past weeks. Delayed onset of the long rains, coupled with late harvesting of the previous short rains crop due to the continuation of unseasonable rains well into February, resulted in reduced planting in March and April. The recent good rains have also benefited north-eastern pastoral areas but moisture deficits are reported in south-eastern parts. In **Somalia**, good rains in the second decade of April benefited planting of the 2007 main "Gu" crops, which is underway. However, current displacement of population due to the recent escalation of the civil conflict is likely to reduce the area planted, particularly in areas surrounding Mogadishu. Following heavy rainfall in the Ethiopian highlands, water levels of the Shabelle River are rising and a moderate flood warning has been issued. In **Uganda**, abundant rains in the second dekad of April improved prospects for planting of the 2007 first season in southern bi-modal areas, where field operations had been delayed by dry weather in March. Precipitation was also good in the main producing areas of the north where sowing begins from April. In the **United Republic of Tanzania**, well distributed seasonal rains across much of the country provided favourable growing conditions for the 2007 maize crop, which in the grain basket region of the southern highlands is due for harvest from mid-May, and in the bi-modal northern production areas is at the reproductive stage. Pasture conditions and water levels in dams across the country have also improved significantly.

Harvesting of the 2006/07 secondary season crops is completed in most countries of the region except in **Ethiopia**, where the "belg" crop is scheduled to be harvested from June. The outlook is favourable following normal to above-normal rainfall during the season in the producing areas of the south-western Ethiopian highlands. The availability of pasture and water in southern and south-eastern pastoral areas has also improved. In **Sudan**, harvesting of the 2006/07 wheat crop is completed and the output is estimated above average reflecting a sharp increase in plantings in response to sustained demand.

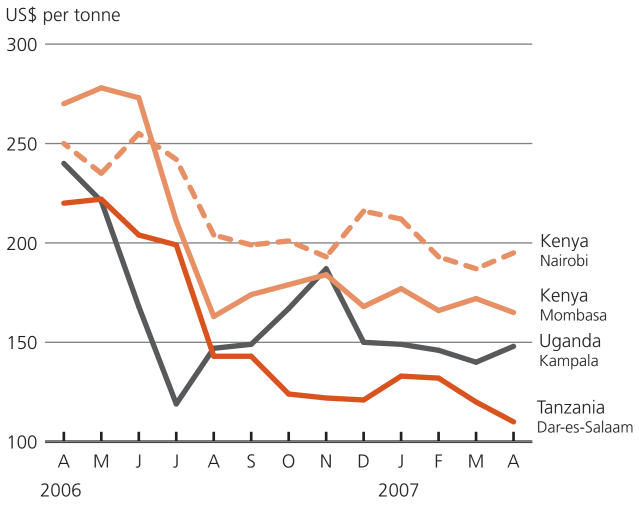
FAO's latest estimate puts the subregion's aggregate 2006/07 cereal output (main and secondary seasons) at 34.7 million tonnes

Table 8. Africa cereal production (*million tonnes*)

	Wheat			Coarse grains			Rice (paddy)			Total Cereals		
	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast
Africa	**21.2**	**26.1**	**21.2**	**99.1**	**103.4**	**99.6**	**20.4**	**21.6**	**21.7**	**140.7**	**151.0**	**142.5**
North Africa	**15.4**	**18.7**	**14.5**	**11.7**	**12.2**	**11.2**	**6.2**	**6.6**	**6.6**	**33.2**	**37.5**	**32.4**
Egypt	8.2	8.3	7.9	8.7	7.7	8.0	6.1	6.5	6.6	23.0	22.5	22.5
Morocco	3.0	6.3	3.0	1.3	2.7	1.7	0.0	0.0	0.0	4.3	9.1	4.7
Western Africa	**0.1**	**0.1**	**0.1**	**39.8**	**42.8**	**41.7**	**8.8**	**9.3**	**9.6**	**48.7**	**52.2**	**51.4**
Nigeria	0.1	0.1	0.1	22.4	24.8	23.9	3.6	3.9	4.3	26.0	28.7	28.2
Central Africa	**0.0**	**0.0**	**0.0**	**3.1**	**3.3**	**3.1**	**0.4**	**0.4**	**0.4**	**3.5**	**3.7**	**3.6**
Eastern Africa	**3.6**	**4.9**	**4.6**	**26.1**	**28.8**	**27.6**	**1.4**	**1.6**	**1.6**	**31.1**	**35.3**	**33.8**
Ethiopia	2.7	3.7	3.5	10.3	11.8	11.5	0.0	0.0	0.0	13.0	15.5	15.0
Sudan	0.4	0.6	0.6	5.1	6.0	5.9	0.0	0.0	0.0	5.6	6.6	6.5
Southern Africa	**2.2**	**2.4**	**1.9**	**18.4**	**16.3**	**15.9**	**3.7**	**3.7**	**3.5**	**24.2**	**22.4**	**21.4**
Madagascar	0.0	0.0	0.0	0.4	0.3	0.2	3.4	3.4	3.2	3.8	3.7	3.4
South Africa	1.9	2.1	1.7	12.3	7.3	7.5	0.0	0.0	0.0	14.2	9.4	9.2
Zimbabwe	0.1	0.1	0.1	0.7	1.6	0.9	0.0	0.0	0.0	0.8	1.7	1.0

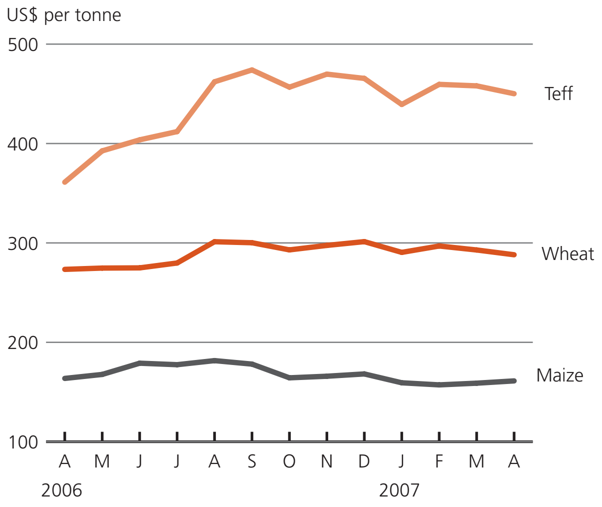
Note: Totals computed from unrounded data.

Figure 4. Maize prices in selected Eastern Africa markets



Source: Eastern AFrica Regional Agricultural Trade Intelligence Network

Figure 5. Selected cereal prices in Addis Ababa, Ethiopia



Source: Ethiopian Grain Trade Enterprise

(including rice in milled terms), about 13 percent above the good level of the previous year and a record high.

Cereal prices well below their levels of a year earlier in most countries

Following good 2006 cereal crops in most countries of the subregion, food prices have generally declined since harvest time, except in Ethiopia where they are above their average levels despite a significant increase in production. According to information from the Regional Agricultural Trade Intelligence Network (RATIN), wholesale maize prices are well below their levels of a year ago, although they recovered slightly in April, in Kenya and Uganda. In the United Republic of Tanzania, where the 2007 main season cereal crops are about to be gathered, prices started to decline in March in anticipation of a good harvest (Figures 4 and 5).

Somalia - Food supply situation deteriorates with escalation of conflict

Escalation of the civil conflict since January, mainly in Somalia's capital, Mogadishu, has dramatically increased the number of displaced people. In late April, fighting also broke out in the port city of Kismayo, forcing displaced persons living in camps to flee again. A UNHCR report estimates the number of people who fled Mogadishu since the fighting began in February at more than 320 000. However, recent reports from the Food Security Analysis Unit (FSAU) indicate that some of the displaced population have started to go back as the heavy fighting seems to have subsided. Insecurity in Mogadishu and surrounding areas, as well as roadblocks, port closures and marine piracy, are creating difficulties for humanitarian access, the importation of food and non-food commodities and inter-regional trade flows in southern Somalia. Sharp price increases were observed between mid-March and early to mid-April in Mogadishu, the Shabelle Valley and central regions. The price of rice, wheat flour and sugar increased by between 50 and 67 percent in Mogadishu, 38-43 percent in Baidoa, 25-50 percent in Kismayo, and 25-38 percent in Merka and Jowhar.

The current escalation of conflict also coincides with the start of the 2007 main "gu" cropping season, normally planted from the second half of April. There is concern for planting reductions due to disruption of field operations as a result of the continuing population movement. The "gu" rains are also expected to exacerbate conditions for many IDPs who are currently without shelter. The largest concentration of conflict-related IDPs is in Lower and Middle Shabelle, with thousands of IDPs close to the lower reaches of the Shabelle River waters. Following recent heavy rains in the Ethiopian highlands, water levels in the Shabelle have been rising with a potential for flooding.

Table 9. Planned number of people to receive food aid in Eastern Africa (as of March 2007)

Ethiopia	8.6 million (of which 7.3 million chronic food insecure people are targeted under the safety net programme and of which WFP planned beneficiaries 4.8 million)
Sudan	4.6 million (mainly Darfur and Southern Sudan)
Somalia	1.125 million (with recent displacements the number of people is expected to increase)
Kenya	3.1 million (reflects current operations and includes about 280 000 Somali and Sudanese refugees)
Uganda	2.3 million (including IDPs, refugees and vulnerable people)
Djibouti	70 000

Despite improved food supply millions face serious food difficulties

Notwithstanding the general improvement in food supply, millions of people in the subregion face serious food difficulties due to the effects of localized drought conditions and the effects of ongoing and past conflicts. The situation in southern Somalia is of particular concern as the security situation continues to deteriorate (see box). Current estimates of the number of people who are expected to receive food assistance in 2007 in Eastern Africa are given in Table 9.

Southern Africa

Lower maize harvests in most countries but bumper crop in Malawi

In **Southern Africa**, harvest of the 2007 main season cereal crops is underway. Although the cumulative rains of the 2006/07 season were near normal in most countries, the season was characterized by a late start, excessive precipitation and dry spells of three weeks or longer, causing significant crop losses. In general, northern areas of the region received relatively good rains but southern parts faced extreme dry conditions accompanied by high temperatures. Pending the results of the ongoing FAO/WFP Crop and Food Supply Assessment Missions in Zimbabwe, Lesotho and Swaziland, and production estimates from other countries, the subregion's aggregate 2007 maize crop is forecast by FAO at about 14.6 million tonnes, slightly lower than the 2006 level and about 7 percent below the five-year average (Table 10). In **South Africa**, the largest producer of the subregion, the maize harvest is expected to increase 3 percent from last year's poor level, but to remain about 26 percent below the average of 2002-06. In spite of a recovery in plantings, in response to favourable maize prices, yields were sharply reduced by drought conditions in the main maize growing areas of the country. However, the adverse effects of dry weather have been more marked in the sector of subsistence agriculture where production is expected to decline by one-third from 2006. Unlike last year, the aggregate maize production of the subregion excluding South Africa, is forecast to decline 5 percent from the good level of 2006 but to remain above the average. Smaller cereal crops than last year are expected in most countries of the subregion, except for Malawi and Angola. In **Zimbabwe**, the Government has declared 2006/07 as a "drought year", due to erratic and inadequate rainfall. While maize seed availability improved this season, the persisting economic crisis resulted in shortages of fertilizers, mechanical power and human labour. Early forecasts for the maize harvest from different sources point to a significant drop from last year's good crop. Severe dry weather during the 2006/07 agricultural season has also adversely affected the 2007 cereal harvests in **Lesotho** and **Swaziland**. In **Madagascar**, dry weather and high temperatures in southern parts, where the maize crop is grown, sharply reduced this year's production, but the main paddy crop is expected to be average. In **Namibia**, severe flooding in the lowland areas of the important growing Caprivi region resulted in serious crop losses, while dry weather reduced yields in the "maize triangle" around Grootfontein. Official forecasts point to a maize crop one-third below the good level of 2006, but still average. In **Zambia**, dry

Table 10. Southern Africa maize production (*000 tonnes*)

	2007[1] forecast	2006 estim.	2002-06 average	Change : 2007 over 2006 (%)	Change : 2007 over average (%)
Increase from 2006					
Angola	700	526	562	33.1	24.6
Malawi	3 146	2 577	1 815	22.1	73.3
Afrique du Sud	7 121	6 935	9 628	2.7	-26.0
Decrease from 2006 but near or above normal					
Mozambique	1 400	1 534	1 367	-8.7	2.4
Namibie	40	60	39	-33.3	2.6
Zambie	1 100	1 424	1 053	-22.8	4.5
Botswana	10	13	9	-23.1	11.1
Decrease from 2006 and below normal					
Lesotho	80	103	92	-22.3	-13.0
Madagascar	220	300	298	-26.7	-26.2
Zimbabwe	750	1 300	810	-42.3	-7.4
Swaziland	45	67	70	-32.8	-35.7
Total southern Africa	**14 612**	**14 839**	**15 743**	**-1.5**	**-7.2**
Total excluding South Africa	**7 491**	**7 904**	**6 115**	**-5.2**	**22.5**

[1] Preliminary forecast pending FAO/WFP CFSAM assessments in Zimbabwe, Lesotho and Swaziland and other assessments in other countries.

weather in southern parts adversely affected maize production but the northern half of the country had abundant rains and good yields are expected in those areas despite localized losses to flood. Overall, the 2007 maize output is expected well below last year's bumper crop but still at normal to above-normal levels. Similarly, in **Mozambique**, floods in central parts and severe dry weather in southern provinces reduced maize production in those areas, but in northern areas and in highland areas of the Zambezi Valley good crops are being obtained. The secondary cropping season is also expected to be good after the floods have receded and, in aggregate, this year's maize crop is forecast to be average although smaller than in 2006. In **Bostwana,** insufficient and erratic rains during the 2006/07 growing season also resulted in a sharp decline in cereal production from last year but the output is still expected to be average. In **Malawi**, abundant and well distributed rains, coupled with improved availability of agricultural inputs following a government fertilizer subsidy scheme, are expected to produce another bumper maize harvest this year. Official preliminary estimates indicate a maize crop of 3.1 million tonnes, well above the good level of 2006 and record. As a result, the country will have a large exportable maize surplus in marketing year 2007/08 (April/March). Similarly, in **Angola**, a good maize harvest is anticipated due to the continuing increase in area planted, following the settlement of returnees, accompanied by favourable rains during this season and improved access to seed and fertilizer. However, excessive rains in central areas and dry weather in southern parts resulted in localized crop losses.

Prospects for planting of the 2007 wheat crop and other secondary season crops from May are favourable in northern areas due to late heavy rains resulting in improved soil moisture. In **South Africa**, which accounts for about 90 percent of the subregion's wheat production, planting intentions indicate a slight increase in the area which, however, will remain below the five-year average. The increase in plantings reflects higher domestic and international prices since the beginning of the year, as well as the better growing conditions.

Cereal imports to increase in 2007/08

Reflecting the anticipated lower 2007 maize crops in most countries, the aggregate maize import requirement of the subregion, excluding South Africa, in the 2007/08 marketing year (April/March in most cases) is forecast close to 1.6 million tonnes, up from the previous year's 1.1 million tonnes (Figure 6). Food assistance requirements for large numbers of people affected

Figure 6. Southern Africa (excluding South Africa) maize imports

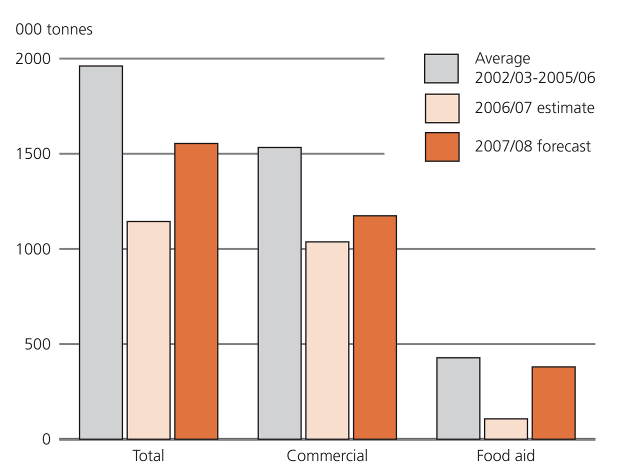
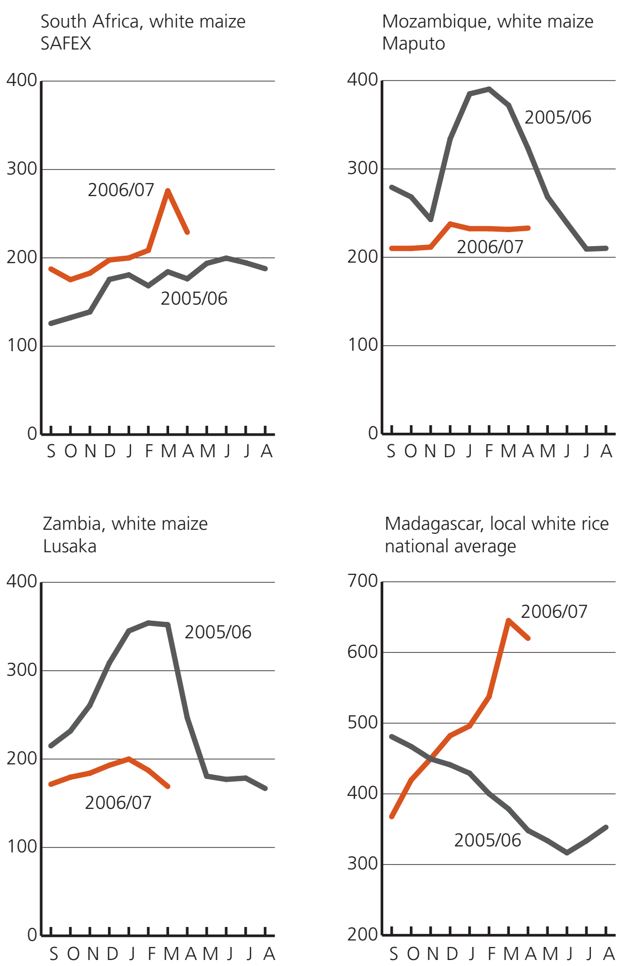


Figure 7. Wholesale prices of white maize and rice in selected markets (US dollars per tonne)



Sources
South Africa: SAGIS; Zambia: CHC Commodities Ltd.; Mozambique: SIMA; Madagascar: Observatoire du riz.
Notes
South Africa: Futures prices in 3rd or 4th week of the month (i.e. as close to the spot prices as possible). Zambia: Average of weekly prices from selected available series for wholesale prices in Lusaka. Monthly average wholesale prices in Maputo. Madagascar: monthly national average.

by localized floods and dry weather are tentatively projected to increase to about 380 000 tonnes, for maize alone, compared to the estimate of 107 000 tonnes received during 2006/07. This, however, is below the average level of maize food aid received during the previous five years.

Maize export prices higher than a year earlier in South Africa

Export prices of white maize in **South Africa** (in U.S. dollar terms), that had been rising since planted time last November, declined in April with the beginning of the harvest but remained well above their levels of a year earlier reflecting a second consecutive poor maize harvest. SAFEX future prices show a positive trend from May till December 2007. High prices in South Africa, the region's main exporting country, have affected **Swaziland, Lesotho** and other structural import dependent markets in the region. By contrast, prices of maize in **Malawi** declined in February and March in anticipation of a record harvest and a potential large exportable surplus. In several other countries of the subregion, current prices of maize, the most important staple food, are also below the corresponding levels a year ago. In **Madagascar**, sustained heavy rains in past months have disrupted the rice supplies resulting in steep rise in rice prices (Figure 7).

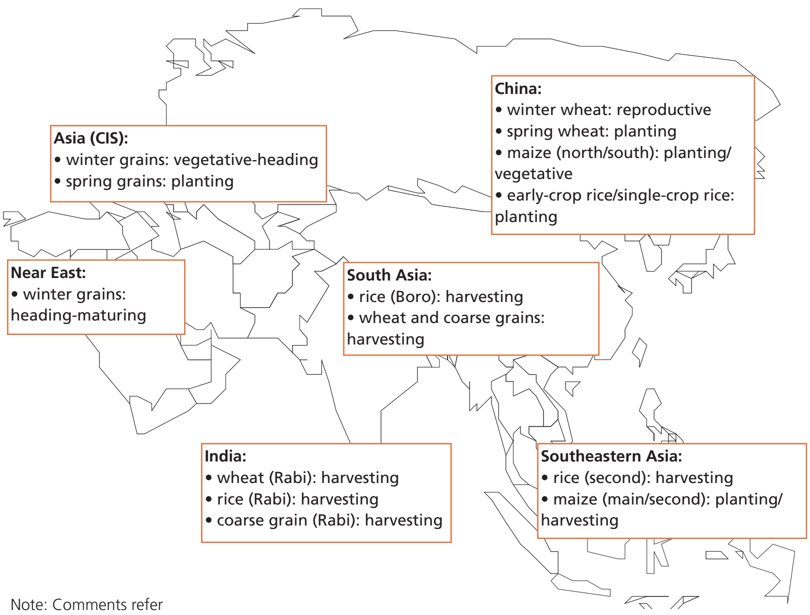
Overall, the regional food supply is anticipated to be tighter in marketing year 2007/08 (May/April). In South Africa, official information points to an exportable surplus of white maize (for human consumption) of 587 000 tonnes, well below the level of 2006/07. However, after two consecutive bumper crops, Malawi has emerged as a potential exporter with a large maize surplus. It has been reported that Malawi is negotiating the sale of 400 000 tonnes of maize to Zimbabwe.

Asia

Far East

Favourable prospects for winter grains

Prospects for the winter grain crops (mostly wheat), that are in the latter development stages or nearing harvest throughout the main producing countries remain generally favourable. In **China**, recent rainfall and warm temperatures have been favourable for the reproductive development of winter wheat and for planting of maize and rice in the major producing area. Current forecasts point to a wheat output of about 99 million tonnes in 2007, close to the five–year average but almost 5 percent lower than last year. The wheat area was reduced as a result of dry weather during the planting season and early growing period. In **India**, reflecting continuing favourable weather, the 2007 wheat output forecast has been revised up to 73.5 million tonnes. This would be 6 percent up from last year reflecting area expansion and favourable weather during most of the growing season. As a result, wheat imports in 2007/08 are forecast to be much lower at 2 million tonnes, compared to 6.5 million tonnes in the previous marketing year. Similarly, the forecast for **Pakistan**'s wheat output this year has also been revised up, by 1 million tonnes, to a record 23 million tonnes, 15 percent above the five-year average. The good results are attributable to increased fertilizer subsidies, allowing farmers to raise application rates, and favourable weather. Given the increase in domestic wheat supplies expected, the country is expected to export some 1.5 million tonnes of wheat in 2007/08. By contrast, a smaller wheat crop is in prospect in **Bangladesh** due to unseasonably high temperatures during the important winter development period. As a result, the country's wheat imports in 2007/08 are expected to increase to about 2.8 million tonnes.



Note: Comments refer to situation as of May.

Overall rice prospects are mixed

In **Indonesia**, output of the 2007 main season rice crop, which is already well advanced, is forecast to fall by about 2 percent, following a 3 percent cut in plantings caused by the late arrival of the north-east monsoon rainfall, normally due in September–October, but which only reached the country in December. Harvesting of main Maha season paddy crop in **Sri Lanka** is complete and output is estimated at an above-average level. Dry season rice prospects in **Thailand**, **Lao People's Democratic Republic**, **Cambodia**, and **Vietnam** are generally satisfactory.

Food supply difficulties persist in several countries

Despite an overall satisfactory food supply situation in the subregion, vulnerable populations in a number of countries are still affected by serious food supply difficulties. The main food security concerns centre on the Democratic People's Republic of Korea, Nepal, Sri Lanka and Timor-Leste.

In the **Democratic People's Republic of Korea**, despite an above-average main cereal output in 2006, and generally favourable prospects for the current secondary cropping season, a significant deficit in cereals during the current marketing year (November/October) 2006/07 is estimated. Although the Republic of Korea has recently agreed to provide 400 000 tonnes of rice to its neighbour, some 510 000 tonnes of deficit still remains in 2006/07, which needs to be covered by additional food aid and commercial imports (see box). In **Timor-Leste**, the 2007 cereal production, including cassava and other tubers, has been severely affected by adverse weather conditions, especially in the northern provinces, where rains have been erratic. Furthermore, crops in some western parts have been affected by an outbreak of locusts. A recent FAO/WFP Crop and Food Supply Assessment Mission has estimated output of maize, the most important crop in the country, to be about 30 percent below the average of the last few years. Although the tight food supply situation experienced in February and March, following disruption of normal importing and marketing activities, is reported to have eased somewhat in April, it is estimated that emergency food aid is needed for about 40 percent of the population. In addition, emergency rice and maize seed assistance is needed for the second crop season, starting in May. A detailed analysis of the food supply and demand situation by the recent Mission will be available soon.

The 2007 wheat crop in **Nepal**, normally accounting for some 22 percent of total cereal production, is being harvested. Following excellent growing conditions this season, production has been estimated, by a recent FAO/WFP Crop and Food Supply Assessment Mission, at a record 1.46 million tonnes, about 7 percent above the average of the past five years. However, food insecurity is still a big concern for the households severly affected by last year's droughts, especially in the worst-affected districts of the Eastern region, where crop losses amounted to 25 percent on average and over 40 percent in some districts such as Siraha and Saptari. Due to low productivity and poor market access, many households in the Far-Western and Mid-West regions are extremely poor and suffer from chronic food shortages. Many households in Terai (plain) are also vulnerable to food insecurity as a result of civil strife and chronic poverty. WFP has started and emergency operation to provide food assistance in Far-Western and Mid-West regions since January 2007.

Table 11. Asia cereal production (*million tonnes*)

	Wheat			Coarse grains			Rice (paddy)			Total Cereals		
	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast
Asia	**263.2**	**270.5**	**271.7**	**245.2**	**249.7**	**254.0**	**572.2**	**569.2**	**574.3**	**1 080.7**	**1 089.5**	**1 100.0**
Far East	**191.5**	**198.5**	**199.2**	**219.6**	**224.2**	**228.6**	**567.0**	**563.8**	**568.8**	**978.2**	**986.5**	**996.6**
Bangladesh	1.1	0.8	0.7	0.5	0.5	0.5	39.8	39.2	40.5	41.4	40.5	41.7
China	97.5	103.8	99.2	150.4	155.4	157.8	182.1	182.2	184.5	429.9	441.4	441.4
India	68.6	69.4	73.5	33.4	32.1	34.4	137.7	136.6	137.0	239.7	238.0	244.9
Indonesia	0.0	0.0	0.0	12.5	11.6	12.4	54.2	54.4	53.1	66.7	66.0	65.5
Pakistan	21.6	21.7	23.0	3.5	3.8	3.1	8.3	8.1	8.4	33.4	33.6	34.5
Thailand	0.0	0.0	0.0	3.7	4.0	4.2	30.3	29.4	30.2	34.0	33.5	34.4
Viet Nam	0.0	0.0	0.0	3.8	3.8	3.6	35.8	35.8	36.0	39.5	39.6	39.6
Near East	**48.2**	**47.7**	**47.5**	**21.3**	**20.8**	**20.8**	**4.6**	**4.7**	**4.9**	**74.1**	**73.2**	**73.2**
Iran (Islamic Republic of)	14.5	14.5	13.8	4.4	5.2	4.7	3.3	3.3	3.5	22.2	23.0	22.0
Turkey	20.5	20.5	20.2	13.4	12.3	12.7	0.5	0.6	0.6	34.5	33.4	33.4
CIS in Asia	**23.3**	**24.2**	**24.8**	**4.2**	**4.7**	**4.6**	**0.6**	**0.7**	**0.7**	**28.2**	**29.6**	**30.0**
Kazakhstan	11.5	13.7	13.8	2.2	2.5	2.5	0.3	0.3	0.3	14.0	16.5	16.5

Note: Totals computed from unrounded data.

In **Sri Lanka**, despite a record crop gathered last year, the food situation in the northeast of the country is still significantly affected by the deterioration of the security situation. In the **Philippines**, despite an overall satisfactory food supply situation, recent conflict between the rebel Moro National Liberation Front (MNLF) and the Government has reportedly displaced more than 45 000 people, raising concerns over their food security. In **China**, the Sichuan province has been affected by strong winds and hail storms in mid-April, with a devastating effect on the agriculture. About 38 000 hectares are reported to be affected to varying degrees. There is concern over the food security of the affected population.

Food supply and demand in the Democratic People's Republic of Korea

Food supply and demand situation improving but a significant gap remains

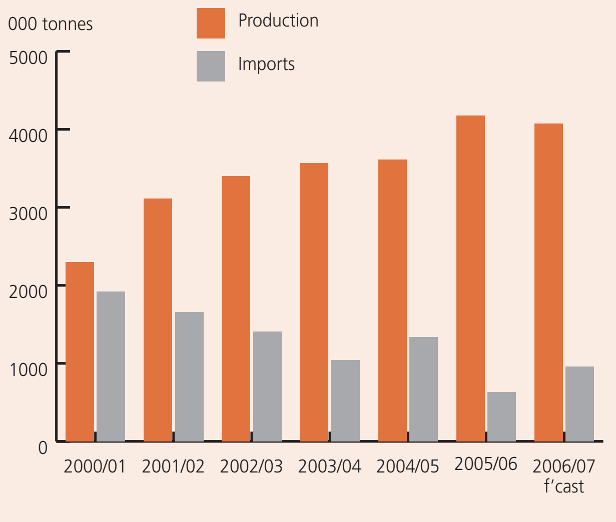
The aggregate 2006 cereal output was estimated at some 4 million tonnes (including rice in milled terms), some 2.6 percent below the good crop of 2005, but still 14 percent above the average of the past five years (see figure). With the steady recovery in agricultural production over the past few years, the cereal import requirement has been almost halved since the start of the decade. Given the relatively high level of production again in 2006, the cereal deficit for the 2006/07 marketing year (November/October) is estimated to remain just under 1 million tonnes, the second lowest in the past seven years. If the estimated level of imports materializes, the per caput cereal consumption in the country would remain at some 160 kg, and close to the status quo. For the period November 2006 to April 2007, the Central Government commercially imported 40 000 tonnes of grains and received another 900 tonnes as food aid. The Republic of Korea has also pledged 400 000 tonnes of rice under an agreement reached at the 13th meeting of the North-South Committee for the Promotion of Economic Cooperation, which was held from 18-22 April. However, even if these commitments are fulfilled, there would remain a deficit of 510 000 tonnes in the current marketing year, which needs to be covered by additional commercial imports and/or food aid.

Favourable prospects for 2006/07 secondary crops

Prospects are favourable for the current 2006/07 secondary (winter/spring) season cereal crops, mostly wheat and barley, to be harvested from June. This crop accounts for 5 percent of annual cereal production. However, potatoes are also grown in this season and their importance as a food has increased in recent years following chronic food and feed supply problems. The total area planted for the current crops is estimated to be similar to last year's, and weather during the season has been favourable with some well distributed rainfall and close to normal temperatures. At this stage, the secondary cereal crop output is expected to be similar to last year's 220 000 tonnes, assuming the weather remains clement until the harvest. Potato production is put at 230 000 tonnes.

Planting of the 2007 main maize and rice crops will start in mid-May/early-June, right after the harvest of the secondary crops. Output, as usual, will depend critically on the weather during the main rainy season and the availability of fertilizer and other essential inputs, which have remained in short supply in past seasons. As in the past few years, the Republic of Korea has donated 300 000 tonnes of fertilizer aid for the coming main season.

Democratic People's Republic of Korea
Cereal production and imports
(Marketing year November/October)



Near East

Generally favourable outlook for 2007 crops about to be harvested

In the **Near East**, the 2007 main winter cereal crops, mainly wheat, are about to be harvested. Favourable weather conditions since the beginning of the season have been reported for several countries. The overall status of winter crops at the end of March was rated close to the previous year, when an average crop was obtained.

Recent reports on the desert locust situation indicate that as a result of unusually good rains during April, desert locust swarms have laid eggs in the interior of Saudi Arabia, along both sides of the Red Sea and in the interior of Yemen. Survey and control operations are urged to be maintained in affected countries.

In **Iraq**, the deteriorating humanitarian situation continues to affect the entire population with civilians bearing the brunt of the violence and insecurity that is disrupting lives and livelihoods in many parts of the country. According to the United Nations High Commissioner for Refugees (UNHCR), some 50 000 people leave Iraq every month seeking refuge. Overall, nearly 1.8 million are internally displaced and 2 million have fled to neighbouring countries.

In **Afghanistan**, recent flash floods from torrential rains and fast snow-melt, following a sudden rise in temperatures, have caused significant damages to lives and livelihoods in most regions of the country. However, despite localized damage, overall prospects are favourable for this year's cereal production, and aggregate cereal output (rice in milled terms) is now forecast at about 4.9 million tonnes, which is considered above average.

Asian CIS

Another good cereal harvest forecast this year

In the Asian CIS region prospects for 2007 cereal production remain favourable following a mild winter, adequate soil moisture and slightly above average snow cover in the mountainous areas of the region, ensuring sufficient irrigation water throughout spring and summer. Torrential rains and floods have caused some localized damages in parts of the region, which does not affect the forecast cereal output estimated at just under 30 million tonnes, some half a million tonnes up on last year's good harvest. **Kazakhstan** is the largest cereal producer in the region accounting for 55 percent of the region's total output and nearly 95 percent of its production is planted in spring under extensive rain-fed conditions. Kazakhstan has become a significant player in the international grain market and is seeking new markets in the Near East, North and East Africa. The forecast cereal output in the region includes some 24.8 million tonnes of wheat and about 4.6 million tonnes of coarse grains, mainly barley and maize.

Latin America and the Caribbean

Central America and the Caribbean

Good start of the 2007 main rainy season

In Mexico, harvesting of the 2007 main season irrigated wheat crop, accounting for some 90 percent of the annual production, is well advanced. As a result of adequate water supplies in the north-western producing states of Sonora and Baja California, a good crop is expected for the second consecutive year. Mexico is the sole producer of wheat in the subregion and latest official forecasts indicate an output of about 3 million tonnes, close to the level of last year's same season.

Sowing of the 2007 main season coarse grains and paddy crops has started or is about to start in the subregion. Normal to above-normal rains in April in most countries provided adequate soil moisture for planting and early prospects are favourable. In particular, in Haiti and Dominican Republic, good precipitation since March favoured an early start of the main season maize crop and benefited other foodcrops in the ground.

The subregion's aggregate 2006 cereal production is estimated at 37 million tonnes, higher than in the previous year and above average. Good cereal crops were obtained in most countries, except in Nicaragua affected by dry weather, and in Costa Rica due to lower plantings. In Haiti the overall food security situation is reported to have improved with the good 2006 first and second season harvests and a general improvement of the economic situation. Prices of basic food by the end of March were stable or declining. By contrast, in Honduras, Guatemala and Nicaragua, prices of main staple maize have been increasing since December reflecting higher quotations in the international markets.

Note: Comments refer to situation as of May.

South America

Record 2007 coarse grain output

Harvesting of the 2007 main season coarse grain crops is well advanced in the main producing southern countries of the subregion. Record or above-average crops are being gathered in most countries. FAO's latest forecast puts the subregion's aggregate coarse grain production, mainly maize, close to 90.5 million tonnes, 22 percent above the average level of 2006 and the highest on record. This reflects an increase of 6 percent in the area planted in response to strong demand for ethanol production, and

Table 12. Latin America and Caribbean cereal production (*million tonnes*)

	Wheat			Coarse grains			Rice (paddy)			Total Cereals		
	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast
Latin America & Caribbean	**23.6**	**22.6**	**21.4**	**103.5**	**106.0**	**123.3**	**26.4**	**24.6**	**24.5**	**153.5**	**153.2**	**169.2**
Central America & Caribbean	**3.0**	**3.2**	**3.0**	**30.2**	**31.6**	**32.9**	**2.3**	**2.4**	**2.5**	**35.5**	**37.2**	**38.4**
Mexico	3.0	3.2	3.0	26.2	27.5	28.8	0.3	0.3	0.4	29.5	31.0	32.2
South America	**20.6**	**19.4**	**18.3**	**73.3**	**74.4**	**90.5**	**24.1**	**22.2**	**22.1**	**118.0**	**116.0**	**130.9**
Argentina	12.6	14.0	12.0	24.5	18.1	26.3	1.0	1.2	1.1	38.0	33.3	39.4
Brazil	4.7	2.5	3.5	37.7	45.0	52.7	13.2	11.6	11.3	55.6	59.0	67.5
Colombia	0.0	0.0	0.0	1.7	1.5	1.6	2.5	2.3	2.5	4.2	3.8	4.1

Note: Totals computed from unrounded data.

record yields. In **Argentina**, despite excessive rains and floods in late March and April, recent official forecast point to a record maize production of 22 million tonnes, 52 percent above last year's level, due to an increase of 11 percent in plantings and record yields. In **Brazil**, the output of the main season maize crop is expected at 36 million tonnes, 16 percent more than the 2006 same season. Early prospects for the second season maize crops, now being sown, are promising with record plantings anticipated in response to increased international prices; the output is projected to increase by one-quarter to 14 million tonnes. A record 2007 maize crop is also being gathered in **Chile**. In **Uruguay**, the outlook for a bumper crop this year may not materialize due to heavy floods in early M ay, reported to be the worst in fifty years, that have displaced thousands of people and severely damaged crops and livestock.

In Andean countries, severe floods and dry weather reduced the 2007 cereal and potato crops in **Bolivia** (see box). In **Peru**, despite overall favourable prospects for this year's cereal output, frost and hailstorms in mountain areas, where harvest is underway, adversely affected small farmers' cereal and potato production.

Bolivia – Preliminary results of FAO/WFP Crop and Food Supply Assessment Mission

Since November 2006, several adverse climatic events have affected all of Bolivia's nine departments. Floods and landslides in midlands and lowlands (departments of Santa Cruz, Cochabamba, Beni, Chuquisaca, Tarija and Pando) as well as dry weather conditions, hail storms and frost in highlands (departments of Oruro, Chuquisaca, Potosí and La Paz) have caused losses of human lives and damage to infrastructure, housing and agriculture.

Having declared a state of emergency in January, the Government of Bolivia requested an FAO/WFP Crop and Food Supply Assessment Mission (CFSAM) to assess the country's production of staple crops (essentially cereals and tubers) for the 2006/07 cropping season and estimate import requirements for the marketing year 2007/08 (July/June).

From 9 to 28 April 2007 the Mission visited the country, collecting existing information about areas planted, crop losses and yields from official institutions at national and departmental level and cross-checking it against information gathered during 12 days of field visits, which included interviews with farmers, traders and NGOs. Within the 70 municipalities visited, about 250 key informant interviews were conducted with associated crop inspections. Market visits, livestock condition observations and continuous transect observations were conducted over a total of 9 500 km travelled by the Mission. In addition, air reconnaissance flights were carried out over some areas of Beni department that were still flooded and inaccessible by road.

The main preliminary results of the Mission are the following:

- At national level, the aggregate productions of cereals and tubers are forecast to decline some 11 percent from last year's average levels to about 1.8 million tonnes and 1.1 million tonnes respectively. The bulk of the reductions is expected in rice, barley and potato crops. Soya, the most important export crop, is anticipated some 13 percent lower than in 2006.
- In eastern and northern lowland departments of Santa Cruz, Beni and Pando, floods have caused complete loss of soybean, paddy and maize crops in some areas and reduced yield potential of surviving crops. In addition, the important livestock sector has also been severely affected, with thousands of animals reported dead, loss of pasture land and increasing health problems.
- In the highlands, dry weather conditions coupled with hailstorms and frosts have damaged tuber and quinoa production in several areas. Shortage of pasture for camelids, mainly llamas and alpacas, is foreseen starting from next August/September as a consequence of the limited precipitation received at the beginning of the year.
- Throughout the country, grain and tuber prices are showing a rising trend and are well above their levels of a year earlier. This reflects the expectation of reduced supplies, as well as ongoing speculation by traders and assemblers that are acquiring large amounts of products (mainly cereals and oilseeds) to be then gradually released according to market conditions.
- The country, normally self-sufficient in rice, is forecast to import about 50 000 tonnes in marketing year 2007/08 (July/June). The deficit of potatoes is estimated at 160 000 tonnes, or some 21 percent of last year's production, and is expected to be fulfilled partly with cross-border imports from Peru and Argentina, and partly with wheat substitution. Imports of wheat, that in normal years cover most of the consumption requirements, are also anticipated to increase in 2007/08.
- The population worst affected by the adverse weather conditions of this season are the small subsistence farmers of the highlands departments of La Paz and Oruro as well as the small herders in the department of Beni. Large numbers of this population will require emergency food and agricultural rehabilitation assistance in the coming months.

North America, Europe and Oceania

North America

Adverse weather brings damage to wheat and delays maize planting

The outlook for the 2007 wheat crop in the **United States** deteriorated in early April following a period of freezing temperatures and storms, a sudden change from earlier warm conditions that had advanced plant growth ahead of normal for the time of year. Although it is still too early to assess the full extent of the damage, early indications point to damage of varying degrees on up to 70 percent of the crop in the major producing central and southern wheat belt. The effects of the adverse weather are reflected in the USDA winter wheat condition ratings, which declined sharply, to 54 percent rated good to excellent, compared to 64 percent in the week before the adverse weather. However, as the situation stands in late April, the overall crop rating remains relatively good compared to the past few years, with very high condition ratings still reported in some states. FAO now forecasts the United States wheat crop at an about-average 55 million tonnes, after a tentative adjustment for the recent damage, based on the information available to date.

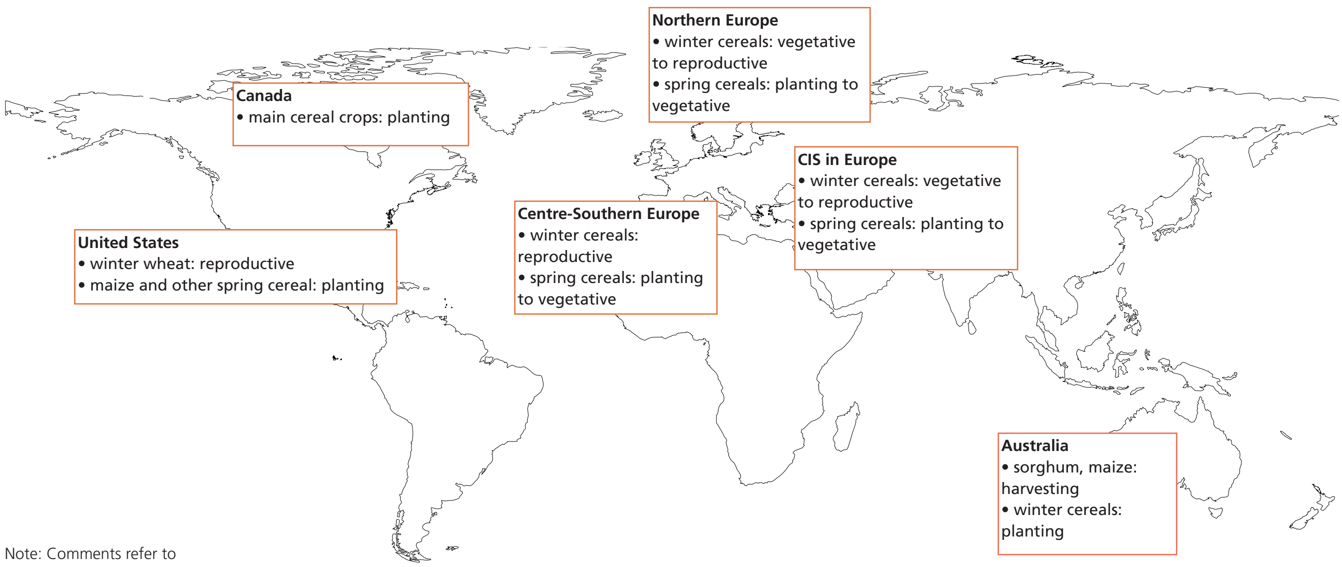
As of late April, maize planting in the United States was still in its early stages and progressing much slower than last year and the average because of the adverse weather in the first half of the month. However, plenty time still remains for planting if weather conditions improve soon and the maize area is expected to increase sharply in response to growing demand from ethanol producers and for export. According to the USDA Prospective Plantings report of 30 March, the area intended for maize is seen to rise by some 15 percent to 36.6 million hectares, the largest area since 1944.

In **Canada**, planting of the main 2007 grain crops is underway. Late season snowfall is reported to have improved moisture conditions in some areas where dryness prevailed from last year, but some parts, especially southern Saskatchewan would still benefit from more moisture. According the Statistics Canada Planting Intentions report of 24 April, Canadian farmers intend to reduce sharply the area planted to spring wheat (the major cereal), in favour of durum wheat, barley, oats or non-cereals such as canola or field peas, which are expected to generate better returns this year.

Europe

Larger cereals crops in prospects but more rains needed for full potential to materialize

In the **European Union**, latest prospects still point to an increase in cereal production in 2007. The aggregate cereal area for harvest in the 27 countries is forecast to be up by 2 percent on the previous year, which combined with expectations for higher average yields because of generally better growing conditions, could result in a growth of 4 percent in the aggregate output. However, with dry and warm conditions prevailing across a large area of northern and central Europe in April, for current forecasts to hold, some good rains will be needed soon in these areas. The countries concerned include **France,** the EU's major cereal producer. On current forecasts, France is expected to account for a large part of the increase forecast in the group's 2007 cereal output, mostly due to increasing its wheat area, and given the likely recovery in yields from drought-reduced levels last year. By contrast to the predominantly dry central and northern parts, the southwest received some helpful rain in



Note: Comments refer to situation as of May.

the past few weeks. Although hindering spring fieldwork, the precipitation was overall beneficial, improving soil moisture levels and reservoir levels in the Iberian Peninsula where water has been scarce in the past two years especially. Also in the eastern EU countries, recent rains have improved the outlook for the developing cereal crops. Concern had been building earlier in **Hungary** and **Bulgaria** over the lack of soil moisture after a particularly dry winter but latest reports indicate that the recent rains should ensure that at least average yields are achieved.

In the **European CIS**, generally favourable weather conditions, adequate soil moisture and lack of frost in March and April have favoured development of the winter grains and enabled farmers to nearly complete spring cereal planting, almost a month ahead of schedule. This is in contrast to the normal seasonal conditions of cold snaps and frost in March-April, which can often compromise significant areas of winter cereals and delay spring planting. The aggregate area planted with cereals for harvest in 2007 is estimated at about 60.8 million hectares, 1.4 million hectares up on last year. Spring cereals account for more than two-thirds of the aggregate area planted with cereals. Based on the area estimates and the generally favourable growing conditions, the aggregate 2007 cereal output in the subregion is now forecast at about 123.6 million tonnes, nearly 5 million tonnes up on last year. The aggregate output in the subregion this year includes nearly 66 million tonnes of wheat and just over 57 million tonnes of coarse grains, mainly barley and maize.

Elsewhere in Europe, the main cereal producing country not in either of the preceding groups is **Serbia**. Latest information indicates favourable prospects for this year's production, with increases in both the wheat and maize areas expected. Given good weather conditions for wheat during most of the winter, a sharp increase in output is expected. Current indications also point to a slightly larger maize crop.

Oceania

Australian farmers anxiously await rains for planting 2007 winter grains

Planting of winter grains in **Australia** is due to start in May. With subsoil moisture at very low levels, the prospects are entirely dependant on the timely arrival of good rains to coincide with the planting window in the main producing areas. Farmers' planting intentions continue to point to the likelihood of an above-average area if normal seasonal rainfall arrives, by mid-to-end May. On this basis, FAO currently maintains its forecast for a sharp recovery in the country's wheat output after the drought-reduced output last year.

Table 13. North America, Europe and Oceania cereal production (*million tonnes*)

	Wheat			Coarse grains			Rice (paddy)			Total Cereals		
	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast	2005	2006 estim.	2007 f'cast
North America	**84.1**	**76.6**	**79.2**	**325.4**	**304.0**	**344.3**	**10.1**	**8.8**	**8.5**	**419.6**	**389.4**	**432.0**
Canada	26.8	27.3	24.2	26.3	23.6	29.0	0.0	0.0	0.0	53.0	50.9	53.2
United States	57.3	49.3	55.0	299.1	280.4	315.4	10.1	8.8	8.5	366.5	338.5	378.9
Europe	**207.7**	**191.6**	**202.7**	**213.9**	**210.7**	**217.1**	**3.4**	**3.4**	**3.5**	**425.0**	**405.8**	**423.3**
EU [1]	124.1	118.2	132.2	134.3	128.9	147.9	2.7	2.6	2.8	261.1	249.7	282.9
Romania [2]	7.3	5.3	0.0	11.5	9.9	0.0	0.0	0.0	0.0	18.8	15.3	0.0
Serbia	2.0	1.9	2.1	7.1	6.9	7.0	0.0	0.0	0.0	9.1	8.8	9.1
CIS in Europe	**68.5**	**60.5**	**65.8**	**53.4**	**57.5**	**57.1**	**0.7**	**0.8**	**0.7**	**122.5**	**118.8**	**123.6**
Russian Federation	47.7	44.9	46.0	28.3	31.1	29.9	0.6	0.7	0.7	76.5	76.7	76.5
Ukraine	18.7	13.9	17.7	18.7	20.1	20.2	0.1	0.1	0.1	37.4	34.1	38.0
Oceania	**25.4**	**10.1**	**25.3**	**15.0**	**7.7**	**12.8**	**0.3**	**1.1**	**0.1**	**40.8**	**18.9**	**38.2**
Australia	25.1	9.8	25.0	14.5	7.1	12.2	0.3	1.0	0.1	39.9	18.0	37.3

[1] Eu-25 in 2005, 2006; EU-27 in 2007.
[2] In 2007 included in EU-27.
Note: Totals computed from unrounded data.

Statistical appendix

Table A1. Global cereal supply and demand indicators

	Average 2000/01 - 2004/05	2003/04	2004/05	2005/06	2006/07	2007/08
	(.	. . . .	. . . . percentage	. . . .	. . . .	. . . .)
1. Ratio of world stocks to utilization						
Wheat	33.6	26.1	28.3	28.0	23.6	22.3
Coarse grains	19.0	15.1	19.1	18.6	14.4	14.9
Rice	30.2	25.5	23.8	25.1	24.3	23.9
Total cereals	25.8	20.6	22.9	22.8	19.1	19.0
2. Ratio of major grain exporters' supplies to normal market requirements	121	117	137	133	117	117
3. Ratio of major exporters' stocks to their total disappearance						
Wheat	20.4	17.0	21.7	23.2	14.8	16.0
Coarse grains	15.2	10.7	19.0	18.0	9.6	10.1
Rice	19.2	15.9	13.2	15.7	14.3	13.9
Total cereals	18.3	14.5	18.0	19.0	12.9	13.3

	Annual trend growth rate 1997-2006	Change from previous year				
		2003	2004	2005	2006	2007
	(.	. . . .	. . . . percentage	. . . .	. . . .	. . . .)
4. Changes in world cereal production	0.6	3.4	9.1	-1.1	-2.5	4.8
5. Changes in cereal production in the LIFDCs	1.2	3.0	3.0	5.1	2.6	0.2
6. Changes in cereal production in LIFDCs less China and India	3.5	8.7	-1.0	6.6	4.3	-1.3

	Average 2000/01 - 2004/05	Change from previous year				
		2002/03	2003/04	2004/05	2005/06	2006/07
	(.	. . . .	. . . . percentage	. . . .	. . . .	. . . .)
7. Selected cereal price indices:						
Wheat (July/June)	110.8	21.3	-1.1	-1.0	5.2	25.4
Maize (July/June)	100.2	18.6	7.1	-15.2	6.4	44.0
Rice (Jan./Dec.)	83.1	-3.9	14.7	26.7	-1.0	5.8

Notes:
Utilization is defined as the sum of food use, feed and other uses.
Cereals refer to wheat, coarse grains and rice; **Grains** refer to wheat and coarse grains.
Major Grain Exporters are Argentina, Australia, Canada, the EU, and the United States; Major Rice Exporters are India, Pakistan, Thailand, the United States, and Viet Nam.
Normal Market Requirements for major grain exporters are defined as the average of domestic utilization plus exports in the three preceding seasons.
Disappearance is defined as domestic utilization plus exports for any given season.
Price indices: The **wheat** price index has been constructed based on the IGC wheat price index, rebased to July/June 1997/98-1999/00 = 100; For **maize**, the U.S. maize No. 2 Yellow (delivered U.S. Gulf ports) with base July/June, 1997/98-1999/00 = 100; For **rice**, the FAO Rice Price Index, 1998-2000=100, is based on 16 rice export quotations. For 2006/07, **all price indices** are calculated based on average selected prices from the beginning of the seasons up to April 2007. Rice index refers to the first year shown.

Table A2. World cereal stocks[1] *(million tonnes)*

	2003	2004	2005	2006	2007 estimate	2008 forecast
Total cereals	**484.2**	**416.4**	**465.6**	**471.1**	**401.5**	**400.8**
Wheat	**202.5**	**161.3**	**176.1**	**175.4**	**148.5**	**142.5**
held by:						
- main exporters [2]	39.1	39.0	55.4	58.6	36.9	40.5
- others	163.4	122.3	120.7	116.8	111.6	102.0
Coarse grains	**162.8**	**149.8**	**190.2**	**190.2**	**150.1**	**155.1**
held by:						
- main exporters[2]	55.3	48.5	92.8	91.3	49.0	54.0
- others	107.5	101.3	97.4	98.8	101.1	101.1
Rice (milled basis)	**119.0**	**105.4**	**99.3**	**105.6**	**102.9**	**103.2**
held by:						
- main exporters[2]	21.7	22.5	18.9	22.9	21.3	20.6
- others	97.3	82.9	80.4	82.7	81.6	82.6
Developed countries	**145.2**	**123.5**	**189.3**	**191.3**	**120.6**	**122.4**
Australia	5.2	9.2	11.1	15.6	5.3	
European Union [3]	33.7	21.5	47.7	45.8	33.6	
Canada	8.9	10.3	14.5	16.3	12.2	
Hungary [4]	1.4	0.8	-	-	-	
Japan	5.4	4.9	4.7	4.8	4.4	
Poland [4]	2.9	2.4	-	-	-	
Romania	2.0	1.2	5.0	5.0	3.0	
Russian Federation	12.5	7.3	9.1	9.3	8.5	
South Africa	3.8	3.5	4.1	4.1	2.6	
Ukraine	5.1	2.9	4.4	5.0	4.1	
United States	45.1	44.4	74.7	71.7	34.9	
Developing countries	**339.1**	**292.9**	**276.3**	**279.8**	**280.9**	**278.4**
Asia	**306.2**	**251.9**	**233.8**	**237.7**	**237.7**	
China	209.1	162.9	151.9	152.6	155.7	
India	39.8	32.9	26.7	25.8	26.9	
Indonesia	5.7	6.0	5.7	5.2	5.3	
Iran (Islamic Republic of)	4.4	3.5	2.7	3.2	3.1	
Korea, Republic of	2.8	2.9	2.6	3.0	3.2	
Pakistan	2.9	1.9	1.8	3.2	3.3	
Philippines	2.2	1.9	2.2	2.7	3.2	
Syrian Arab Republic	4.1	4.2	4.5	4.4	3.7	
Turkey	8.0	7.2	6.5	4.6	3.8	
Africa	**18.8**	**21.5**	**23.5**	**26.2**	**30.8**	
Algeria	2.5	2.6	3.6	4.5	4.7	
Egypt	3.2	2.7	3.1	4.1	4.0	
Ethiopia	0.9	0.4	0.3	1.0	2.7	
Morocco	1.8	2.9	4.6	2.6	3.3	
Nigeria	2.0	1.6	1.2	1.4	2.2	
Tunisia	0.6	1.0	1.2	1.4	1.2	
Central America	**5.6**	**5.9**	**6.5**	**5.4**	**4.7**	
Mexico	3.7	3.9	4.7	3.7	3.1	
South America	**8.2**	**13.3**	**12.3**	**10.2**	**7.5**	
Argentina	3.2	3.8	2.3	2.7	1.7	
Brazil	1.6	5.8	6.2	4.0	2.5	

[1] Stock data are based on an aggregate of carryovers at the end of national crop years and do not represent world stock levels at any point in time.
[2] The major **wheat** and **coarse grains** exporters are Argentina, Australia, Canada, the EU and the United States. The major **rice** exporters are India, Pakistan, Thailand, the United States and Viet Nam.
[3] Up to 2004 15 member countries, from 2005 25 member countries.
[4] From 2005 included in EU 25.
Note: Based on official and unofficial estimates. Totals computed from unrounded data.

Table A3. Estimated cereal import requirements of Low-Income Food-Deficit Countries[1] *(000 tonnes)*

		2005/06 or 2006 Actual imports				2006/07 or 2007 Import position[2]		
	Marketing year	Commercial purchases	Food aid	Total commercial and aid	Total import requirements (excl. re-exports)	Total commercial and aid	Food aid allocated, committed or shipped	Commercial purchases
AFRICA		**36 651.8**	**2 709.1**	**39 360.9**	**35 375.6**	**16 003.2**	**1 583.9**	**14 419.3**
North Africa		**16 347.7**	**5.3**	**16 353.0**	**15 238.0**	**9 775.4**	**12.2**	**9 763.2**
Egypt	July/June	12 019.7	5.3	12 025.0	12 120.0	7 938.4	12.2	7 926.2
Morocco	July/June	4 328.0	0.0	4 328.0	3 118.0	1 837.0	0.0	1 837.0
Eastern Africa		**4 053.9**	**1 685.9**	**5 739.8**	**4 743.0**	**2 016.9**	**873.8**	**1 143.1**
Burundi	Jan./Dec.	44.1	56.9	101.0	119.0	12.9	12.9	0.0
Comoros	Jan./Dec.	42.6	0.0	42.6	41.0	0.1	0.0	0.1
Djibouti	Jan./Dec.	62.1	9.9	72.0	72.0	2.7	1.2	1.5
Eritrea	Jan./Dec.	176.6	42.0	218.6	296.0	7.0	7.0	0.0
Ethiopia	Jan./Dec.	9.5	552.1	561.6	241.0	197.3	197.3	0.0
Kenya	Oct./Sept.	1 140.0	230.7	1 370.7	1 182.0	465.4	172.3	293.1
Rwanda	Jan./Dec.	168.2	32.4	200.6	210.0	14.2	9.6	4.6
Somalia	Aug./July	317.3	102.7	420.0	440.0	164.5	112.4	52.1
Sudan	Nov./Oct.	1 225.0	508.8	1 733.8	1 380.0	592.3	281.6	310.7
Uganda	Jan./Dec.	124.7	116.5	241.2	180.0	39.4	39.4	0.0
United Rep.of Tanzania	June/May	743.8	33.9	777.7	582.0	521.1	40.1	481.0
Southern Africa		**3 810.9**	**456.9**	**4 267.8**	**3 045.0**	**2 835.0**	**323.4**	**2 511.6**
Angola	April/March	702.3	32.8	735.1	838.0	774.2	20.7	753.5
Lesotho	April/March	193.7	15.6	209.3	213.0	182.9	7.9	175.0
Madagascar	April/March	279.8	34.7	314.5	305.0	230.1	32.7	197.4
Malawi	April/March	287.2	91.3	378.5	195.0	192.8	62.3	130.5
Mozambique	April/March	945.6	107.0	1 052.6	845.0	836.4	96.4	740.0
Swaziland	May/April	106.5	15.3	121.8	127.0	125.8	3.8	122.0
Zambia	May/April	167.9	68.3	236.2	100.0	76.1	22.9	53.2
Zimbabwe	April/March	1 127.9	91.9	1 219.8	422.0	416.7	76.7	340.0
Western Africa		**10 889.6**	**448.7**	**11 338.3**	**10 782.6**	**1 323.6**	**334.1**	**989.5**
Coastal Countries		***8 555.5***	***172.3***	***8 727.8***	***8 195.1***	***784.7***	***81.4***	***703.3***
Benin	Jan./Dec.	109.5	7.2	116.7	118.0	40.3	0.3	40.0
Côte d'Ivoire	Jan./Dec.	1 492.1	14.7	1 506.8	1 256.1	53.8	9.3	44.5
Ghana	Jan./Dec.	812.1	39.7	851.8	815.0	64.7	37.8	26.9
Guinea	Jan./Dec.	499.7	22.9	522.6	467.0	4.2	3.5	0.7
Liberia	Jan./Dec.	205.8	58.8	264.6	265.0	42.7	12.6	30.1
Nigeria	Jan./Dec.	5 080.0	0.0	5 080.0	4 880.0	560.9	0.0	560.9
Sierra Leone	Jan./Dec.	260.3	28.7	289.0	299.0	17.9	17.9	0.0
Togo	Jan./Dec.	96.0	0.3	96.3	95.0	0.2	0.0	0.2
Sahelian Countries		***2 334.1***	***276.4***	***2 610.5***	***2 587.5***	***538.9***	***252.7***	***286.2***
Burkina faso	Nov./Oct.	294.0	26.4	320.4	348.1	35.8	22.7	13.1
Cape Verde	Nov./Oct.	54.0	23.8	77.8	79.6	32.0	5.1	26.9
Chad	Nov./Oct.	68.8	50.4	119.2	110.0	62.2	55.3	6.9
Gambia	Nov./Oct.	105.7	7.6	113.3	114.7	21.0	4.8	16.2
Guinea-Bissau	Nov./Oct.	70.8	4.4	75.2	85.7	6.6	5.6	1.0
Mali	Nov./Oct.	243.4	27.5	270.9	236.6	76.8	40.8	36.0
Mauritania	Nov./Oct.	341.8	59.7	401.5	321.0	55.2	34.6	20.6
Niger	Nov./Oct.	252.7	62.1	314.8	292.4	71.2	71.0	0.2
Senegal	Nov./Oct.	902.9	14.5	917.4	999.4	178.1	12.8	165.3
Central Africa		**1 549.7**	**112.3**	**1 662.0**	**1 567.0**	**52.3**	**40.4**	**11.9**
Cameroon	Jan./Dec.	619.3	7.0	626.3	630.0	9.7	0.0	9.7
Cent.Afr.Rep.	Jan./Dec.	40.6	11.1	51.7	47.0	11.7	11.7	0.0
Congo	Jan./Dec.	326.0	4.5	330.5	310.0	2.8	2.6	0.2
Dem.Rep.of the Congo	Jan./Dec.	521.9	88.7	610.6	545.0	28.1	26.1	2.0
Eq. Guinea	Jan./Dec.	27.5	0.0	27.5	23.0	0.0	0.0	0.0
Sao Tome and Principe	Jan./Dec.	14.4	1.0	15.4	12.0	0.0	0.0	0.0

Table A3. (*continued*)

	Marketing year	2005/06 or 2006 Actual imports: Commercial purchases	Food aid	Total commercial and aid	Total import requirements (excl. re-exports)	2006/07 or 2007 Import position[2]: Total commercial and aid	Food aid allocated, committed or shipped	Commercial purchases
ASIA		**42 001.9**	**1 313.1**	**43 315.0**	**48 999.7**	**30 892.3**	**1 194.3**	**29 698.0**
CIS in Asia		**2 685.0**	**186.0**	**2 871.0**	**2 777.0**	**2 355.7**	**156.3**	**2 199.4**
Armenia	July/June	104.0	3.0	107.0	262.0	149.8	3.2	146.6
Azerbaijan	July/June	1 045.0	6.0	1 051.0	1 060.0	1 015.0	83.5	931.5
Georgia	July/June	878.0	15.0	893.0	726.0	668.1	13.7	654.4
Kyrgyzstan	July/June	140.0	30.0	170.0	190.0	164.9	0.0	164.9
Tajikistan	July/June	226.0	132.0	358.0	281.0	249.9	55.9	194.0
Turkmenistan	July/June	13.0	0.0	13.0	39.0	0.0	0.0	0.0
Uzbekistan	July/June	279.0	0.0	279.0	219.0	108.0	0.0	108.0
Far East		**27 612.3**	**973.0**	**28 585.3**	**35 927.7**	**23 683.2**	**878.4**	**22 804.8**
Bangladesh	July/June	2 867.0	183.0	3 050.0	3 350.0	1 560.0	240.6	1 319.4
Bhutan	July/June	70.7	0.3	71.0	71.0	0.4	0.4	0.0
Cambodia	Jan./Dec.	37.5	4.4	41.9	40.0	9.8	3.7	6.1
China	July/June	10 533.0	0.0	10 533.0	10 012.0	4 752.7	0.0	4 752.7
D.P.R. of Korea	Nov./Oct.	94.3	534.5	628.8	960.0	455.4	411.4	44.0
India	April/March	721.6	37.0	758.6	6 602.3	6 531.3	35.3	6 496.0
Indonesia	April/March	5 896.4	48.3	5 944.7	7 522.3	7 210.5	39.5	7 171.0
Lao, P.D.R.	Jan./Dec.	18.3	9.5	27.8	27.8	4.1	4.1	0.0
Mongolia	Oct./Sept.	235.3	29.7	265.0	249.0	158.6	34.3	124.3
Nepal	July/June	130.5	9.7	140.2	280.0	7.6	7.6	0.0
Pakistan	May/April	932.1	0.0	932.1	422.1	71.1	19.9	51.2
Philippines	July/June	4 835.0	71.0	4 906.0	5 181.2	2 845.8	76.6	2 769.2
Sri Lanka	Jan./Dec.	1 190.6	45.6	1 236.2	1 150.0	75.9	5.0	70.9
Timor-Leste	July/June	50.0	0.0	50.0	60.0	0.0	0.0	0.0
Near East		**11 704.6**	**154.1**	**11 858.7**	**10 295.0**	**4 853.4**	**159.6**	**4 693.8**
Afghanistan	July/June	433.4	47.6	481.0	740.0	225.4	145.1	80.3
Iraq	July/June	5 980.2	28.8	6 009.0	4 430.0	2 922.3	7.4	2 914.9
Syrian Arab Republic	July/June	2 267.8	7.0	2 274.8	2 300.0	1 405.0	7.1	1 397.9
Yemen	Jan./Dec.	3 023.2	70.7	3 093.9	2 825.0	300.7	0.0	300.7
CENTRAL AMERICA		**1 534.6**	**222.6**	**1 757.2**	**1 705.0**	**1 242.7**	**270.3**	**972.4**
Haiti	July/June	576.7	80.3	657.0	680.0	482.4	144.9	337.5
Honduras	July/June	623.8	105.3	729.1	720.0	469.0	50.6	418.4
Nicaragua	July/June	334.1	37.0	371.1	305.0	291.3	74.8	216.5
SOUTH AMERICA		**993.7**	**17.0**	**1 010.7**	**946.0**	**695.2**	**30.0**	**665.2**
Ecuador	July/June	993.7	17.0	1 010.7	946.0	695.2	30.0	665.2
OCEANIA		**415.7**	**0.0**	**415.7**	**415.7**	**53.3**	**0.0**	**53.3**
Kiribati	Jan./Dec.	8.7	0.0	8.7	8.7	0.0	0.0	0.0
Papua New Guinea	Jan./Dec.	358.0	0.0	358.0	358.0	53.3	0.0	53.3
Solomon Islands	Jan./Dec.	29.5	0.0	29.5	29.5	0.0	0.0	0.0
Tonga	Jan./Dec.	6.4	0.0	6.4	6.4	0.0	0.0	0.0
Tuvalu	Jan./Dec.	1.1	0.0	1.1	1.1	0.0	0.0	0.0
Vanuatu	Jan./Dec.	12.0	0.0	12.0	12.0	0.0	0.0	0.0
EUROPE		**1 617.7**	**1.2**	**1 618.9**	**1 550.0**	**705.2**	**0.0**	**705.2**
Albania	July/June	458.8	1.2	460.0	440.0	168.2	0.0	168.2
Belarus	July/June	578.0	0.0	578.0	540.0	392.5	0.0	392.5
Bosnia and Herzegovina	July/June	580.9	0.0	580.9	570.0	144.5	0.0	144.5
TOTAL		**83 215.4**	**4 263.0**	**87 478.4**	**88 992.0**	**49 591.9**	**3 078.5**	**46 513.4**

[1] Includes food deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. US$ 1 575 in 2004), which is in accordance with guidelines and criteria agreed to by the CFA should be given priority in the allocation of food aid.

[2] Estimates based on information available as of mid-April 2007

NOTE: This report is prepared by the FAO's Global nformation and Early Warning Service, with information from official and unofficial sources. None of the information in this report should be regarded as statements of governmental views.

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Enquiries may be directed to:

Henri Josserand, Chief, Global Information and Early Warning Service,
Trade and Markets Division, (EST), FAO, Rome
Direct Facsimile: 0039-06-5705-4495, E-mail: GIEWS1@FAO.ORG.
Or find us on the FAO World Wide Web site (www.fao.org) at:
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