

**WFP Video News Release**  
**High Food Prices**  
**Kenya, Kyrgyz Republic**  
**TRT 02:20**

**00:00-00:46 Shot 23 August 2012**

Kibera market, Nairobi, Kenya

Various of market, people buying food

**00:46-01:01 Shot 30 August 2012**

**SOT David Orr WFP spokesperson**

"a lot of people have said maize is really expensive, more than twice of what it was 2 years ago', they have been saying that they can spend as much as half if not more of their income on food, and that's a big problem for a lot of them."

**01:01-01:10**

Kibera market, Nairobi, Kenya

Various of market, people buying food

**01:10-01:26 Shot 30 August 2012**

**Osh Bazaar, the largest food market in Bishkek, capital of the Kyrgyz Republic**

Various of the market

**01:26-01:57 SOT Michael Huggins WFP Kyrgyz Republic, Deputy Country Director**  
**Shot 30 August 2012**

"Kyrgyzstan's diet really consists of wheat, wheat flour, everybody eats bread.

But in the last couple of months we have seen prices escalating over 40 percent in some rural areas, Here in the capital its gone up about 25 percent and it continues to raise.

This is one of the most staple foods that people will eat particularly vulnerable households those who don't have enough income or enough produce of their own, so this is really going to strike the poorest people in this country the most."

**01:57-02:21**

WFP's Aizhan Mambetkanova monitors wheat flour prices

**02:21-02:30**

Various of the market

## **Joint statement from FAO, IFAD and WFP on international food prices**

### **UN Agencies appeal for swift, coordinated action**

**4 September 2012, Rome** - *Following is a joint statement on international food prices from the three Rome-based UN Agencies, the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP):*

#### **Tackling the root causes of high food prices and hunger**

by José Graziano da Silva, Kanayo F. Nwanze and Ertharin Cousin\*

The current situation in world food markets, characterized by sharp increases in maize, wheat and soybean prices, has raised fears of a repeat of the 2007-2008 world food crisis. But swift, coordinated international action can stop that from happening. We need to act urgently to make sure that these price shocks do not turn into a catastrophe hurting tens of millions over the coming months.

Two interconnected problems must be tackled: the immediate issue of some high food prices, which can impact heavily on food import-dependent countries and on the poorest people; and the long-term issue of how we produce, trade and consume food in an age of increasing population, demand and climate change.

In responding to those challenges, we are better placed today than five years ago. We have developed new policies and new instruments, like the United Nations High-Level Task Force on Global Food Security and AMIS, the G20's Agricultural Markets Information System, which improves transparency in global markets. We also have the AMIS-related Rapid Response Forum, set up to facilitate coordinated policy responses by the major world producers and traders of key cereals and soybeans in the event of market upheavals.

We have learned that not all are affected in the same way - the urban and rural poor and people in food import-dependent countries are most vulnerable to international commodity price increases, when these are transmitted to local markets, because they spend the largest proportions of their incomes on food.

We have also learned that smallholder farmers, many of whom are also poor and food insecure, can be enabled to benefit from higher food prices and become part of the solution by reducing price spikes and improving overall food security.

We have thus adopted a twin-track approach which supports long-term investments in agriculture, notably smallholder agriculture, while ensuring that safety-nets are in place to help poor food consumers and producers avoid hunger, asset losses and poverty traps in the short run.

Many countries have social protection systems including safety nets - such as assistance for smallholder farmers, nutritional support to mothers and children, and school meals - to ensure that their poorest citizens have enough to eat; yet, these need to be expanded significantly in poorer countries. Safety nets that are affordable, predictable and transparent are an absolute must if we are to safeguard against recurring price shocks and crises.

Small-scale food producers also need to be better equipped to raise their productivity, increase their access to markets and reduce their exposure to risk. And, of course, people need decent jobs and incomes so that they can afford the food they need and escape from poverty.

In responding to high food prices, the things we must avoid doing are just as important as the things we should do. In particular, countries must avoid panic buying and refrain from imposing export restrictions which, while temporarily helping some consumers at home, are generally inefficient and make life difficult for everyone else.

Above all, however, we must understand that high food prices are a symptom, and not the disease. So while the international community must take early action to prevent excessive price increases, it should also move to

act on the root causes behind such surges.

There have been three international food price spikes in the last five years. Weather has been among the drivers of each. Droughts in some part of the world have impaired global grain production virtually every other year since 2007. Elsewhere, major floods have also caused severe damage to crops. Increased diversion of food stock for non-food purposes and increased financial speculation are among the various drivers of increased price levels and volatility.

Until we find the way to shock-proof and climate-proof our food system, the danger will remain. In the short term, this has costs, not only for those directly impacted, but also for the international community at large. For instance, the World Food Programme (WFP) estimates that every 10 per cent increase in the price of its food basket means it has to find an extra \$200 million a year for food assistance.

We are vulnerable because even in a good year, global grain production is barely sufficient to meet growing demands for food, feed and fuel - this, in a world where there are 80 million extra mouths to be fed every year. We are at risk because only a handful of nations are large producers of staple food commodities, and when they are affected, so is everyone else.

The challenge - and the opportunity - is both to reduce and to spread that risk. And the most obvious way is to promote sustainable food production in poor, food-importing countries, where there is often huge potential to improve production. That would make more food available in local markets and provide jobs and income, especially in rural areas where 70 per cent of the world's poor live. We should also address the fact that, globally, one third of food produced is wasted or lost to spoilage, damage and other causes.

The Food and Agriculture Organization of the UN (FAO), the International Fund for Agricultural Development (IFAD) and the World Food Programme are helping poor people to eat today while building their resilience and capacity to feed themselves tomorrow. But more needs to be done.

We need to invest much more in agriculture and social protection, including programmes that help poor people to access food that has become unaffordable in their local markets.

Lastly, we also need to review and adjust where applicable policies currently in place that encourage alternative uses of grains. For example, adjusting biofuel mandates when global markets come under pressure and food supplies are endangered has been recommended by a group of international organizations including FAO, IFAD, the International Monetary Fund, the Organisation for Economic Co-operation and Development, the UN Conference on Trade and Development, WFP, the World Bank and the World Trade Organization. That recommendation, made to the 2011 G20 summit in Paris, still stands today.

In moving to prevent a possible deterioration of the situation, we need to remain vigilant and prepare for the worst in the short run, while working on sustainable solutions for the long haul. Not to do so would inevitably mean that the world's poorest and most vulnerable pay the highest price. Getting this right will help us respond to the "Zero Hunger" challenge set by UN Secretary-General Ban Ki-moon of eradicating hunger from the globe.

*\*The authors are respectively the Director-General of the Food and Agriculture Organization of the United Nations, the President of the International Fund for Agricultural Development and the Executive Director of the UN World Food Programme.*