
Global Food Insecurity and Price Increase Update #2

May 21, 2008

OVERVIEW

At present, 37 countries throughout every region of the world are experiencing localized food insecurity, lack of access to food, or shortfalls in food production or supplies. In the past year, global food prices have increased an average of 43 percent, according to the International Monetary Fund. On April 14, the World Bank estimated that the doubling of food prices during the past three years could potentially push 100 million people throughout the world into extreme poverty.

Approximately 1 billion people—or nearly one-sixth of the world’s population—subsist on less than \$1 per day. Of this population, 162 million survive on less than \$0.50 per day. At the household level, increasing food prices have the greatest effect on poor and food-insecure populations, who spend 50 to 60 percent or more of their income on food, according to the International Food Policy Research Institute. Overall, increased food prices particularly affect the poorest people within developing countries. Among the populations affected by current food insecurity and price increase are people in Haiti and Tajikistan.

HAITI

Between August 2007 and March 2008, the price of basic food commodities in Haiti increased by up to 65 percent. This increase has led to food shortages and widespread civil unrest in early April throughout the capital city of Port-Au-Prince and the provinces of Gonaives, Jacmel, Les Cayes, Petit Goave, and St. Marc. In addition to assistance already planned for Fiscal Year (FY) 2008, on May 16, USAID announced that the Food for Peace program would provide \$20 million in Title II emergency food aid, and would expedite the first shipments by accessing pre-positioned food stocks in Texas. At the same time, three ships with over 6,600 tons of food destined for the regular Title II program are scheduled to arrive in Haiti the last week of May. Consisting of corn/soy blend, lentils, vegetable oil, and soy fortified bulgur wheat, this shipment has now been reprogrammed for distribution in the emergency program. One ton of food feeds approximately 2,000 people for one day. The United States remains Haiti’s largest bilateral donor. President George W. Bush has requested more than \$245 million in assistance for Haiti in the FY 2009 budget.

TAJIKISTAN

Food insecurity currently affects populations throughout Tajikistan. In early May 2008, the U.N. issued a revised Compound Crisis Flash Appeal for nearly \$27 million for Tajikistan. The appeal notes that the compound crisis in Tajikistan reflects the effects of a combination of shocks on existing vulnerabilities that evolve and amplify each other. Numerous shocks—including an unusually severe winter resulting in critical energy shortage, frozen crops, and a loss of seed stocks and livestock; sudden rise in temperatures in March; cyclical floods, landslides, mudslides, and droughts; locust infestation; failed harvests; and rapidly rising food prices—have left rural populations with few remaining coping mechanisms. According to the U.N., assessment results indicate that 2 million people in Tajikistan have been affected by the current crisis and require urgent emergency assistance, including health and livelihood interventions.

The last detailed food security vulnerability study conducted in Tajikistan, which occurred in 2004, identified 10 percent of the rural population, or an estimated 500,000 people, as chronically food insecure. This group of people subsists on fewer than the minimum international standard of 2,100 calories per person per day. Another 17 percent of Tajikistan's population, or approximately 850,000 people, are highly vulnerable to food insecurity, experiencing food gaps at different times of the year. Twenty seven percent of Tajiks, or 1.3 million people, are classified as borderline cases, easily becoming food insecure when affected by shocks such as natural disasters, crop failures, or debts.



A Tajik child holds a can of vegetable oil from USAID (photo courtesy of Save the Children).

The food security cluster in Tajikistan reported that from March 2007 to March 2008, the price of food increased substantially, with the prices of mutton, cabbage, bread, and wheat increasing 44 percent, 281 percent, 100 percent, and 106 percent, respectively. Most of the population in Tajikistan consistently spends more than 50 percent of their income on food; the most vulnerable 20 to 27 percent of the population spend up to 80 percent of income on food. Many people in Tajikistan have not had a balanced food basket for years and have been overusing wheat flour and oil at the expense of other, more nutritious foods. According to InterAction, 61 percent of households in Tajikistan eat only one warm meal per day.

Beginning in January 2008, social and economic factors compounded by extreme cold weather led to increased food insecurity, power shortages, and damage to agricultural assets and water systems in Tajikistan. Approximately 260,000 people required immediate assistance, while food insecurity affected an estimated 2 million

people. On February 13, U.S. Ambassador Tracey A. Jacobson declared a disaster due to the impact of extreme winter weather. In response, USAID's Office of U.S. Foreign Disaster Assistance (USAID/OFDA) provided nearly \$1 million to Save the Children, CARE, and Mercy Corps for the provision of emergency relief commodities and health services. In addition, the U.S. Department of State shipped more than 259,000 humanitarian daily rations to Tajikistan. The total value of the rations, including transportation, was \$1.6 million dollars, bringing the total value of U.S. Government humanitarian assistance from USAID/OFDA and the U.S. Department of State to more than \$2.5 million.

In FY 2007 and FY 2008, USAID's Office of Food for Peace (USAID/FFP) is providing food assistance worth approximately \$8 million to vulnerable populations in Tajikistan. USAID/FFP has channeled funding through a consortium effort led by CARE and including Mercy Corps and Save the Children.¹ The consortium's primary activities are agricultural production and marketing, health and nutrition training for mothers and infants, safety net food distribution to the most vulnerable populations, and microenterprise development. The program is scheduled to conclude at the end of FY 2008.

¹ The consortium also included Counterpart International in FY 2007.