

Food Security Information Note - FOSIN

Food Situation in the Sahel and West Africa:

Food Security of the Poorest Households in Urban and Rural Areas Threatened by a Rise in Food Commodity Prices

Note 19 – April 2008

1. Overview 2007-2008

Cereal production has dropped slightly in the region.

The assessment of the food and nutritional situation in Sahelian and West African countries, presented at the Food Crisis Prevention Network meeting on 10 and 11 April 2008 in Paris, indicated that there was a decrease, except for Liberia, in total 2007-08 cereal production. Production was estimated at 47.4 million tonnes as compared to 49 million tonnes for the 2006-07 agricultural campaign. Gross production in Sahelian countries was 14.8 million tonnes in 2007-08 as compared to 15 million tonnes in 2006-07. Agricultural production in all Sahelian and coastal countries was affected by floods and droughts in some zones of Burkina Faso, in the north of Ghana, northern Nigeria, Mali, Mauritania, and Senegal. Cape Verde, the Gambia, Ghana, northern Nigeria and Senegal registered significant deficits. The cereal production deficit registered in northern Nigeria could have serious consequences on provisions for Sahelian countries, in particular Niger, during the lean period.

The overall rise in cereal prices in particular imported cereals, greatly limits accessibility for rural and urban households.

Over the last several months cereal prices have been rising throughout the world. Imported cereal (rice, wheat) as well as local cereal (millet, sorghum, corn) prices have increased steeply. This hike is particularly sharp in Mauritania, Niger and Senegal.

There are many factors explaining this increase:

- ***At the global level***, market access to rice and wheat has been particularly difficult due to a drop in

world supply (decrease in global rice and wheat stocks, abatement in production of large producer countries in Asia as well as Australia due to extreme climate events as well as the imposition of a tax on rice exports notably from Asian countries;

- ***At the regional level***, prohibiting rice exports which have subsequently increased prices in some countries.

The rise in food commodity (rice and wheat) prices is particularly worrying in countries greatly dependent on cereal imports such as Cape Verde, Guinea Bissau, Mauritania and Senegal as well as for populations in structurally deficient zones in Sahelian countries. .

However, cereal stocks not yet on the market as well as expected production of off-season crops (cereals, legumes, market-gardening products) could help improve food availability and reduce market tensions. The joint CILSS - FEWS NET – FAO-WFP evaluation carried out in February 2008 in the large trade basins (Niger-Nigeria-Benin, Burkina Faso, Mali, Mauritania) estimates that there are relatively significant private cereal stocks which have not yet been placed on the market. This emphasises the need to abolish prohibition measures for cereal, cattle and cattle feed exports in order to support better market functioning.

Government authorities have taken measures to bring down the prices but impact has been limited.

In order to deal with the situation some countries have already taken steps to improve food availability and limit the hike in prices although these measures remain insufficient. Some taxes and customs duties on the importation of certain food crop products have been waived, some institutional stocks have been released (national security stock, national intervention stock, etc.) as well as sales at subsidised prices. Some countries are going as far as prohibiting the export of agricultural food products. Without exact



quantification, uncertainty continues regarding the capacity of existing stocks to effectively respond to the demand during the lean period when there is a lack of supply on the international market. This uncertainty supports speculation by private operators and market tensions which could continue for a long time.

In summary: in the short-term, taking into account the international context, it is not very likely that imported cereal prices will decline. At the same time, the continuous rise in local cereal prices and supply difficulties are particularly worrisome during this lean period. Within this context, urgent and targeted measures should be taken to support urban and rural vulnerable populations.

2. Take Action!

Immediate and short-term actions should be taken to facilitate food accessibility along with more medium- and long-term actions.

In the immediate and short-term:

- Improving market fluidity, notably respecting free movement of persons and goods in particular food products;
- Strengthening food crises mitigating actions by notably improving populations' revenue sources (*cash for work, food for work, sales at subsidised prices, emergency-targeted aid, etc.*) in food insecurity zones during the lean period. These mitigating actions should particularly include taking care of children less than 5 years of age as well as malnourished pregnant and breast-feeding women in at-risk zones. The various operations should be implemented quickly before the rainy season in order to avoid accessibility problems in some zones;
- Better preparation of the 2008-09 agricultural campaign, notably in large production basins as well as in at-risk zones and vulnerable

populations through access to inputs, credit, etc.

- Targeting the release of public stocks in zones where prices are the highest while avoiding exhausting these stocks during the lean period;

In the medium- and long-term:





- Seeking sustainable solutions by strengthening agricultural investment with a view to improving local food production. This requires decision-makers in countries and inter-governmental organisations (IGOs) to develop policies and strategies as well as create favourable conditions for their implementation. There is great agricultural food production potential in the Sahel and West Africa such as rice, corn, sorghum, millet, cotton, groundnut and tubers. Some countries have already undertaken encouraging actions. Mali, for example, has set up a Rice Initiative for a total cost of close to 43 billion CFA francs (almost 65 million Euros) of which 10 billion is for fertilizer and seed subsidies. This initiative aims to increase rice production during the 2008-09 campaign by 50% as compared to the 2007-08 campaign.
- Implementing a strategy to capitalise on production potential, regional complementarities and trade. These policies should notably take into account the key role of agro-food processing in improving the value added of agricultural products and trade opportunities within the region.

In conclusion: the immediate implementation of recommended measures as well as in the short-, medium-, and long-term requires more commitment from inter-governmental organisations (ECOWAS, UEMOA, etc.) which must also make decisions immediately and implement actions notably in support of efforts already undertaken individually by countries in order to contain the rise in prices.



Information Sources

This FCPN analytical note was produced on the basis of information or analyses provided by various specialised Network (non) member institutions. More information can be obtained from the respective websites.

				
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Afrique Verte: www.afriqueverte.org, Reliefweb: www.reliefweb.int/
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Better Access to Information on the Food and Nutritional Situation in the Sahel and West Africa

The FCPN has set up a website to encourage access to information on the food and nutritional situation in the region in view of decision-making for action.

For any information questions, and/or analytical document you may need with regard to the food and nutritional situation, please access the site at: www.food-security.net.