



The Food Crisis and Sustainable Development

Soaring food prices are raising new questions of whether the world will be able to feed itself at a time when energy costs are increasing, the climate is changing, and arable land and water resources are becoming scarcer due to poor management practices and rapid urbanization.

“The rapidly escalating crisis of food availability around the world has reached emergency proportions,” according to United Nations Secretary-General Ban Ki-moon. It is the poorest people, he says, people living on one dollar a day or less, who are hit the hardest.

“When people are that poor and inflation erodes their meager earnings, they generally do one of two things: They buy less food, or they buy cheaper, less nutritious food. The result is the same – more hunger and less chance of a healthy future.”

Food is more expensive

- » The cereal import bill of the world’s poorest countries is forecast to rise by 56 per cent in 2007/2008, according to FAO. This comes after a significant increase of 37 per cent in 2006/2007.
- » For low-income food-deficit countries in Africa, FAO says the cereal bill is projected to increase by 74 per cent and attributes the increase to the sharp rise in international cereal prices, freight rates and oil prices. An increase in the production of biofuels is also cited as a factor in reducing crops available as food and therefore higher food prices.
- » The price of bread, rice, maize products, milk, oil, soybeans and others basic foods have increased sharply in recent months in a number of developing countries, which have responded with a variety of domestic price stabilization and subsidy measures.
- » International cereal prices have continued to rise sharply over the past two months, reflecting steady demand and depleted world reserves, FAO reports. Prices of rice increased the most following the imposition of new export restrictions by major exporting countries. By the end of March, prices of wheat and rice were about double their levels of a year earlier, while those of maize were more than one-third higher, according to the report.
- » Food riots have been reported in Egypt, Cameroon, Cote d’Ivoire, Senegal, Burkina Faso, Ethiopia, Indonesia, Madagascar, the Philippines and Haiti in the past month. In Pakistan and Thailand, army troops have been deployed to avoid seizing of food from the fields and from warehouses. Worldwide, FAO says 37 countries are currently facing food crises.

Passing problem or long-term trend?

Prices of agricultural commodities have historically been volatile. Until recently, they have also trended downward. The real prices of rice, wheat and maize fell by around 60 per cent between 1960 and 2000. But there is concern that the rise of food prices is not just part of a long-term price correction, but rather due to a coincidence of a number of factors that include population growth, increases in per capita food consumption and changing diets in developing countries, increased energy costs, certain policies to stimulate biofuels use, and environmental limitations that include disease, climate change and increased water scarcity.

- » Prospects for easing the present supply shortage of these basic food staples are good, according to FAO, if – and it is a big if – weather conditions are right in key cereal producing countries. Unfavourable climatic conditions have, in recent years, devastated crops in Australia and reduced harvests in many other countries, particularly in Europe.
- » FAO says a projected rise in food production this year by 2.6 per cent to a record 2,164 million tons, with the bulk of the expected increase to be in wheat, should ease tight supplies, but that any major shortfalls resulting from unfavourable weather, particularly in exporting countries, would prolong the current tight market situation.

- » There is generally enough food to feed all 6.5 billion people in the world, although there are still more than 850 million people who suffer from chronic hunger. Global agricultural production has met the world's growing demand for food – at least for those who can afford it – and much of the growth in the world's agricultural output has been in developing countries.
- » Still, if future demands are to be met from scarce arable land, investments in further boosting agricultural productivity growth will be essential.

To address all these issues, FAO, WFP and IFAD are hosting a High-Level Conference on World Food Security, in Rome, 3-5 June 2008.

More demand for food

- » Demand for food is projected to grow, not only due to population growth – which is expected to reach nine billion people by 2050 – but also because diets are changing, particularly in developing countries, as incomes rise. Demand for meat, dairy products and oilseed is rising, along with other higher-value commodities that include fresh fruits and vegetables.
- » A demand for more food is putting more pressure on farms. The exponential expansion of cropland has slackened over the last 20 years and land is now used more intensively. In the last 25 years average production per hectare of cropland increased by almost 40 per cent. But this increase in production has come at a price as 25 per cent of farm households suffer significant soil losses each year.
- » A scarcity of land has led to increased land prices in large cities, forcing the poor to settle on marginal land – every year 19.5 million hectares of agricultural land are converted to urban uses.
- » There are basically three ways to produce more food: using more land, increasing the frequency of cropping and improving yields. About a third of the Earth's land surface that is considered suitable for growing crops is under cultivation – about 11 per cent of the Earth's surface is presently used – but much of the land that is not used for agriculture is in sub-Saharan Africa or Latin America, where the land lacks infrastructure or needs to be protected for forest cover and environmental reasons.
- » Fertilizer use, considered essential for increasing yields, varies markedly from region to region, with North America, Europe and East and South Asia accounting for three-quarters of world fertilizer consumption. Africa used only 3.4 per cent of the global total.
- » While the movement to farming with minimal chemical inputs has grown to a US\$24 billion industry in Europe, North America and Asia, experts say that organic farming alone would not be sufficient now or in the future to feed the hungry.

Water concerns

- » At least 70 per cent of the world's water supplies are used by agriculture, and as more regions experience water scarcity, this percentage is expected to grow.
- » Irrigated agriculture, which facilitates multiple cropping, is also very unevenly distributed across regions, with sub-Saharan Africa having only 4 per cent of agricultural land under irrigation.
- » By 2025, 1.8 billion people will be living in countries or regions with absolute water scarcity and two-thirds of the world's population could be living under water stressed conditions.
- » According to the UN Intergovernmental Panel on Climate Change, by 2020, between 75 million and 250 million people in Africa are projected to be exposed to increased water stress due to climate change.

More information on CSD-16, including the full press kit, can be found at:

www.un.org/esa/sustdev/csd/review

CSD-16 will be webcast live at www.un.org/webcast.

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