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ASSESSMENT OF THE CURRENT WORLD FOOD SECURITY AND STOCK SITUATION AND THE SHORT TERM OUTLOOK

I. SUMMARY AND CONCLUSIONS

1. World production of basic staple food declined by 6 percent in 1983, reflecting a drop in the output of cereals, which accounted for over 90 percent of the total. However, the reduction in output and the consequent drawdown in stocks and rise in prices has largely affected coarse grains. Although cereal supplies remain adequate at the global level in 1983/84, the food security situation and outlook in many low income countries, especially in Africa, has deteriorated badly. In addition, a number of developments which could affect the global situation in 1984/85 give cause for concern.

2. The drop in global production in 1983 reflected a large reduction in output in the exporting countries, especially the United States. With the exception of Australia and Thailand, production in the other major cereal exporting countries was also lower. By contrast cereal output increased in some major importing countries especially China, India and the USSR.

3. Among the developing countries, several Asian countries harvested bigger crops, but a further decline in production has created serious difficulties for a large number of low income countries in Africa and in Latin America. Moreover, supplies of other important basic foods have failed to increase in these countries. The output of cassava is estimated to be lower, particularly in Africa where it is an important source of calories in many countries. The output of fats and oils is at about the same level as the previous year, while the production of pulses is estimated to have increased only marginally. The food supply situation is especially critical in 22 countries in Africa where immediate action to augment food aid is required to avert widespread starvation.

4. Despite relatively low dollar prices for wheat and rice, serious balance of payments problems, limited export markets, and the weakness of most currencies relative to the dollar make it difficult for low income countries to import the quantities of food they need to maintain per caput consumption. Excluding China and India, where import requirements are lower, the cereal imports of other low-income food-deficit countries are expected to increase by only 1.5 million tons, an amount which will be insufficient to compensate for the decline in production and the rise in population. As moreover food aid is expected to be lower in 1983/84, per caput consumption of staple foods is likely to decline in 36 of the 63 low-income food-deficit countries and in 46 of them it would be at or below the level of 1969-71.

5. At the global level, cereal consumption continues to grow only slowly, but the sharp drop in production in 1983 is nevertheless expected to lead to a substantial reduction in carryover stocks during 1983/84. As a result, global cereal stocks at the opening of 1984/85 would amount to only 16 percent of expected consumption. Although stocks of wheat would increase again to reach a record level, those of coarse grains would be the lowest since the world food crisis, while carryovers of rice are expected to decline for the third consecutive year.

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6. The sharp reduction in stocks during 1983/84 means that food security in 1984/85 will depend critically on the outcome of the 1984 crops. Fortunately, planting and growing conditions for the early crops have been good, and as an expansion in area is foreseen in several countries production should recover in 1984, provided that weather conditions remain favourable. However, most of the crops to be harvested in 1984 have not yet been sown.

7. The 1983/84 food security situation is thus characterized on the one hand by adequate supplies of food at the global level, and on the other by serious problem areas, some immediate and others of a longer term nature, that require action. The critical food supply situation in many low income countries, especially in Africa, is the area of most immediate concern. In 22 African countries where food production has declined or stagnated for a number of years, food supplies are inadequate again in 1983. As a result their cereal import requirements are forecast to rise to 5.2 million tons this season, of which food aid would need to be 3.5 million tons, 1.9 million tons more than currently known commitments. In view of this alarming situation, the Director-General appealed for emergency aid for these countries; the FAO Conference, at its 22nd Session in November 1983, adopted a Resolution supporting his appeal and urging the international community to respond generously. In addition, some other countries in Africa have reported food shortages and have requested emergency food aid. The Committee is invited to review the progress made in providing assistance to the affected countries, not only to meet their immediate food requirements but also to ensure a recovery in their levels of food production. The longer term problem of accelerating food production in Africa will be considered by the Committee under Agenda Item 5.

8. The second problem area relates to the inability of the low-income food-deficit countries to secure access to supplies in international markets due to rising balance of payments deficits, limited export markets and reduced credit availability. Although aggregate cereal imports of these countries (excluding China and India) are expected to rise in 1983/84, the increase will be only one-third of the volume needed to maintain per caput cereal consumption. In the longer run, the ability of the low-income food-deficit countries to import food from world markets can be improved only through action to increase their foreign exchange earnings. This is why trade is such a crucial component of world food security. In the short run, however, unless food aid increases substantially the already low levels of consumption will fall further.

9. Third, at the global level concern arises because of the anticipated steep fall in carryover stocks of cereals by the end of the current season. Carryovers are expected to decline to 16 percent, i.e. below the level of 17-18 percent of consumption that is estimated by the FAO Secretariat to be the minimum needed for world food security. Therefore, to safeguard food security in 1984/85 it is essential that a substantial increase in cereal production takes place in 1984, particularly of rice but also of coarse grains.

10. The continuing problem of food shortages in many low-income food-deficit countries reflects long run structural constraints on raising production. Given the central role of food production, not only in providing adequate food supplies but also in creating employment and incomes, it is essential to intensify measures to overcome these constraints. The Committee may wish to urge that efforts to raise production in the low-income food-deficit countries be redoubled and that bilateral donors and international agencies increase their assistance to achieve this objective.

11. Finally developments in the current season highlight once again the persistence of the cyclical pattern of shifts from tight supplies to surpluses, which had been noted by the Committee at its Eighth Session. The basic problem of reconciling the aims of national production, consumption, trade and stock policies with the objectives of world food security, including greater stability of supplies and prices in world markets remains.

II. GLOBAL FOOD SITUATION IN 1983/84

12. World production of staple foods (cereals, pulses, roots and tubers) is estimated to have fallen by almost 6 percent in 1983 (Table 1). This decline - the first since the early seventies - was concentrated in developed countries. While the situation was somewhat better in developing countries, where aggregate food production rose, the increase was below trend and only barely in line with the growth in population. The decline in food production reflected a 7 percent drop in the output of cereals, mainly due to a sharp reduction in the production of coarse grains. World wheat and rice harvests were marginally higher, but the production of other basic food crops, especially roots and tubers, was poor in 1983.

TABLE 1: WORLD PRODUCTION, IMPORTS, STOCKS AND CONSUMPTION OF BASIC STAPLE FOODS, 1981/82 TO 1983/84

	PRODUCTION			IMPORTS			CLOSING STOCKS			CONSUMPTION		
	1981	1982	1983 prelim.	1981/82	1982/83 prelim.	1983/84 forecast	1981/82	1982/83 prelim.	1983/84 forecast	1981/82	1982/83 prelim.	1983/84 forecast
	(........			.... million tons			....			....		........)
Basic staple foods 1/	1 669	1 721	1 617	220	201	204	...	...	...	1 620	1 673	1 682
of which: Wheat	454	486	488	100	97	97	103	120	132	445	465	475
Coarse grains	787	799	689	103	86	89	135	160	82	747	771	768
Rice (milled)	275	281	287	10	12	12	43	42	40	275	281	285
(paddy)	(412)	(421)	(430)									
Total cereals 2/	1 516	1 566	1 463	213	195	198	281	322	255	1 467	1 518	1 528
of which: Developing countries	683	699	715	97	105	106	102	105	107	746	764	784
Low-income food-deficit countries 3/	477	489	515	42	47	43	73	76	82	513	526	550
(Excluding China and India)	(119)	(117)	(119)	(20)	(22)	(23)	(21)	(19)	(21)	(135)	(137)	(140)
Developed countries	833	868	749	116	90	92	179	217	148	722	754	745

1/ Includes pulses, roots and tubers (in grain equivalent), rice in milled equivalent as well as grains. Totals calculated from unrounded data.
2/ Includes rice in milled equivalent.
3/ Includes all food-deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. with a per caput income of US$ 805 and below in 1982), which in accordance with the guidelines and criteria agreed by the CFA should be given priority in the allocation of food aid.

13. The decline in cereal production in 1983 was concentrated in the United States, where strong supply management measures in the form of area reduction programmes were implemented in an effort to reduce the excess supplies that had accumulated in 1981/82 and 1982/83. As a result, there was a sharp cutback in the area planted to cereals. In addition, coarse grain crops were badly affected by drought, leading to a decline of almost 40 percent in aggregate cereal production in the United States to 206 million tons, the lowest level since 1974. Several other grain-exporting countries, including Argentina, Canada and South Africa, also had smaller crops in 1983, as did a number of countries in eastern and western Europe. However, output in Australia recovered strongly from the very low levels reached in 1982 and the USSR had the best cereal crops since 1978.

14. Cereal production in the developing countries is estimated to have risen by 2 percent, mainly reflecting larger crops in India and China. However, output in 1983 was lower in Latin America and poor crops in many African countries for several successive years have again resulted in serious food problems in this region (see Section IV).

15. World imports of cereals are forecast to be 198 million tons in 1983/84, marginally above the previous year but below the volume traded in 1980/81 and 1981/82 (Table 1). The limited increase in imports this year reflects a number of factors. Crops have been better in some importing countries, particularly the USSR but also China and India, where import requirements for current consumption are lower and imports are in part being used to replenish stocks. However, a number of other countries, notably the low-income food-deficit countries, are unable to import the quantities required because of balance of payments and credit problems, and insufficient food aid. In addition, the effects of the economic recession and other financial problems have led to a cutback in imports by some middle-income developing countries.

16. Global utilization of cereals is expected to increase by less than 1 percent, below the growth in population and considerably less than the 3.5 percent expansion in the previous year. Consumption is expected to fall in the developed countries, where depressed economic conditions have affected the demand for livestock products and hence the utilization of grain for animal feed. In the developing countries, aggregate cereal consumption is expected to grow sufficiently to allow a marginal increase in per caput terms, but improvements would occur in only a few countries where cereal harvests were larger, as in China and India. The quantities available for consumption in many other areas, and particularly in Africa, are expected to be insufficient, and a reduction in per caput consumption levels is anticipated.

17. As a result of the decline in production in 1983, a considerable reduction in cereal carryover stocks will be required to meet demand in 1983/84. On the basis of current information on production and utilization, carryover stocks of cereals at the end of the 1983/84 seasons are forecast to fall to 254 million tons, i.e. 67 million tons or 21 percent below their opening level (Table 2). This would mainly reflect a reduction of 78 million tons in carryovers of coarse grains, which would fall to their lowest level since the world food crisis of 1972-74. Stocks of rice would also decline by 2 million tons to 40 million tons, the lowest since 1978. By contrast, carryovers of wheat are forecast to increase for the third year in succession to the record level of 132 million tons. Reflecting the sharp drawdown of coarse grain stocks, carryovers of cereals at the end of the 1983/84 seasons are expected to be the equivalent of only 16 percent of forecast consumption in 1984/85 as against the level of 17-18 percent of consumption which is estimated by the FAO Secretariat to be the minimum required for food security.

18. Virtually all of the reduction in stocks in 1983/84 would be in the exporting countries and primarily the United States, where carryovers at the end of the season are forecast to decline to 64 million tons, less than half the volume held at the opening of the season. Cereal stocks are being replenished in India but in most developing countries they will remain at minimum levels as the margin for security has virtually disappeared. In some areas, particularly in countries affected by food shortages in Africa all available stocks are being utilized in an attempt to maintain supplies for immediate consumption.

19. With the expected draw down in stocks, cereal supplies are expected to be sufficient to meet demand during the current season. Nevertheless, the tightening supply situation has led to a rise in prices of several basic foodstuffs. The major exception is wheat: although prices rose somewhat during the early part of the year, by end-November they were marginally below the level of the previous year. Export prices of coarse grains increased sharply during 1983, despite releases of maize from the United States Farmer Owned Reserve, because larger quantities could not be released from this Reserve as they were committed under the payment-in-kind programme. By November 1983, maize prices were about 45 percent higher than a year earlier and for several months in late 1983

TABLE 2 : WORLD CARRYOVER STOCKS OF CEREALS[1/]

	CROP YEARS ENDING IN				
	1973-75 average	1979-81 average	1982	1983 preliminary	1984 forecast
	(.................... million tons ....)				
Wheat	76.2	106.8	102.7	119.9	132.4
Rice (milled)	27.8	43.3	42.7	41.8	40.1
Coarse grains	76.0	107.4	135.2	159.9	82.0
Total Cereals	180.0	257.5	280.6	321.6	254.5
Main exporting countries	81.0	130.7	159.1	199.6	120.0
of which:					
Australia	1.9	4.5	3.1	1.1	5.8
Canada	15.2	17.5	16.3	18.4	15.2
EEC	16.0	16.4	14.0	18.3	17.3
Thailand	1.9	1.3	1.2	1.1	1.2
USA	35.7	71.0	104.4	142.2	63.8
Others	99.0	126.8	121.5	122.0	134.5
of which:					
Bangladesh	0.2	0.8	0.7	0.5	0.5
Brazil	1.0	1.9	2.6	3.6	2.4
China	31.1	49.9	44.8	48.8	48.4
India	1.7	11.1	7.5	8.6	12.6
Indonesia	0.4	1.2	1.8	1.4	1.3
Pakistan	1.1	1.1	2.3	2.5	2.8
Developed countries	116.6	156.8	178.8	216.8	148.0
Developing countries	63.4	100.7	101.8	104.8	106.5
of which:					
low-income food-deficit countries[2/]	47.8	76.3	73.2	76.2	81.9
(excluding China and India)	(7.8)	(9.5)	(12.4)	(11.4)	(12.2)
	(.................... percent ....)				
Total stocks held by main exporters	45	51	57	62	47
World stocks as a proportion of apparent world consumption	14	18	18	21	16
Exporters' stocks as percentage of requirements for consumption and export					
Wheat	24	32	29	37	36
Coarse grains	13	19	30	38	12
Rice	10	8	10	10	10

1/ Totals computed from unrounded data

2/ Includes all food deficit countries with per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. with a per caput income of US $805 and below in 1982) which in accordance with the guidelines and criteria agreed by the CFA should be given priority in the allocation of food aid.

they were even above the prices of some types of wheat, which encouraged the feed use of wheat in several countries. Among the other basic foods, increased import demand for rice in 1983 led to some rise in prices during the course of the year. A tightening supply situation led to sharp increases in prices of fats and oils, and caused prices of pulses to rise from last year's depressed level. Moreover, the relatively strong position of the United States dollar accentuated the effect of rising prices on import costs in terms of national currencies of a number of importing countries.

III. FOOD SITUATION IN LOW-INCOME FOOD-DEFICIT COUNTRIES

20. While the overall food situation in the low-income food-deficit countries appears somewhat better in 1983/84, for many countries the situation has deteriorated. The main positive development during the year was the rise of over 5 percent in aggregate cereal production in the low-income food-deficit countries (Table 3). However, this improvement was concentrated in just a few countries, and masks a considerable worsening in many others. Excluding China and India, output rose by only 2 percent in 1983, and although the cereal imports of these countries are forecast to increase in 1983/84, the rise will be considerably less than required to maintain per caput consumption. Aggravating the situation in these countries, is the failure of production of other staple foods such as roots, tubers and pulses to increase. On a per caput basis, the level of staple food consumption in low-income food-deficit countries is forecast to decline in 1983/84 in 36 countries.

Cereal production

21. The output of cereals, the major component of basic food supplies in most low income countries, is estimated at 515 million tons in 1983, 26 million tons or 5 percent more than in 1982 (Table 3). The bulk of the increase was in China and India, although output was also larger in some other countries, particularly Pakistan and the Sudan. However, production rose only marginally, if at all, elsewhere.

22. Despite the overall expansion in cereal output, 21 out of the 63 low-income food-deficit countries, mostly located in Africa and Latin America, had smaller crops in 1983. In the Far East, cereal production reached 472 million tons or 26 million tons more than in 1982. Output also rose in the Near East but production of cereals in the low income countries in Latin America and Africa was again poor. In Latin America output declined by 14 percent to about 1.9 million tons, a level no higher than in 1969-71, and on a per caput basis 30 percent worse. The largest shortfalls in 1983/84 occurred in Bolivia and Haiti, owing to drought. Aggregate cereal production in the African low income countries remained at the 1982 level of 26 million tons; but on a per caput basis production is nearly a quarter less than in 1969-71. The region has also been affected by war and refugee problems which have put additional strain on food supplies (See Section IV).

Production of other staple foods

23. In contrast with the expansion in cereal output, the production of other staples (roots, tubers and pulses) stagnated in 1983. While these foods are of relatively small importance in the Near East, in the Far East and Latin America they provide about 10 percent of total intake. In the low income countries in Africa roots, tubers and pulses account on average for around one-quarter of all food consumed. In some individual countries, their share is much larger: in nine countries in Africa, (Angola, Benin, Burundi, Central African Republic, Ghana, Mozambique, Rwanda, Togo, Zaire) roots, tubers and pulses provide over a third of total food intake while in three of them (Burundi, Central African Republic and Zaire) they provide more than half.

24. While the output of pulses, roots and tubers increased in the Far East in 1983, there was a sharp deterioration in production in Africa and Latin America. Lack of rain in Mozambique is estimated to have reduced cassava output by one million tons to less than one-third of the normal output, and the bean and groundnut crops by 80 000 tons. Similarly, large losses in the cassava harvest were reported in Ghana following devastating bushfires and in Benin, Cameroon, Central African Republic, Congo and Liberia because of pests and diseases (mainly mealy-bug and spider mite). Non-cereal staple food production in low income countries in Latin America also declined, mainly due to a large drop in the output of roots and tubers in Bolivia.

25. The estimated 1984 output of edible fats and oils of 13.5 million tons in the low-income food-deficit countries is about the same as last year. Among the main importing countries, India had a favourable monsoon season and output is expected to recover after the 1983 setback. China's production, on the contrary, is likely to fall short of the 1983 peak - though still remaining the second highest on record - partly reflecting reduced government incentives to the production of some

TABLE 3 : LOW-INCOME FOOD-DEFICIT COUNTRIES: CEREAL PRODUCTION AND IMPORTS

	PRODUCTION					IMPORTS 1/				
	1969-71 average	1982	1983 prelim.	GROWTH RATES 1969-71 to 1982	GROWTH RATES 1982 to 1983	1969-71 average	1982/83	1983/84 forecast	GROWTH RATES 1969-71 to 82/83	GROWTH RATES 82/83 to 83/84
	(.....thousand tons	.......)		(....percent...)		(.......thousand tons	.......)		(... percent...)	
Wheat	63 929	124 823	137 849	5.7	10.4	13 688	32 271	29 420	7.4	-8.8
Coarse grains	129 000	149 402	153 794	1.2	1.9	1 383	9 676	9 870	17.6	-2.0
Rice (milled)	158 908	214 971	223 652	2.5	4.0	3 855	4 328	3 960	1.0	-8.5
Total Cereals	351 837	489 196	515 295	2.8	5.3	18 926	46 275	43 250	7.8	-6.5
Far East	313 326	445 893	471 845	3.0	5.8	14 262	31 291	26 800	6.8	-14.3
Bangladesh	11 215	15 230	15 486	2.6	1.7	1 292	1 810	1 660	2.9	-8.3
China	172 639	260 265	265 817	3.5	2.1	5 226	20 450	17 700	12.0	-13.4
India	90 193	111 934	129 994	1.8	16.1	3 647	4 360	2 610	1.5	-40.1
Indonesia	15 333	26 397	26 960	4.6	2.1	1 262	2 923	2 890	7.2	-0.9
Kampuchea	2 137	940	1 120	-6.6	19.1	32	130	30	12.4	-76.9
Nepal	2 709	2 639	2 480	-0.2	-6.0	1	75	100	43.5	33.3
Pakistan	10 524	16 204	17 590	3.7	8.6	191	400	500	6.3	25.0
Sri Lanka	1 007	1 504	1 654	3.4	10.0	956	644	710	-3.0	10.2
Viet Nam	6 892	9 947	9 960	3.1	0.1	1 585	400	500	-10.9	25.0
Others 2/	677	833	784	1.8	-5.9	70	99	100	2.9	2.0
Near East	13 303	15 153	15 385	1.1	1.5	2 456	9 057	9 640	11.5	6.5
Egypt	6 529	7 612	7 735	1.3	1.6	1 771	7 530	8 130	12.8	8.0
Sudan	2 117	2 364	2 640	0.9	11.7	182	515	500	9.0	-1.9
Others 3/	4 657	5 177	5 010	0.9	-3.2	503	1 012	1 010	6.0	-
Africa	23 317	25 961	26 175	0.9	0.8	1 800	4 975	5 670	8.9	13.9
Kenya	2 662	3 004	2 665	1.0	-11.3	32	180	180	15.5	-
Madagascar	1 387	1 334	1 418	-0.3	6.3	74	307	340	12.6	10.7
Malawi	1 161	1 568	1 633	2.5	4.1	53	39	40	-2.5	-
Niger	1 261	1 690	1 611	2.5	-4.7	8	70	80	19.8	14.3
Rwanda	199	260	270	2.3	3.8	8	21	20	8.4	-
Uganda	1 509	1 242	1 509	-1.6	21.5	49	35	35	-2.8	-
"Seriously affected countries" 4/	12 524	13 256	13 374	0.5	0.9	1 179	3 352	4 050	9.1	20.8
Others 5/	2 614	3 607	3 695	2.7	2.4	397	971	925	7.7	-4.8
Latin America	1 890	2 187	1 888	1.2	-13.7	384	911	1 100	7.5	20.5
Bolivia	471	673	466	3.0	-30.8	185	315	530	4.5	68.3
El Salvador	514	561	566	0.7	0.9	69	277	280	12.3	-
Others 6/	905	953	856	0.4	-10.2	130	319	290	7.8	-8.8
Oceania 7/	1	2	2	6.0	-	24	41	40	4.6	-

1/ July-June for wheat and coarse grains; calendar year of the second year shown for rice.
2/ Bhutan, Lao, Maldives.
3/ Afghanistan, Yemen Arab Rep., and Yemen P.D.R.
4/ Angola, Cape Verde, Central African Rep., Chad, Ethiopia, Gambia, Ghana, Guinea, Lesotho, Mali, Mauritania, Mozambique, Sao Tomé, Senegal, Somalia, Tanzania, Togo and Zambia.
5/ Benin, Burundi, Comoros, Djibouti, Equatorial Guinea, Guinea Bissau, Liberia, Sierra Leone, Upper Volta, Zaire.
6/ Dominica, Grenada, Haiti, Honduras, St. Vincent.
7/ Kiribati, Vanuatu, Samoa, Soloman Isl., Tonga.

oilseeds. Per caput utilization of fats and oils in developing countries in 1984 is expected to remain at about 8 kg or 70 percent below the average level in the developed countries.

Imports of Cereals

26. Imports of staple foods by the low-income food-deficit countries as a group are forecast to decline in 1983/84. As only marginal amounts of pulses and roots and tubers are imported, the shortfall in the output of staple foods is mainly reflected in increased cereal import requirements. In 1983/84, their imports are estimated at about 43 million tons or 4 million tons less than last year. However, this decline largely reflects the reduced requirements of China, India and a few other countries with better crops. Imports into other low-income food-deficit countries are forecast to rise by 1.5 million tons though a large number will not be in a position to buy all they actually require.

27. In the Far East, the largest importing region, cereal purchases are anticipated to fall by 4.5 million tons to 27 million tons in 1983/84. China is expected to purchase less wheat following a 10 percent increase in its own production, while bumper crops in India in 1983 may allow wheat imports to be reduced by almost half. A number of countries, including Indonesia, Sri Lanka and Viet Nam, are expected to import nearly the same or slightly more in 1983/84. Imports in Africa are forecast to increase by 14 percent above the volume in 1982/83 to reach nearly 6 million tons. Larger quantities are needed by thirteen countries where abnormal food shortages were reported, however a significant part of these requirements may not be met. In low income countries in Latin America, imports are forecast at 1.1 million tons for 1983/84, 20 percent more than in the previous year.

28. Although the overall level of cereal imports into the low-income food-deficit countries is forecast to decline, they remain heavily dependent on external supplies. In Africa cereal imports are forecast to account for 18 percent of total supplies in 1983/84, about the same share as last year but considerably more than in 1969-71 (7 percent). A similar increase is expected in the low income countries in Latin America, where 37 percent of total consumption may be covered through imports in 1983, against 30 percent in 1982/83 and 17 percent in 1969-71. However, the larger imports into these two regions will not suffice to cover production shortfalls and the additional requirements of the growing population, with the result that per caput staple food consumption in 1983/84 is anticipated to fall by over 2 percent in the low income countries of Africa and by almost 9 percent in Latin America.

Food aid and capacity to import

29. The ability of most low-income food-deficit countries to secure access to food imports in order to meet consumption requirements has been hindered in 1983 as in most recent years by serious economic and financial constraints. Their export prices are forecast to be some 17 percent below the level of 1980 and as import prices have not fallen as rapidly, there has been a deterioration in their terms of trade (Table 4). Although only preliminary estimates are available for 1983, the decline in the terms of trade which occurred between 1980 and 1982, is likely to have continued. Moreover, despite a forecast increase of almost 7 percent in export earnings in 1983, the aggregate deficit on current account of the low-income food-deficit countries is expected to exceed US$ 20 billion for the fourth year in a row, resulting in a drain on foreign exchange reserves of an estimated US$ 2 billion. The total external public debt of the low-income food-deficit countries rose by US$ 50 billion in 1982, the last year for which these data are available, and although interest rates are declining, their high level and continuing difficulties in obtaining credit still pose a serious problem for most developing countries. Debt servicing has also become a growing burden as illustrated by the rising number of countries which have been involved in debt re-scheduling in the last four years. As a result, many governments have been forced to reduce imports of food and of essential production requisites, and to curtail longer-term development programmes.

30. In view of the continuing unsatisfactory balance of payments position, many countries will have to rely heavily on external assistance to fulfil their basic food needs. Expected food aid shipments in 1983/84 are currently estimated at 8.9 million tons, less than the 9.1 million tons shipped last year and far below requirements (Table 5). According to an estimate by the USDA, the food aid needs of a total of 67 countries in 1983/84 amount to 12. 4 million tons of cereals. Taking into account other countries not covered by this estimate, whose food aid receipts have totalled one million tons in recent years, total food aid requirements would amount to some 13.5 million tons. The FAO/WFP Secretariats have estimated food aid needs at 20 million tons of cereals in 1985, which the Committee on Food Aid Policies and Programmes agreed provided a useful indicator of total cereal

TABLE 4 : LOW-INCOME FOOD-DEFICIT COUNTRIES: FINANCIAL AND ECONOMIC INDICATORS 1978-83 1/

	1978	1979	1980	1981	1982	1983 forecast
	.... billions of US dollars					
Merchandise Exports	38.3	48.8	58.7	60.6	60.8	64.9
Imports	-53.2	-68.3	-87.9	-86.1	-82.0	-87.5
Trade Balance	-14.9	-19.5	-29.2	-25.4	-21.2	-22.5
Change in Reserves 2/	- 2.3	- 2.9	0.3	1.0	- 2.3	- 2.1
External Public Debt 3/	276.6	339.9	420.1	514.8	565.4	....
Export Price Index 4/	77	88	100	93	84	83
Unit value Index of Exports 5/	75	87	100	95	88	....
Imports 5/	69	81	100	103	99	....
Wheat Indicator Price 6/	135	165	183	182	163	166

1/ Excludes information for Angola, Indonesia, Mozambique, Kiribati and Tonga.
2/ Includes holdings of gold, foreign exchange and IMF assets and liabilities. As a balancing item, an increase in reserves is shown as a negative sign and a decrease as a positive sign.
3/ Excluding centrally planned countries in Asia.
4/ United Nations Export Price Index of Primary Commodities (excluding petroleum) for developing countries (excluding Asian centrally planned); 1983 first six months.
5/ IMF Unit Values Index for Non-Oil Developing countries.
6/ IWC indicator export price, which is the arithmetic average of seven widely traded wheats, is expressed in US dollars per ton calculated on a weekly basis and represented by US, Canadian and Australian f.o.b. quotations. For 1983, average January to November.

Source: International Monetary Fund, unpublished data; IBRD annual world Development Reports and unpublished data; International Wheat Council.

requirements 1/. International food aid flows thus remain far below current and prospective needs of these countries.

31. Assuming that the share of the low income countries in total food aid remains at 78 percent of the total, i.e. the same as in the past five years, food aid to these countries would account for 16 percent of their total cereal imports. This would be only slightly above the historically low level of 15 percent in 1982/83, and well below the 25 percent supplied in 1977/78. These estimates include contributions in 1983 to the International Emergency Food Reserve (IEFR) that total 495 000 tons of cereals and 28 600 tons of other foodstuffs.

32. Owing to the reduction in volume of imports, the cost of commercial imports of cereals of low-income food-deficit countries may be slightly less in 1983/84. However, even at the slightly lower level they would total some US$ 7.3 billion, the equivalent of almost one-third of the aggregate current account deficit of the low income countries. Moreover, the improvement in 1983/84 is due entirely to the expected decline in the imports of China and India, the cost of the commercial purchases of the other low income countries would rise from US$ 3.2 billion in 1982/83 to US$ 3.6 billion in 1983/84.

1/ Report of the Fifteenth Session of the Committee on Food Aid Policies and Programmes, May 1983.

Cereal stocks

33. Economic and financial constraints, high international interest rates and insufficient storage capacity have kept most low income countries from taking advantage of the relatively low cereal prices which have prevailed during the last two years to build up stocks. As a result, opening cereal stocks in low income countries in 1983/84 were only 76 million tons, or just under 14 percent of consumption in that year, compared to 16 percent in 1980/81. Although the level of stocks held by these countries is expected to rise to 82 million tons at the end of the 1983/84 seasons, the increase would be concentrated in just a few countries with good 1983 crops, particularly India where government stocks are expected to rise to 12.6 million tons (see Table 5). Stocks in other low income countries are expected to remain at or below their currently low levels. In Africa, for instance, carryovers will cover only 5 percent of requirements, compared to 10 percent in Latin America and the Near East and 14 percent in the Far East.

TABLE 5 : FOOD AID IN CEREALS

	Food aid			Total imports LIFD countries	Share of food aid in imports of LIFD	Value of commercial cereal imports of LIFD	
	Total	LIFD	IEFR			Total	excluding China & India
	(.......... millions			tons ....)	(.. percent..)	(...US$ billion....)	
1978/79	9.5	7.4	0.3	36.7	20	5.8	3.2
1979/80	8.9	7.0	0.2	36.6	19	6.6	3.6
1980/81	8.9	7.0	0.4	39.9	18	7.5	3.4
1981/82	9.1	6.9	0.6	42.0	16	7.4	3.1
1982/83	9.1	7.1	0.5	46.3	15	7.6	3.2
1983/84	8.9 1/	6.9 2/	0.5	43.3 3/	16 3/	7.3 3/	3.6 3/

1/ Estimated
2/ Assuming that food aid to the low-income food-deficit countries is maintained at 78 percent of the total, as during the period 1979/80-1982/83.
3/ Forecast.

Food consumption levels in 1983/84

34. At currently forecast levels of production and trade, overall per caput staple food consumption 1/ in the low income countries would rise by 2 percent to 239 kg (in cereal equivalent) in 1983/84 (Table 6). However, the increase would be due mainly to gains in India and China. Elsewhere the average per caput consumption of staple foods is expected to fall to a level only fractionally above that reached in 1969-71. In the Far East, if China and India are excluded, per caput consumption of staple foods would decline slightly with reductions in half of the countries. In eight of the low income countries in this region per caput levels are lower than in 1969-71. The situation in Africa is expected to deteriorate further in 1983/84, with average consumption per person falling by more than 2 percent to a level significantly below the 1969-71 average. The seriousness of this situation is indicated by the fact that per caput food supplies are likely to be lower in 22 out of the 34 low income countries in Africa this year, and in 24 the level of per caput consumption of staple foods may be at or below that of 1969-71. Per caput consumption in all the low income countries in Latin America is forecast to be at or below those in 1969-71, and a particularly sharp fall is expected this year in Bolivia and to a lesser extent in El Salvador and Haiti. By contrast, several countries in the Near East may have higher per caput consumption in 1984.

1/ Of which about 80 percent is for direct food consumption and 20 percent for other uses.

35. The rise in consumption of staple foods would be entirely due to a larger intake of cereals, which is estimated to account for almost 90 percent of the total in 1983/84. Per caput consumption of pulses, roots and tubers may decline marginally, following the trend in recent years: per caput consumption of these staple foods, at 27 kg in 1983/84, would be nearly one-fifth below the average 1969-71 level.

36. The deterioration in the food situation in many low income countries has been signalled by the FAO Early Warning System which in November 1983 identified 33 countries suffering from abnormal food shortages as against 22 a year earlier. Of these countries, 21 were in Africa, 9 in Latin America and 3 in Asia. The shortages in food supplies were related to low production levels, caused by natural disaster, disruptions due to war or to extraordinary food needs created in some areas by the influx of refugees. In aggregate, 36 out of 63 low income countries are expected to suffer a decline in their per caput consumption of staple foods in 1983/84. In order to maintain per caput consumption in these 36 countries at last year's level, an additional 3.3 million tons of staple foods (in cereal equivalent) would be required in the current year, of which over half would be in Africa. The problems of even maintaining the levels of per caput staple food consumption let alone raising them are therefore considerable, especially when compared with the volume of imports of 16 million tons and their food aid receipts of about 5 million tons.

IV. THE FOOD EMERGENCY IN AFRICA

37. Over the past two years, the food supply position in many low income countries of western, central, eastern and southern Africa has deteriorated sharply, causing widespread food shortages and human suffering. In recognition of the gravity of the situation, a number of bilateral and multilateral donors, including WFP, have increased their allocations of food aid to the most seriously affected countries during 1983/84. However, in the absence of a further expansion of external assistance to these countries, per caput food supplies, which are already extremely low, can be expected to decrease further.

38. The first indication of the emergence of a new food crisis in Africa was the decline in the output of cereals in early 1982. Severe drought reduced production in southern Africa, particularly in Botswana, Lesotho, Mozambique and Zimbabwe, while below-average crops were harvested in most countries of east Africa, notably Ethiopia and Tanzania. Subsequently, the position deteriorated further and extended to other areas of Africa. By the end of 1982, almost all of the Sahelian countries had harvested below-average crops, the main season crop had failed in northern Ethiopia, while southern Africa had suffered its worst drought for over a century. As a consequence, by the start of the 1983/84 season, the reserve stocks which had been accumulated by farmers, traders and governments when crop growing conditions were more favourable, had been used up in most of the affected countries.

39. During 1983/84, the production of cereals and other basic foods was again reduced sharply for most countries of west Africa and southern Africa, to below the drought levels of 1982/83, while below-average crops were harvested in a number of countries in east and central Africa. For many of the affected countries, the cereal harvests were poor for the second consecutive year. Pasture conditions also deteriorated with serious consequences for nomadic populations deriving their livelihood mainly from livestock production. The rinderpest situation continued to be serious and threatened the economies of a number of affected countries, including Benin, Central African Republic, Mali and Tanzania. At the same time, in the African cassava belt, which extends across the continent from Senegal to Mozambique, insect pests caused significant damage and reduced cassava output. The presence of refugees or the disruption of farming activities and transport links due to internal strife caused a further strain on domestic food supplies in a number of affected countries, notably Angola, Chad, Ethiopia and Somalia.

40. Confirmation of the deterioration of the food supply position in Africa was provided by satellite monitoring. Together with agrometeorological information, satellite images collected over the past year indicate large deficits in crop yields in the Sahel region and southern Africa and unfavourable crop conditions in parts of east Africa and central Africa. In August 1983, the "green line" of vegetation, which follows the onset of seasonal rains, is shown to have been pushed 150 to 200 kilometres further south than at the same period of 1982.

41. In April 1983, a special FAO/WFP Task Force was established to review and monitor the food and crop situation in a number of countries which were affected or threatened by abnormally low production. On 6 May, the Director-General launched an appeal for assistance for a number of these countries. In October 1983, FAO arranged a meeting of the representatives of the 22 most seriously

TABLE 6: LOW-INCOME FOOD-DEFICIT COUNTRIES STAPLE FOOD PRODUCTION, IMPORTS AND PER CAPUT CONSUMPTION

	PRODUCTION			IMPORTS			PER CAPUT CONSUMPTION		
	1969-71 average	1982	1983 preliminary	1969-71 average	1982/83	1983/84 forecast	1969-71 average	1982/83	1983/84 forecast
	(........................	thousand tons	....	....	....	.........)	(.........	kg/year	........)
Total	415 858	558 067	584 156	19 189	46 921	43 830	211.1	234.1	239.2
Cereals	351 837	489 196	515 295	18 926	46 275	43 250	178.7	207.0	212.6
Other staples	64 021	68 871	68 861	263	646	580	32.4	27.1	26.6
Far East	365 954	500 150	526 538	14 383	31 664	27 100	211.2	239.0	245.3
China	206 265	293 928	299 661	5 252	20 531	17 780	234.8	300.9	304.0
India	103 905	126 468	144 692	3 652	4 436	2 685	194.6	179.4	195.9
Others	55 784	79 754	82 185	5 479	6 697	6 635	179.6	192.2	190.2
Near East	14 032	16 926	16 281	2 503	9 205	9 800	239.4	280.9	289.3
Africa	33 442	39 048	38 927	1 877	5 074	5 765	201.8	178.5	174.5
"Seriously affected"	17 005	18 846	18 630	1 221	3 445	4 143	191.5	167.9	162.7
Others	16 437	20 202	20 297	656	1 629	1 625	214.0	190.6	187.9
Latin America	2 383	2 787	2 354	402	937	1 125	176.9	169.7	155.1
Oceania	47	56	56	24	41	40	141.2	136.9	135.1

affected countries, as well as of bilateral and multilateral donors for a detailed assessment of the food situation and aid requirements of the countries concerned. The 22 countries identified by FAO as being in need of special emergency assistance were: Angola, Benin, Botswana, Cape Verde, Central African Republic, Chad, Ethiopia, Gambia, Ghana, Guinea, Lesotho, Mali, Mauritania, Mozambique, Sao Tome and Principe, Senegal, Somalia, Swaziland, Tanzania, Togo, Zambia and Zimbabwe. During the October meeting, the Director-General presented a seven-point programme to form the basis for coordinated action by the international community to overcome the crisis, as follows:

- governments of affected countries should review their own efforts and mobilize local resources to the maximum extent;

- donors should intensify efforts to speed up the delivery of food aid already pledged;

- donors should review their food aid allocation and, to the maximum extent possible, make additional commitments to meet shortages;

- governments and funding institutions should make a special effort to meet the exceptional needs and support the recovery of foodcrop production in the affected countries;

- FAO and WFP should arrange a flow of updated information to potential donors and organize, where necessary, multidonor missions to assess the situation in detail;

- FAO should continue to issue monthly reports on the overall situation through the Global Information and Early Warning System; and

- the World Food Programme should coordinate bilateral and multilateral emergency food aid operations.

42. At a subsequent meeting of donors convened in November 1983, the Director-General appealed for further assistance. In response, a number of countries undertook to increase their allocations of food aid to these countries and to accelerate the delivery of existing pledges. The United States and the Netherlands announced the commitment of a further $70 million food aid, while eight other countries announced that their commitments to the 22 countries had already been increased in recent weeks. There was general agreement on the need to accelerate the delivery of pledged aid. However, there remained a substantial gap between FAO's estimates of the food aid requirements of the affected countries and the food aid commitments made as of November 1983 for delivery in 1983/84.

43. FAO estimates the cereal import requirements of the 22 affected countries for 1983/84 at 5.2 million tons of cereals (Table 7). In view of their deteriorating balance of payments position, these countries are assumed to be able, at best, to maintain at the previous year's level of commercial cereal imports, of 1.7 million tons. Their food aid requirements are, therefore, estimated to rise to 3.5 million tons. As of early December 1983, the food aid pledges known to FAO for these countries total 1.6 million tons. The food aid gap needing to be filled during the remainder of 1984 is, therefore, estimated at 1.9 million tons. The overall food aid gap is biggest in west Africa, where 1983 grain crops had just been harvested and where 1.4 million tons of cereal food aid need to be pledged and delivered mostly before the onset of the rainy season in mid-1984. However, the immediate food supply problem is equally serious in southern Africa, where the delivery of an additional 0.3 million tons is required during the lean months before the end of June 1984, over and above the food aid supplies already committed by donors.

44. In addition to these emergency food aid requirements, the affected countries also need immediate assistance with the design and implementation of programmes to support the recovery of food production, in order to reduce their dependence on food aid as quickly as possible. The FAO/WFP Task Force has estimated that about US$ 76 million are required during 1983/84 for the provision of seeds, fertilizers and other inputs for post-emergency agricultural rehabilitation and for the supply of vaccine, equipment and related facilities for the control of rinderpest and other animal diseases.

45. During 1983/84, it now seems likely that a substantial part of the cereal import requirements of the 22 countries will not be met for the second consecutive year. For 1982/83, FAO estimated the import requirements of the affected countries at 4.4 million tons, whereas actual imports were only 3.3 million tons, leaving a shortfall of 1.1 million tons. For 1983/84, the import requirements are conservatively estimated at 5.0 million tons and present indications are that this requirement will not

TABLE 7: CEREAL POSITION IN 22 AFFECTED AFRICAN COUNTRIES

	1976/77 1978/79 average	1981/82	1982/83 estimated	1983/84 forecast
	(................. million tons		.................)	
Production	15.6	17.0	15.1	14.0
Import Requirements	...	4.0	4.4	5.2
Actual Imports	2.5	3.5	3.1	...
of which:				
Food aid	0.8	1.6	1.4	...
Commercial	1.7	1.9	1.7	...

Source: FAO, for details see Table 8

be fully met. In addition to the 22 affected countries, some other countries in Africa have also reported that they were facing food shortages and have requested emergency food aid.

46. The present critical deterioration in the food supply situation has, in most countries, been superimposed on a longer term decline in food availabilities. For Africa as a whole, per caput food production fell throughout the 1970's and, even before the present difficulties, average dietary standards had fallen below nutritional requirements. During 1982 and 1983 the position deteriorated further and a significant proportion of the population in a number of the affected countries is suffering from severe food shortages. The shortages were particularly acute in Chad, Ethiopia, Ghana, Mozambique, Sao Tome and Tanzania.

47. Recognizing the gravity of the situation, FAO has made special arrangements to monitor closely food supplies in the affected countries during 1984 through the Global Information and Early Warning System. An updated assessment of the position will be presented at the Session of the Committee.

V. PRODUCTION PROSPECTS FOR 1984

48. Following the sharp reduction in world cereal stocks during 1983/84, the supply prospects for 1984/85 will depend more heavily than in recent years on the outcome of the 1984 crops. The world cereal harvest, after declining by an estimated 6 percent in 1983, is expected to recover in 1984, provided that weather conditions remain favourable. The condition of winter grains is generally good in most countries of the northern hemisphere, but most of the crops to be harvested in 1984 have not yet been planted. The planting conditions for coarse grains in the southern hemisphere are also satisfactory in many countries.

49. In the United States where the 1983 cereal harvest was sharply reduced by acreage-reduction programmes and drought, output is expected to recover. Official sources indicate that total U.S. wheat production could rise to 70 - 75 million tons. The area planted to winter wheat for harvest in 1984 is likely to be significantly higher than the previous year, reflecting less participation by farmers in the 1984 acreage-reduction programmes which, in their present form, offer lower benefits than the 1983 programmes. However, there are still attempts under way in Congress to make the 1984 wheat programme more attractive to farmers in an effort to encourage larger participation.

50. The 1984 acreage-reduction programmes for coarse grains also offer reduced benefits to farmers. As a result, the coarse grain area in the United States in 1984 is forecast to be much larger than in 1983 and, if weather conditions are normal, coarse grain output will be substantially above the 1983 harvest.

AFRICA: CEREAL SUPPLY POSITION IN 22 AFRICAN COUNTRIES WITH ABNORMALLY HIGH CEREAL IMPORT REQUIREMENTS (QUANTITIES IN THOUSAND TONS)

Country	Marketing year	Total Cereal Production 1/			Total Cereal Imports				Cereal Import Requirements						
					1976/77 - 1978/79 average 2/		1981/82 or 1982		1982/83 or 1983			1983/84 or 1984 of which covered by: (as of early Dec. 83)			
		1981	1982 estim.	1983 f'cast	Total	of which food aid	Total	of which food aid	Total needs	Estimated actual imports	of which food aid	Total needs	Known commer. imports	Known food aid pledges	Total covered so far
West Africa		**3 942**	**3 412**	**3 038**	**1 148.8**	**346.1**	**1 244.0**	**384.5**	**1 791.6**	**1 202.9**	**448.5**	**2 242**	**65**	**346**	**411**
Benin 5/															
Cape Verde	Cal.year	3	5	3	58.3	38.0	53.2	43.2	61.1	48.0	39.0	62	-	31	31
Chad	Nov/Oct	539	496	500	47.5	36.8	55.0	47.0	200.0	51.2	51.2	160	-	14	14
Gambia	Oct/Sept	102	110	(85)	59.9	11.6	49.6	5.5	55.5	48.6	8.6	(70)	-	6	6
Ghana	Oct/Sept	507	497	(450)	253.4	73.2	200.7	53.1	350.0	115.0	48.0	(390)	65	72	137
Guinea	Cal.year	338	330	310	88.6	28.1	86.5	40.6	120.0	97.0	17.0	(150)	-	21	21
Mali	Nov/Oct	1 198	926	880	76.1	20.6	126.9	53.5	210.0	154.6	79.6	400	-	53	53
Mauritania	Nov/Oct	78	20	15	122.7	37.0	171.5	57.7	180.0	161.5	89.5	(200)	-	47	47
Senegal	Nov/Oct	884	730	515	396.2	88.2	455.6	80.8	565.0	486.0	108.6	720	-	101	101
Togo	Cal.year	293	298	(280)	46.1	12.6	45.0	3.1	50.0	41.0	7.0	(90)	-	1	1
Central Africa		**99**	**106**	**96**	**32.5**	**3.3**	**39.7**	**7.1**	**61.0**	**55.0**	**3.5**	**90**	**-**	**12**	**12**
Central Afr. Republic	Sept/Aug	98	105	(95)	25.0	1.4	34.4	3.8	51.0	50.0	2.5	(80)	-	5	5
Sao Tome	Jul/Jun	1	1	1	7.5	1.9	5.3	3.3	10.0	5.0	1.0	(10)	-	7	7
East Africa		**7 334**	**7 340**	**7 600**	**530.2**	**277.2**	**1 014.0**	**834.5**	**1 030.0**	**629.7**	**601.0**	**1 070**	**103**	**571**	**674**
Ethiopia	Cal.year	5 649	5 562	(5 800)	226.7	99.7	255.0	155.0	445.0	318.0	318.0	(400)	-	248	248
Somalia 4/	Cal.year	369	390	(350)	162.0	80.1	390.0	325.0	300.0	148.1	145.1	330	-	99	99
Tanzania	Jun/May	1 316	1 388	(1 450)	141.5	97.4	369.0	354.5	285.0	163.6	137.9	340	103	224	327
Southern Africa		**5 636**	**4 229**	**3 234**	**824.6**	**184.3**	**1 180.4**	**407.7**	**1 495.0**	**1 239.1**	**382.6**	**1 775**	**446**	**636**	**1 082**
Angola	Apr/Mar	331	323	350	166.0	11.5	350.0	60.8	350.0	303.0	23.4	290	93	63	156
Botswana	Jul/Jun	60	17	14	90.0	6.9	120.0	6.6	150.0	150.0	17.0	160	110 3/	21	131
Lesotho	Jul/Jun	166	135	52	125.7	11.0	120.0	17.7	160.0	160.0	20.2	215	90 3/	78	168
Mozambique	May/Apr	490	468	330	248.5	117.9	306.5	198.6	400.0	253.8	191.5	600	33	370	403
Swaziland	May/Apr	101	69	45	37.3	0.4	53.0	1.0	75.0	75.0	4.0	110	60 3/	12	72
Zambia	Jun/May	1 123	927	1 058	121.6	36.6	219.9	123.0	310.0	247.3	123.3	300	60	73	133
Zimbabwe	Oct/Sept	3 365	2 290	1 385	35.5	-	11.0	-	50.0	50.0	3.2	100	-	19	19
Total		**17 011**	**15 087**	**13 968**	**2 536.1**	**810.9**	**3 478.1**	**1 633.8**	**4 377.6**	**3 126.7**	**1 435.6**	**5 177**	**614**	**1 565**	**2 179**

SOURCE: Estimates based on the latest available official and unofficial information collected through the FAO Global Information and Early Warning System.

Note: Figures in parenthesis are early forecasts.

1/ Includes paddy production in milled equivalent. 2/ July/June basis. 3/ Estimated. 4/ Includes cereal needs of refugee population. 5/ Country is included only because of problems related to livestock.

51. In the USSR, official reports indicate that the area sown to winter grains will be close to the target of 41 million hectares. The area under winter grains in the previous year is estimated to have been below the target of 36 million hectares. The present condition of the crops is reported to be generally satisfactory. In many countries in eastern Europe, the initial growth of winter grain crops is limited by cold temperatures and reduced soil moisture. Elsewhere in Europe, the area sown to these crops in France, the Federal Republic of Germany and the United Kingdom is forecast to be larger than the previous year.

52. In Asia, winter wheat plantings are proceeding under generally satisfactory conditions. The area sown to wheat in China, India and Pakistan is expected to be larger than last year. In India, the higher official procurement prices for the 1984 wheat crop will help to achieve the production target of 43.5 million tons. In northern Africa, winter grain planting is under way in Tunisia, Algeria and Morocco, but timely rains will be required for the remainder of the growing season.

53. In the southern hemisphere, the planting of the main season coarse grain crops has begun in parts of southern Africa, following the onset of seasonal rains, but these rains must continue throughout the growing season for production to recover to pre-drought levels. In South America, planting conditions for maize and sorghum in Brazil and Argentina are good. In Australia, the planting condition for the 1984 sorghum crop are favourable and output is expected to be substantially above the drought reduced 1983 harvest. The southern hemisphere paddy crops are also expected to recover in 1984, especially in Australia and Brazil, where there was severe drought the previous year.