

	منظمة الأغذية والزراعة للأمم المتحدة	<p>CFS: 83/3</p> <p>March 1983</p>
	联合国粮食及农业组织	
	FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS	
	ORGANISATION DES NATIONS UNIES POUR L'ALIMENTATION ET L'AGRICULTURE	
	ORGANIZACION DE LAS NACIONES UNIDAS PARA LA AGRICULTURA Y LA ALIMENTACION	

Item III of the  
Provisional Agenda

COMMITTEE ON WORLD FOOD SECURITY

Eighth Session

Rome, 13 - 20 April 1983

REVIEW OF THE IMPLEMENTATION OF THE PLAN  
OF ACTION ON WORLD FOOD SECURITY

I. INTRODUCTION

1. This paper reviews the progress made in the implementation of Points I, II, III and V of the Plan of Action on World Food Security, viz. the adoption of foodgrain stock policies, the use of criteria for management and release of national stocks, special measures to assist low-income food-deficit countries to meet current import requirements and emergency needs; and collective self-reliance of developing countries. Measures relating to food security assistance (point IV) are discussed in document CFS: 83/5.

2. A large number of countries have by now adopted national foodgrain stock policies, with objectives in line with the Plan of Action and the International Undertaking on World Food Security. However, these policies and their implementation do not yet meet the basic requirement of the Undertaking that "governments should, in conformity with their institutional and constitutional requirements, adopt policies concerning national stocks which take into account the policies of other countries and would result in maintaining a minimum safe level of basic cereal stocks for the world as a whole".

3. Low-income food-deficit countries many of which lack sufficient storage facilities and face serious balance of payments difficulties are unable to profit from the current ample world food supplies and low prices and will be constrained from doing so even in the future unless they are assisted adequately to improve their food security infrastructure, and provided with food aid, or with financial resources to import food not only for current consumption but also for the establishment or replenishment of minimum food security stocks.

4. International action in line with the Plan of Action included, in 1982, the extension of the Food Aid Convention, 1980 for three years to June 1986; the convening of a joint pledging conference for WFP regular resources and IEFER contributions, and the establishment of a Regional Commission on Food Security for Asia and the Pacific.

5. Although it is accepted that there is considerable scope for collective self-reliance among developing countries in strengthening their food security and some regional or sub-regional bodies are actively considering coordinated actions to meet this objective, these approaches are still at an early stage.

6. On the whole, while the national and international measures taken since the Plan of Action was adopted in 1979 should not be undervalued, implementation of its principles remains partial and there has been only slow progress since the last session of the Committee. Delegates may wish to supplement the information contained in this document. Since the views of the Director-General on these and related policy issues are contained in his report (document CFS: 83/4), it is suggested, however, that the CFS defer making recommendations on the follow-up to the Plan of Action until it considers Item IV of the Agenda.

## II. ADOPTION AND IMPLEMENTATION OF NATIONAL CEREAL STOCK POLICIES AND PRACTICES

7. According to the information available with the Secretariat, there are at present seventy-two countries (12 developed and 60 developing) which have adopted explicit national cereal stock policies. 1/ In addition, the EEC, six other developed countries and ten developing countries report that they follow stock practices which enable them to attain the objectives set out in the International Undertaking and the Plan of Action on World Food Security. Thus, in all, 98 countries have adopted national food stock policies or follow stock practices.

### Stock Targets

8. Sixty-seven countries (58 developing and 9 developed) have reported that they have set targets for their cereal stocks. 2/ Most of the major cereal exporting countries have not established specific targets. However, in the United States under the Agricultural and Food Act of 1981, the Secretary of Agriculture may establish upper limits for grains held in the farmer-owned reserve, but these may not be less than 19.1 million tons for wheat and 25.4 million tons for coarse grains. The U.S. Government maintains a special Food Security Wheat Reserve of 4 million tons to provide an added measure of assurance in meeting U.S. food aid commitments, as well as emergency and humanitarian food needs in developing countries. Sweden, in addition to national emergency stocks of 103,000 tons of wheat and rye, also holds a stock of 40,000 tons of wheat to enable the country to participate in international emergency operations. The EEC maintains a minimum working stock of 7 million tons. In Australia the Wheat Board generally aims to hold end-of-season stocks at levels sufficient to maintain supplies to its regular customers and to meet emergency situations.

9. Some developed importing countries which have established targets (e.g. Finland, Norway and Switzerland) and higher-income developing countries dependent on imports for most of their cereal needs like Oman and the Kingdom of Saudi Arabia have set their stock targets at or above 50 percent of their annual cereal consumption requirements. However, the targets of most developing countries generally cover 15-25 percent of their annual consumption, and there are countries with targets of less than 10 percent. Among the developing countries, Bangladesh, Ecuador, Guatemala, Lao, Nepal and Peru report that their present targets are set below levels considered desirable for their national food security.

10. The survey shows that many of the developing countries still lack the protection of even minimum stocks. Explicit stock policies have been drawn up in 60 out of the 70 developing countries for which information was available to the Secretariat, but only a few of them have been able to implement these policies fully. 2/ Among the developing countries which have supplied information to the Secretariat, Argentina, Colombia, Cyprus, the Republic of Korea, Panama, Philippines and Zimbabwe hold stocks which in size are generally consistent with their food security targets. Many of the other developing countries, particularly the low-income food-deficit countries, however, have not been successful in implementing their stock policies and targets, and as a result remain vulnerable to dangers of food shortages.

11. Insufficient domestic food production and balance of payments difficulties rank high among the constraints which developing countries face in building up their reserves to target levels. In most food deficit countries, the shortage of foreign exchange is a serious constraint even in securing the

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1/ This review has been based on the information provided by governments in response to the current and earlier questionnaires, FSAS records and information obtained from other sources, e.g. the International Wheat Council. A stock "policy" is defined as a definite course or method of action established by a government in order to guide, influence or determine the level of stocks in the country concerned in accordance with certain objectives.

2/ See Annex.

most urgent imports for current consumption, and food aid is rarely available to build food security reserves. Lack of storage facilities, as well as transportation difficulties which hinder the movement of the produce from surplus areas to those areas where storage facilities exist, continue to be mentioned as serious constraints by several countries, in addition to financial, technical and organizational problems connected with the operation of a national food reserve.

12. Those developing countries which were able to build up stocks in recent years have greatly benefited from their existence. For instance, Bangladesh was able to cover part of the crop shortfall experienced in 1982 by releasing stocks accumulated earlier; stocks came down to 764,000 tons in mid-October 1982 from 1.33 million tons a year earlier. India too has been releasing government stocks to offset the shortfall in production in 1982 and to meet increased demand from its public distribution system. In addition to 2.3 million tons imported in 1981/82, the Government has purchased in 1982/83 about 4 million tons of wheat in the international market to meet the requirements of the public distribution system as well as to replenish stocks. Some other developing countries which harvested better crops in 1982 were able to build up stocks in this year. Thus in Indonesia, end of year stocks in 1982 were estimated at 2.1 million tons, an increase of 600,000 tons over the previous year. In Pakistan, too, the increase was estimated to be 600,000 tons from the previous year's level.

13. The developed countries have generally been able to implement their cereal stock policies and practices. However, these are mostly directed towards national goals which do not do full justice to the intentions of the Undertaking and the Plan of Action. While they are aimed at the national objectives of ensuring domestic supplies and, in the case of exporting countries, of meeting export commitments, including food aid commitments under the Food Aid Convention, they do not yet add up to a coordinated system which "would result in maintaining a minimum safe level of basic cereal stocks for the world as a whole". Some governments have taken no action because national measures were predicated on the conclusion of a new international grains agreement with stockholding provisions. Exporting countries count the offsetting of crop fluctuations among their stock policy objectives, but only the United States has established and implemented a sizeable grain reserve - partly in the hands of the Government, but mostly farmer-owned - which is held off the market at times of low prices and ample supplies, to be made available to domestic and foreign buyers when prices rise to specific levels. However, the United States Government is now authorizing the partial release of this reserve under the payment-in-kind (PIK) programme aimed at reducing 1983 wheat and coarse grain production.

14. The FAO Council at its Eighty-Second Session (November 1982) recognized that, in the absence of a new international grains arrangement with provisions for food security and market stability, it was necessary to give increased support to national efforts to establish food security stocks in line with the Plan of Action on World Food Security. Governments are increasingly recognizing the need for strengthening their food security and many of them are undertaking concerted efforts to build up stocks, to train staff in technical and management fields and to improve their infrastructural facilities including storage capacity and transportation systems - in several cases with bilateral or multilateral support, including the FAO Food Security Assistance Scheme. In view of the limited resources available to governments of these countries, increased external financial and technical assistance is necessary to supplement their efforts in strengthening their food security.

### III. SPECIAL MEASURES TO ASSIST LOW-INCOME FOOD-DEFICIT COUNTRIES TO MEET CURRENT IMPORT REQUIREMENTS AND EMERGENCY STOCKS

#### Food Aid

15. The Food Aid Convention 1980 (FAC) has been further extended for three years to 30 June 1986. However, notwithstanding the recommendations contained in the International Development Strategy for the Third United Nations Development Decade (IDS) that every effort should be made both to enlist new contributors and to increase the commitments of the existing ones so that the new Convention could be renewed with a firm assurance that the target of 10 million tons would be "the absolute minimum flow of assistance, even in times of high prices and food shortage", minimum contributions under the FAC remained unaltered at a total of 7.6 million tons of cereals.

16. In response to requests by the U.N. General Assembly 1/ and the Director-General of FAO 2/, the Committee on Food Aid Policies and Programmes will undertake a review of food aid requirements and food aid targets at its Fifteenth Session in May 1983.

#### The International Emergency Food Reserve (IEFR)

17. The IEFR, for the first time since it came into operation in 1976, had attained and surpassed its minimum target of 500,000 tons of cereals in 1981. Contributions in 1982 amounted to about 450,000 tons of cereals and 51,000 tons of other foodstuffs. In order to ensure the level, predictability and continuity of the Reserve, the CFA at its Thirteenth Session agreed on the proposal for a joint pledging conference for voluntary biennial pledges for WFP regular resources and the IEFR. The first joint conference for the World Food Programme regular resources and IEFR contributions for the biennium 1983-84 was held in March 1982. It was useful insofar as it resulted in forward contributions for 1983 and 1984 but the quantities pledged were only about one-third of the minimum target.

18. In view of the special importance it attached to the Reserve and its effective functioning, the CFA undertook to monitor carefully the performance of the IEFR at future sessions, including the extent to which the pledging conference fully achieved the objectives of ensuring the level, predictability and continuity of IEFR resources. The Committee agreed to review the level of contributions and performance of the IEFR and its relationship to the activities of the other United Nations agencies and donor countries in emergency operations at its Thirteenth Session. The Committee recognized that, in the light of its reviews of actual performance, it might be necessary to consider the question of strengthening the IEFR at a later session.

#### IMF Food Financing Facility

19. In line with the recommendation in the Plan of Action on World Food Security, the IMF provides financial assistance to member countries to compensate for a temporary excess in the cost of their cereal imports caused by factors beyond their control - such as a decline in domestic production and a sharp rise in import prices. Since May 1981 when the IMF financing facility for cereal imports was set up, assistance was provided under this facility equivalent to SDR 33.6 million to Bangladesh, SDR 60.4 million (including compensation for short-fall in merchandise export earnings) to Kenya, SDR 106 million to the Republic of Korea, SDR 12 million to Malawi and SDR 123 million to Morocco. Bangladesh and Morocco received in addition assistance to compensate for a shortfall in their merchandise export earnings. On the other hand merchandise export earnings of the Republic of Korea and Malawi being higher than in the preceding year the assistance provided was net of increase in their export earnings.

20. The Executive Board of the Fund will review the operation of the facility in June 1983.

#### IV. STEPS TAKEN TO FOSTER COLLECTIVE SELF-RELIANCE OF DEVELOPING COUNTRIES TO STRENGTHEN THEIR FOOD SECURITY

21. The Committee at its Seventh Session reiterated its support for the concept of collective self-reliance as expressed in the Plan of Action on World Food Security; agreed with the conclusions and guiding principles set out in Secretariat document CFS: 82/4 for the formulation of sub-regional and regional food security schemes; and requested the Secretariat to continue to keep under review such schemes and to report these at its future sessions. While considering the report of the Committee, the FAO Council at its Eighty-Second Session supported regional and sub-regional approaches to strengthen food security including infrastructure, production and early warning systems, and emphasized that such approaches should supplement and not supplant efforts and arrangements at national and global levels.

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1/ Resolution No. A/RES/35/56, 20 January 1981.  
2/ At the Eleventh Session of the CFA, May 1981.

### Regional Commission on Food Security for Asia and the Pacific

22. An important development which is expected to foster collective self-reliance in food security among developing countries is the establishment of the Regional Commission on Food Security for Asia and the Pacific, by the FAO Council at its Eighty-Second Session, on the recommendation of the Sixteenth FAO Regional Conference for Asia and the Pacific. The terms of reference of the Commission include, inter alia, promoting collective self-reliance in food supplies among member nations at regional or sub-regional levels while paying due regard to the interests of both food exporting and importing countries, through:

- (i) arrangements for mutual assistance to meet short-term food security difficulties, particularly in times of crop shortfalls;
- (ii) identification of the requirements for the establishment of food security reserves and infrastructure, including storage, marketing, processing and transportation and making recommendations on these matters;
- (iii) identification of long-term security problems including constraints on production and possible ways of overcoming them.

The first session of the Regional Commission is scheduled to take place later this year in Bangkok.

### National and Regional Food Security Reserves in the Sahel

23. At the request of the Council of Ministers of the CILSS, a Donor Conference was jointly convened by the CILSS and the Director-General of FAO, in Rome in March 1982, to discuss the most appropriate ways and means for financing the programme of national and regional food security reserves in the Sahel.

24. The meeting recognized that without concerted action, the structural food deficit in the sub-region was likely to increase dramatically in the future. Therefore, long-term programmes aimed at substantially increasing production and achieving food self-sufficiency were necessary. In the short-term, international efforts must be made to ensure the food security of the Sahelian people.

25. It was agreed to undertake studies to assess village and on-farm stocks with the ultimate aim of integrating them into the global system of food security reserves. It was equally recognized that the establishment of both national and regional reserve stocks of the magnitude proposed by the feasibility study would place too large a burden on the national grain boards whose managerial capacities were already being strained. Hence the need for sound training programmes which would improve such capabilities. In view of this, the Director-General committed an initial amount of US\$ one million from TCP resources for training programmes.

26. In a follow-up meeting at Ouagadougou, jointly convened in September 1982 by the CILSS and the Club du Sahel, decisions were reached to: establish a regional cereals unit (Division Cerealiere Regionale - DCR) whose function at the initial stage will be limited to information analysis and policy harmonization; and undertake an on-farm storage survey with a view to exploring the possibility of using on-farm storage for emergencies at national as well as at regional levels.

27. At this meeting the UNDP, France and Italy expressed their willingness to participate in the financing of some of these activities to strengthen food security in the Sahelian countries.

### The Southern African Development Coordination Conference (SADCC)

28. At the SADCC Summit meeting held in Gaborone, Botswana on 22 July 1982, it was reported that feasibility studies were being carried out for eight projects identified for strengthening food security in the region. These included national and regional statistical data banks, a regional early warning system, national food plans and reserves; prevention of post-harvest food losses, food processing and joint action in respect of inputs and food procurement including food aid. In line with the SADCC request, FAO has undertaken a feasibility study and made project proposals for the establishment of a Regional Early Warning System and for the setting-up or improvement of national early warning systems in the member countries.

### Latin American Economic System

29. The Latin American Council, at its eighth regular meeting held in Caracas during August 1982, decided to support the establishment of a Regional Food Security System in line with the recommendation of a Meeting of High Level National Experts held in Mexico in August 1981. The main aim of establishing this System will be: encouragement of regional food self-sufficiency through actions including promotion of agricultural and food production and encouragement of intra-Latin America trade in basic foods; strengthening national infrastructures for storage especially reserves for transport and for information; encouragement of timely exchange of information; continuous consultation for rapid action among member states in order to overcome food deficiencies in the region; and coordination and interchange of experiences of the national and sub-regional food security systems of member states. The Latin American Council also decided to create an Action Committee within the framework of SELA which would be entrusted with the responsibility of developing the actions necessary for the establishment of the System. In a move towards implementing these programmes SELA, in cooperation with FAO, has recently analysed factors related to the establishment of a regional information and coordination service for basic foods.

### The Seventeenth FAO Regional Conference for Latin America

30. The Conference held in Managua, Nicaragua during August-September 1982, adopted a resolution in which it supported the possibility of creating flexible and effective food security systems for the region. It recommended that such food security systems for the region should include the creation of food reserves. It also recommended that the system should be based on a multilateral scheme which could help to reduce the vulnerability of Latin American and Caribbean countries vis-a-vis one or more industrialized countries. The Director-General was requested to prepare a report on the food security situation in Latin America and the Caribbean for discussion at the Eighteenth FAO Regional Conference.

### The Economic and Social Commission for Asia and the Pacific (ESCAP)

31. The Commission has undertaken a special study on food supply and distribution in Asia and the Pacific Region, which was considered at the Commission's Thirty-Eighth Session in Bangkok, Thailand during March-April 1982. The Executive Secretary of ESCAP has indicated that matters related to food security contained in this study could form an input to the work of the Regional Commission on Food Security for Asia and the Pacific.

### Group of 77 Experts' Meeting on Food Security Reserve Schemes

32. Following the recommendation made by the Group of 77 in Caracas Programme of Action, a meeting of experts of the Group on food security reserve schemes was held in Manila, Philippines, in August 1982. The Meeting concluded that (i) national reserve policies and practices constituted a base for establishing sub-regional and regional food security schemes; (ii) a scheme for acquiring and maintaining food reserves of developing countries should be composed of a network of sub-regional and regional food reserves and financial arrangements; (iii) regional and sub-regional food reserve schemes should be of a modest scale to begin with; and (iv) political, economic and social considerations were vital to the success of regional and sub-region food reserve schemes. The meeting suggested that regional consultations be continued and intensified with a view to arriving at specific recommendations. It was agreed that the next meeting of experts would further elaborate some of the measures to promote collective self-reliance.

33. It will be seen that most food security programmes at regional level are still at early stages of consideration or planning. Political will, preparation of viable and acceptable schemes and financial and technical help to enable the concerned countries to formulate and implement regional schemes are the pre-requisites to foster collective self-reliance among developing countries.

NATIONAL CEREAL STOCK POLICIES AND PRACTICES

COUNTRY	Explicit stock policy	Stock practices	Objectives of stock policy and practices						Cereal stock target (..000 MT)	Stock target adequate?	Actual stocks as percent of target %	Stock ownership (Government/Private)	Constraints to attain stock target				
			To maintain supplies to domestic and export markets	To meet emergencies	To stabilize prices	To meet public distribution programmes	To meet international commitments such as food aid or long-term contracts	Strategic considerations					Insufficient domestic production	Lack of foreign exchange	Lack of storage facilities	Transportation difficulties	Technical problems of stock management
1. Algeria	X		X	X	X	X	X	2000 1/4	Yes	214	G + P						
2. Argentina	X		X	X	X	X	X	400-500	Yes	n.a.	G + P						
3. Australia	X	X	X	X	X	X	X										
4. Austria *	X	X	X	X	X	X	X	180	No	100	G			X			
5. Bangladesh	X	X	X	X	X	X	X	1,230 2/3		51	P			X			X
6. Barbados *	X	X	X	X	X	X	X	2-10 2/3						X			
7. Benin **	X		X	X	X	X	X	35 2/3									
8. Botswana *	X		X	X	X	X	X	30 2/3									
9. Brazil	X		X	X	X	X	X	4,078 2/3	Yes	165	G + P						
10. Cameroon	X	X	X	X	X	X	X	68 2/3	Yes	9	G			X			X
11. Canada	X		X	X	X	X	X	38									
12. Chad **	X		X	X	X	X	X										
13. Chile	X	X	X	X	X	X	X										
14. Colombia	X	X	X	X	X	X	X	469 2/3	Yes	99	G + P						
15. Costa Rica	X	X	X	X	X	X	X										
16. Cyprus	X		X	X	X	X	X	400 2/3	No	140	G						
17. Dominican Rep.*	X	X	X	X	X	X	X	81.4 2/3	Yes		G						
18. Ecuador	X	X	X	X	X	X	X	17.7 4/7	No		G + P						
19. EEC	X	X	X	X	X	X	X			91	G						X
20. Egypt	X	X	X	X	X	X	X	1,070 2/3	Yes								
21. El Salvador	X	X	X	X	X	X	X										
22. Fiji	X	X	X	X	X	X	X	1.6 4/4	Yes	26	P						
23. Finland	X	X	X	X	X	X	X	0.9 1/15	Yes		G + P						
24. Ghana ** 2/	X	X	X	X	X	X	X										
25. Guatemala	X	X	X	X	X	X	X	27.6 4/16	No		G						
26. Guyana **	X	X	X	X	X	X	X										
27. Honduras **	X	X	X	X	X	X	X										
28. Hungary	X	X	X	X	X	X	X	1200 1/2	Yes		G + P						
29. India	X	X	X	X	X	X	X	15.5-20.8	Yes		G						
30. Indonesia **	X	X	X	X	X	X	X	2,025	Yes		G						





NATIONAL CEREAL STOCK POLICIES AND PRACTICES

COUNTRY	Explicit stock policy	Stock practices	Objectives of stock policy and practices						Cereal stock target (1,000 MT)	Stock target adequate?	Actual stocks as percent of target	Stock ownership	Constraints to attain stock target					
			To maintain supplies to domestic and export markets	To meet emergencies	To stabilize prices	To meet public distribution programs	To meet international commitments such as food aid or long-term contracts	Strategic considerations					Insufficient domestic production	Lack of foreign exchange to import	Lack of storage facilities	Transportation difficulties	Technical problems of stock management	Other financial or organizational problems
70. Spain	X		X	X	X	X	X											
71. Sri Lanka	X		X	X	X	X	X											
72. Sudan **	X		X	X	X	X	X											
73. Sweden	X		X	X	X	X	X											
74. Switzerland	X		X	X	X	X	X											
75. Syrian Arab Rep. **	X		X	X	X	X	X											
76. Tanzania **	X		X	X	X	X	X											
77. Thailand	X	X	X	X	X	X	X											
78. Togo	X	X	X	X	X	X	X											
79. Trinidad & Tobago *	X		X	X	X	X	X											
80. Tunisia	X		X	X	X	X	X											
81. Turkey	X		X	X	X	X	X											
82. Upper Volta **	X		X	X	X	X	X											
83. Uruguay	X	X	X	X	X	X	X											
84. U.S.A.	X		X	X	X	X	X											
85. Vietnam	X		X	X	X	X	X											
86. P.D.R. **	X		X	X	X	X	X											
87. Yugoslavia	X		X	X	X	X	X											
88. Zambia	X		X	X	X	X	X											
89. Zimbabwe	X	X	X	X	X	X	X											

Source: Replies by governments to the 1982 questionnaire on national food stock policies and practices.  
 \* International Wheat Council, Cl. 97/10, 9th November, 1982.

\*\* Replies to questionnaires on national food stock policies sent prior to 1982, other official and unofficial sources.

Foot notes: 1/ Estimated on the basis of official target expressed in terms of weeks' or percentage of annual consumption.  
 2/ Working + Reserve Stocks  
 3/ Working Stocks only  
 4/ Reserve Stocks only  
 5/ In addition to the target indicated, the Food Distributing Corporation holds 5% of its grain purchases.  
 6/ Policy being reviewed by a recently established "National Food Council". Information based on past data supplemented by that from IFC.





