

Africa's Food Situation: From Crisis to Opportunity

New Perspectives for Africa

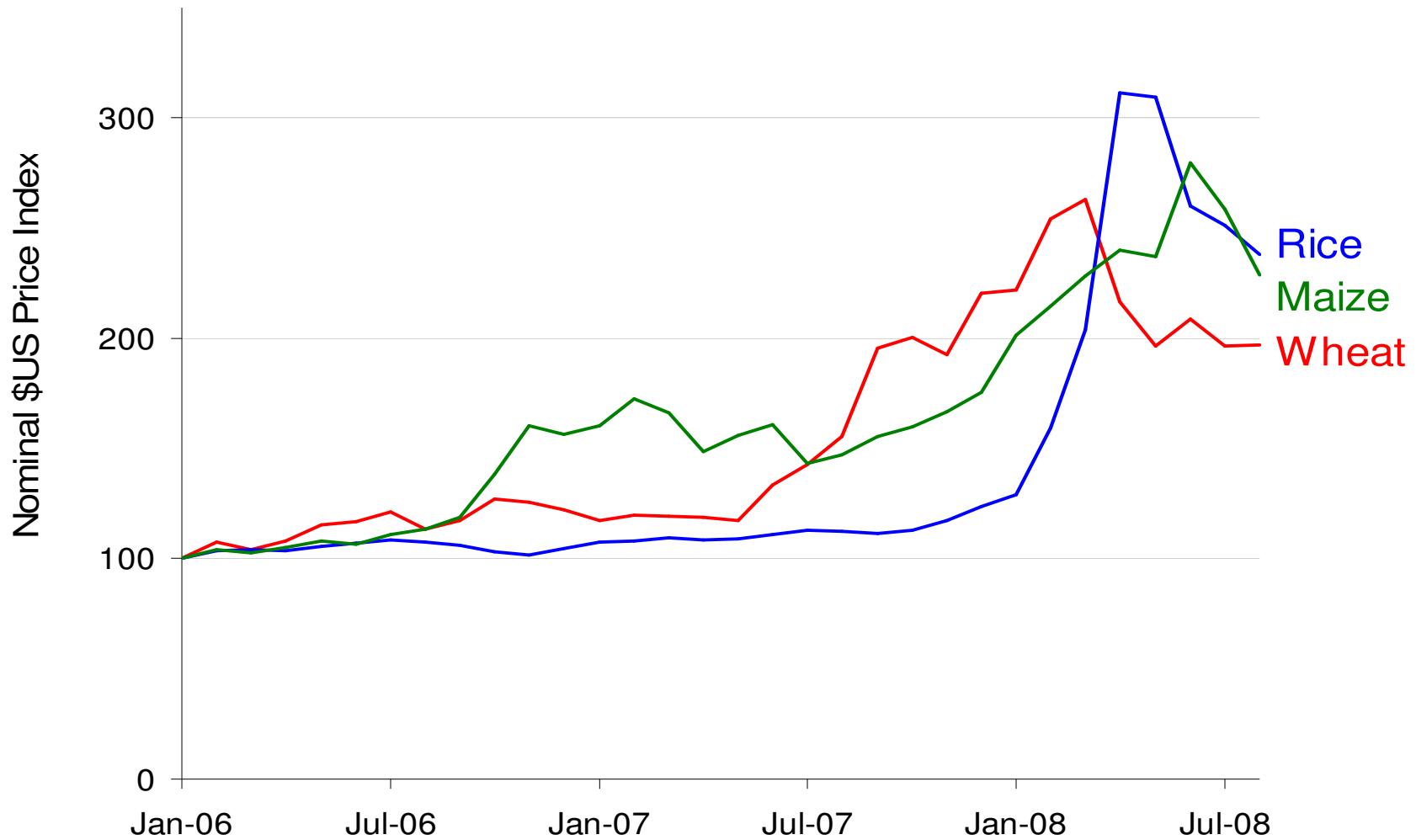
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The World Bank

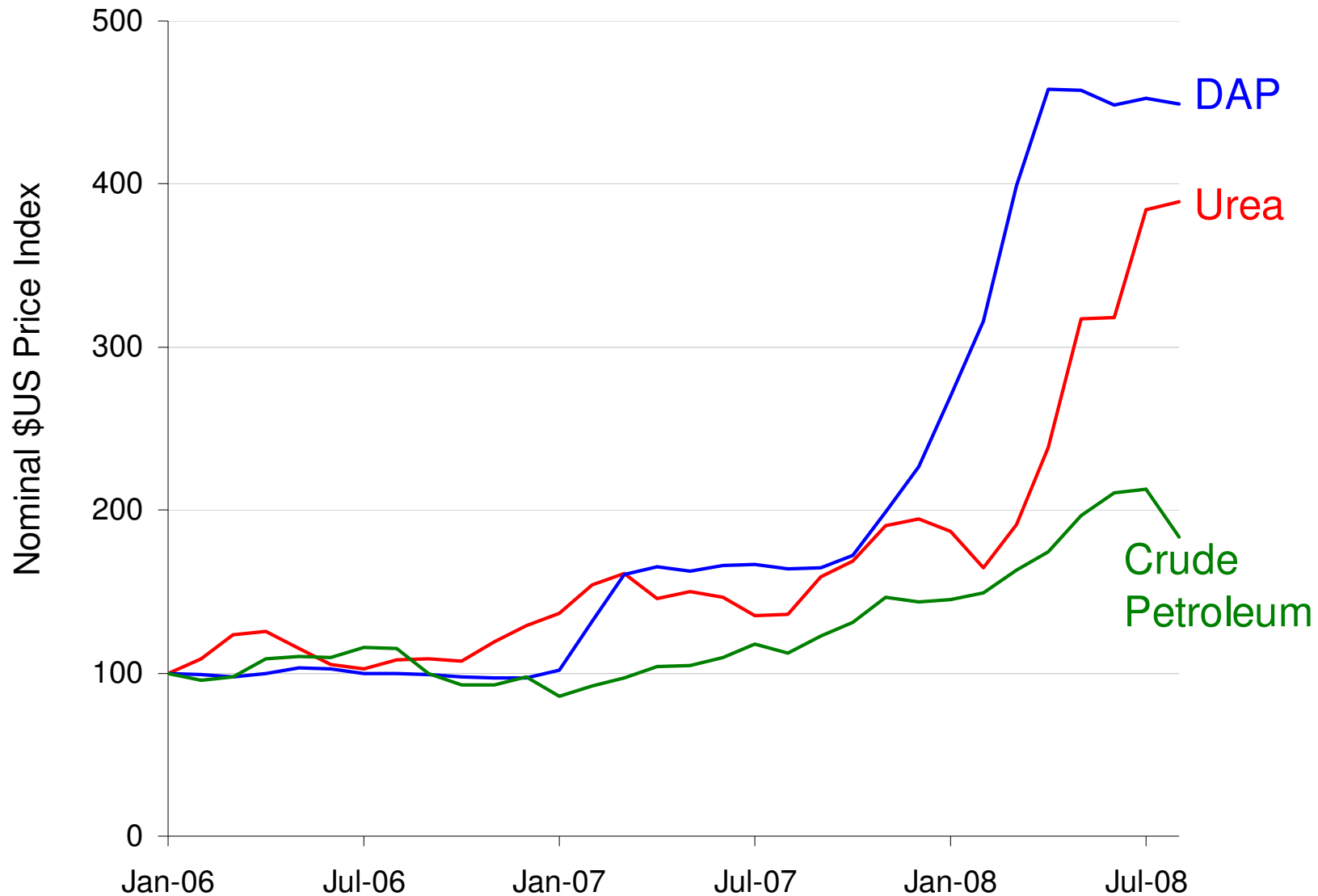
Food Prices Remain High...

August 2008 global prices still double those at start of 2006



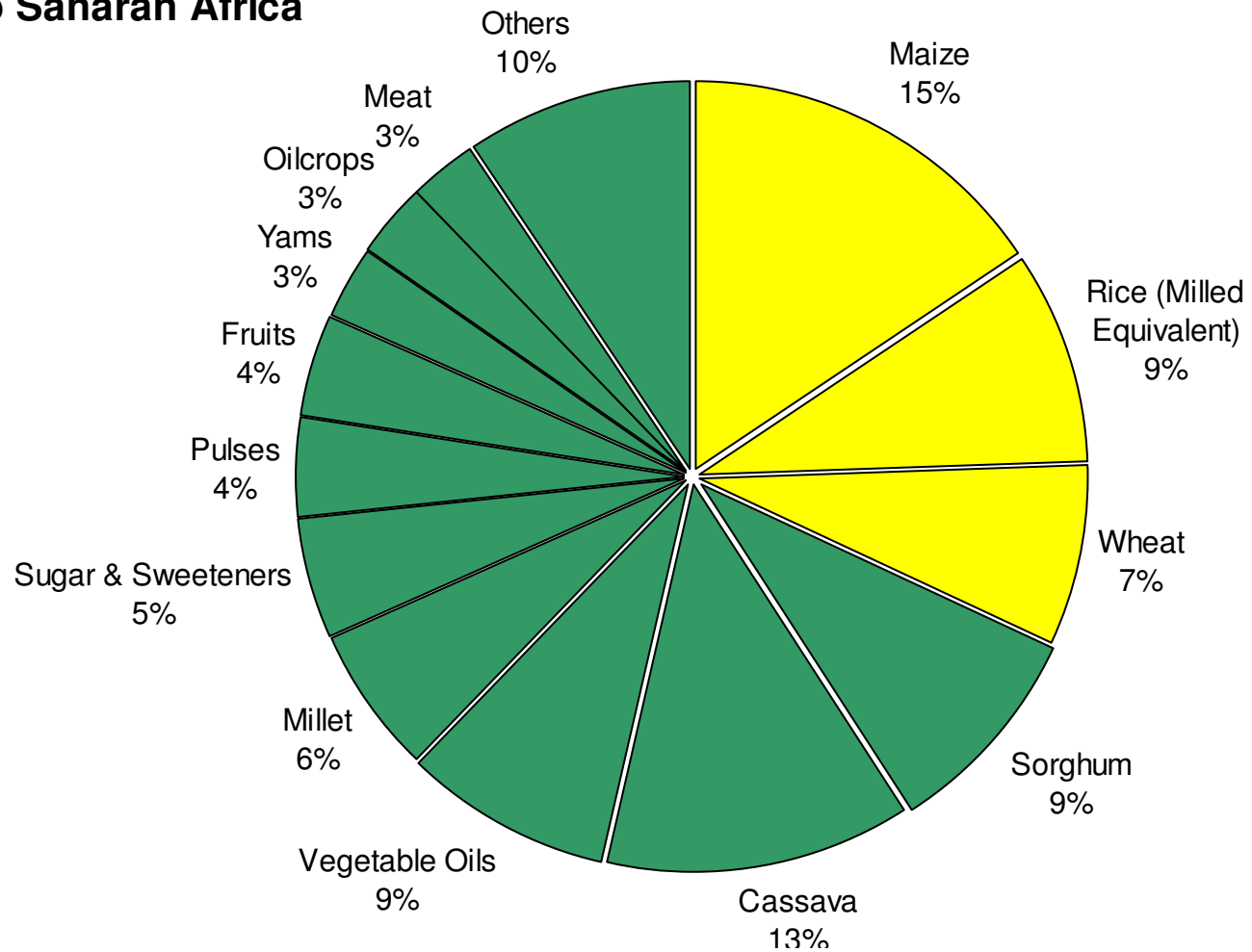
...and so are Fertilizer and Fuel Prices

August 2008 global fertilizer prices are four times those at the start of 2006



Africa Relies on Maize, Rice & Wheat for 1/3 of its Calories...

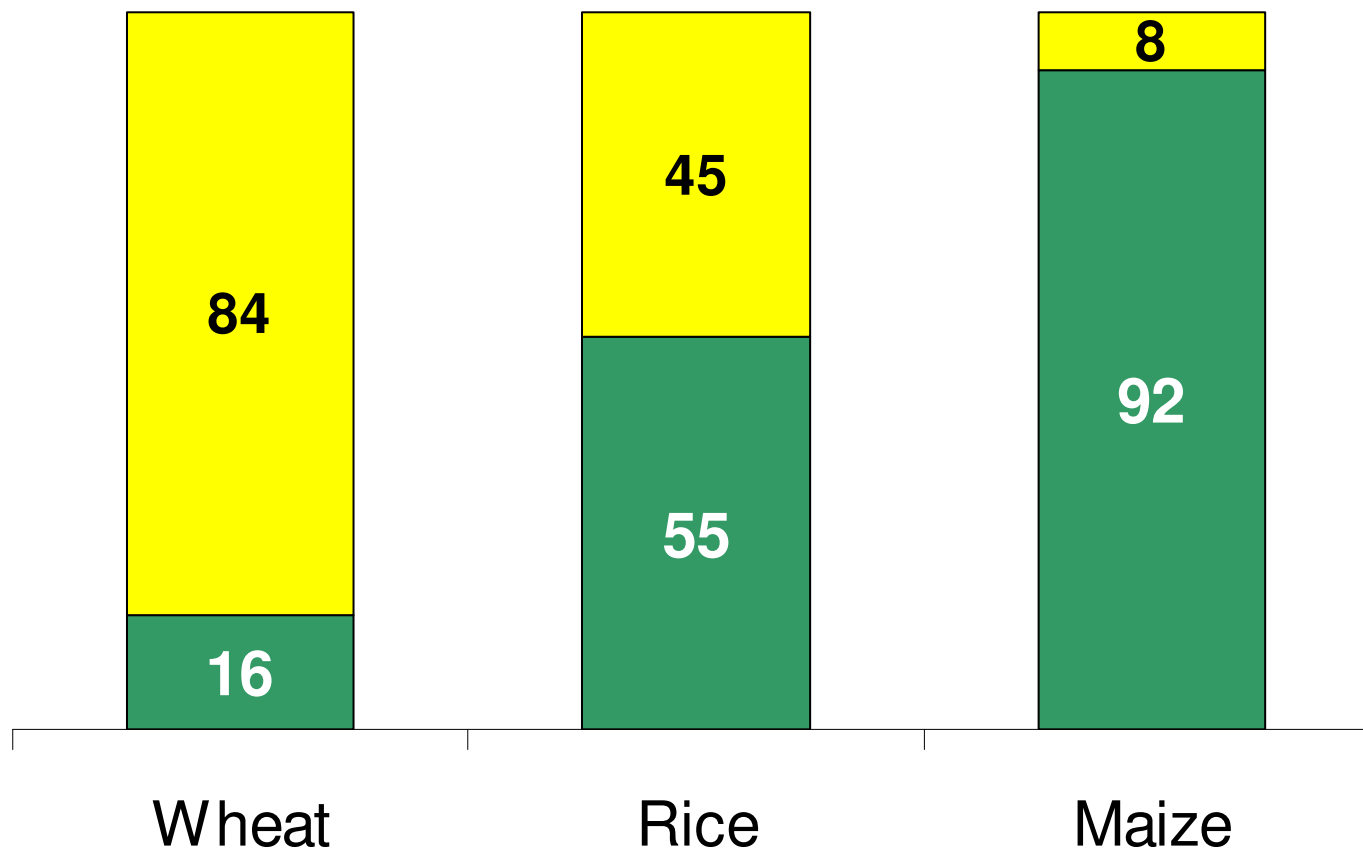
**Consumption (calories/capita/year)
Sub Saharan Africa**



Source: FAO data

...Much of Which is Imported

- Imported (Intl. & Regional)
- Locally Produced



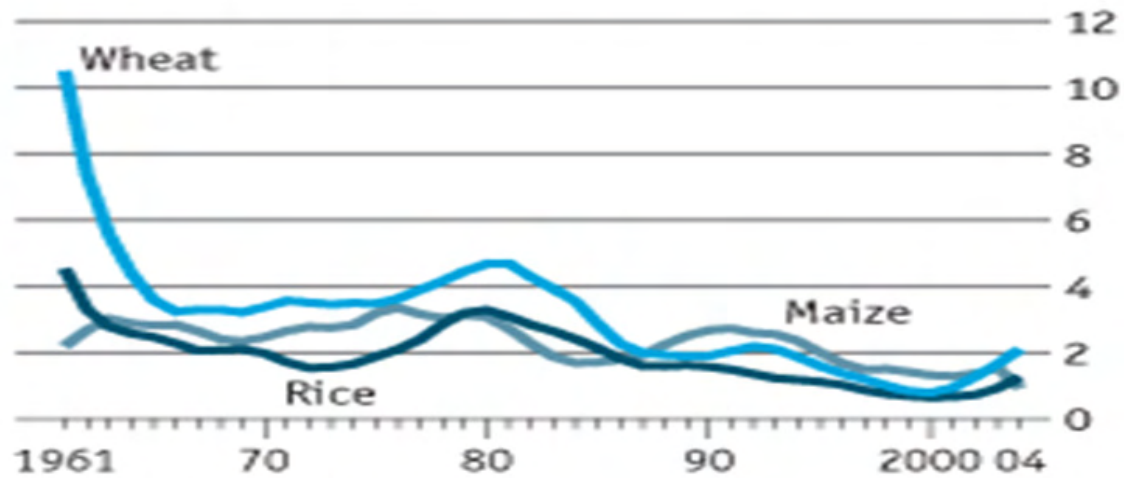
Source: COMTRADE data

Yield Gains of Major Cereals in Developing Countries Have Slowed

Diminishing returns

Crop yields in developing countries

Annual average growth rate, %



Source: World Bank

Driving Forces of Food Price Inflation

- Growing population and food demand.
- Rising incomes, which boost demand for higher value foods like meat.
- More expensive energy, meaning higher production/transport costs.
- Stagnating crop productivity gains fall short of keeping pace with growing demand.
- Shift to biofuel feedstocks means less for food and feed.
- Shrinking cultivable land area due to urbanization.
- Adverse weather, especially drought, with more anticipated due to climate change.

10 Points to Address the Food Crisis

1. Support WFP's emergency needs
2. Interagency coordination for safety nets
3. Support for small holders' seeds and fertilizer for next harvest
4. Reverse years of agricultural underinvestment (boosting agricultural supply, research through CGIAR, etc)
5. More investment in agribusiness throughout all value chain
6. Develop innovative instruments for risk management and crop insurance
7. Ease subsidies on biofuels from food crops
8. Remove export bans and promote food trade
9. Conclude a Doha Round for efficient and fair global food trade
10. Explore an agreement for global food reserve