



Crop Prospects and Food Situation

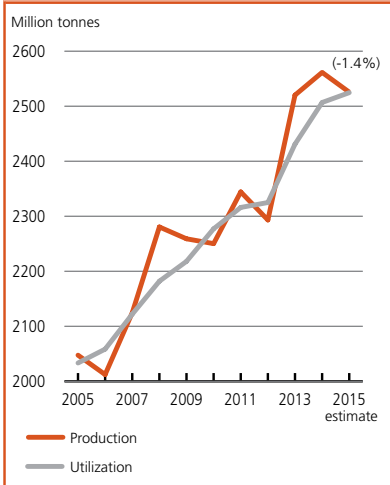
HIGHLIGHTS

- FAO's first forecast for global wheat production in 2016 points to a small decrease, with lower outputs expected in Europe and the United States of America.
- **COUNTRIES IN NEED OF EXTERNAL ASSISTANCE:** FAO estimates that, globally, 34 countries, including 27 in Africa, are in need of external assistance for food. Civil conflicts continued to severely affect the food security of a number of countries, while adverse weather, in some cases linked to El Niño, curbed production in others, constraining food access and pushing consumer prices up.
- **AFRICA:** Adverse weather reduced 2015 cereal output, resulting in a significant increase in the number of food insecure people in several countries, with conflicts further affecting food security and the agriculture sector in parts. Planting of the 2016 crops has begun in Central, East and West Africa, while in Southern Africa, with the harvest expected to commence from April, El Niño-associated drought conditions have significantly dampened production prospects, with severe negative implications for food security in the subregion. In North Africa, 2016 production prospects are mixed, with ongoing drought in Morocco and Algeria lowering production expectations.
- **ASIA:** The production outlook for the 2016 winter crops is generally favourable, with early forecasts indicating large wheat crops in most countries. In the Near East, however, persistent conflicts in Iraq, the Syrian Arab Republic and Yemen have continued to erode the capacity of the agriculture sector, affecting 2016 production prospects and further worsening the humanitarian crisis. The 2015 regional cereal output is estimated above the previous year's level, mainly on account of increased harvests in China and Turkey that more than offset lower outputs in several countries of the Far East, in particular India.
- **LATIN AMERICA AND THE CARIBBEAN:** In Early 2016 cereal production prospects are mostly favourable, with harvests expected to remain at high levels, mainly as a result of large outputs anticipated in Mexico and South America. In Central America and the Caribbean, while Mexico is forecast to register an increase in production, elsewhere the continuation of El Niño-linked dry conditions may keep production depressed in 2016. In South America, cereal production in 2016 is forecast to decline slightly from the previous year's record level, mostly reflecting a contraction in plantings, but is expected to remain well above average.

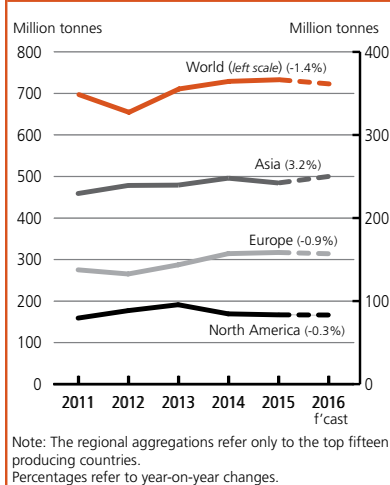
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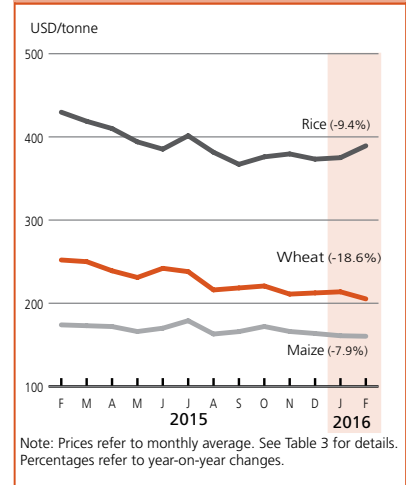
World stocks remain at comfortable levels, despite a small decrease in 2015 production



Early forecast for global 2016 wheat production indicates a small decline from the record high of 2015

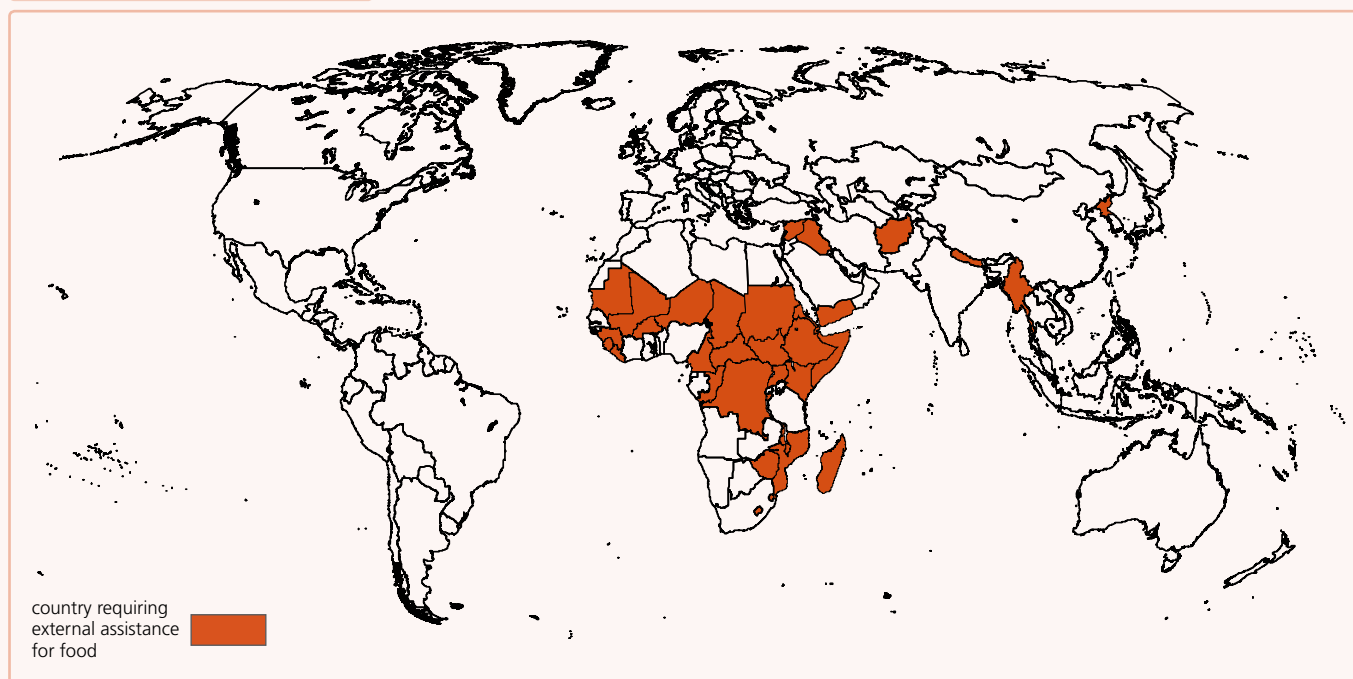


International prices persist at levels below the previous year



Countries requiring external assistance for food¹

World: 34 countries



AFRICA (27 countries)

EXCEPTIONAL SHORTFALL IN AGGREGATE FOOD PRODUCTION/SUPPLIES

Central African Republic

Conflict, displacements and constraints in available supplies

- The Internally Displaced Person (IDP) caseload increased from 378 000 in late August to 452 000 in January 2016 due to the resurgence of inter-communal violence. According to the findings of the CFSAM, 67 percent of the surveyed groups have indicated that the food security situation has deteriorated compared to 2014.
- The significant tightening of food supplies has driven up prices.

Zimbabwe

Drought-affected 2016 production prospects and sharply reduced 2015 harvest

- El Niño-associated drought conditions have severely weakened 2016 production prospects and worsened livestock conditions.
- The expected reduced agricultural output comes on the back of a sharply lower 2015 harvest, 49 percent below the previous five-year average.
- Recently revised food insecure numbers indicate that 2.8 million people require assistance, up from an early estimate of 1.5 million.

WIDESPREAD LACK OF ACCESS

Burkina Faso

In spite of the generally favourable food supply situation, the country continues to host a large number of refugees from neighbouring Mali

- Over 34 000 Malian refugees are estimated to be living in the country.
- About 126 000 people are estimated to be in need of food assistance according to the last "Cadre Harmonisé" analysis.

Chad

Large caseload of refugees puts additional pressure on local food supplies

- Over 370 000 refugees, 45 000 IDPs, as well as the return of an estimated 100 000 Chadians, continue to add pressure on local food supplies, negatively affecting food security.
- Over 4 447 000 people are estimated to be in need of food assistance according to the last "Cadre Harmonisé" analysis.

Djibouti

Inadequate pasture availability due to consecutive unfavourable rainy seasons

- About 230 000 people are severely food insecure, mainly in pastoral southeastern areas and in the Obock Region.

Eritrea

Vulnerability to food insecurity due to El Niño-related drought and economic constraints

Guinea

The Ebola Virus Disease (EVD) epidemic is largely contained

- Guinea was declared free of Ebola transmission in December 2015 and all neighbouring countries have re-opened their borders with Guinea, which led to a significant increase in trade flows.
- About 40 500 people are estimated to be in need of food assistance according to the last "Cadre Harmonisé" analysis.

Liberia

The EVD epidemic is largely contained

- Liberia was declared free of the Ebola virus transmission in the human population in September 2015 and food markets have recovered significantly.

- The country is hosting about 36 041 refugees as of end-December 2015, most of them from Côte d'Ivoire.
- About 17 000 people are estimated to be in need of food assistance according to the last "Cadre Harmonisé" analysis.

Malawi

Tight cereal supplies and poor cereal production prospects in 2016

- Maize production in 2016 is expected to fall from the below-average 2015 harvest due to unfavourable seasonal rains.
- The number of people requiring assistance in 2015/16 is estimated at 2.8 million, up from 1.3 million in 2014/15.
- Record maize prices are also constraining food access and further aggravating food security conditions.

Mali

Population displacements and insecurity in northern areas

- About 115 000 people, located mostly in Timbuktu, Mopti and Sikasso regions, are estimated to be in Phase 3: "Crisis" and above according to the last "Cadre Harmonisé" analysis.

Mauritania

Refugee caseload continue to put additional pressure on local food supplies

- More than 50 000 Malian refugees remain in southeastern Mauritania.
- Over 149 000 people are estimated to be in Phase 3: "Crisis" and above according to the last "Cadre Harmonisé" analysis.

Niger

Recurrent severe food crisis

- About 657 000 people are estimated to be in Phase 3: "Crisis" and above according to the last "Cadre Harmonisé" analysis.
- Over 59 000 Malian refugees are estimated to be living in the country.
- More than 100 000 people in the southeast Diffa Region have been displaced due to fear of attacks.

Sierra Leone

The EVD has largely been controlled

- Sierra Leone was declared free of the Ebola virus transmission in the human population in November 2015 and trade flows of agricultural commodities to Guinea, Mali and Senegal have been recovering gradually.
- About 420 000 people are estimated to be in need of food assistance according to the last "Cadre Harmonisé" analysis.

SEVERE LOCALIZED FOOD INSECURITY

Burundi

Unrest and civil insecurity

- Disruption to markets, farming activities and livelihoods, seriously affect food security conditions of households in Kirundo, Muyinga and Makamba provinces.

Cameroon

Influx of refugees exacerbating food insecurity of the host communities

- The number of refugees from the Central African Republic (CAR), which mainly entered East, Adamaoua and North regions, was estimated at 267 000 in January 2016. About 65 000 refugees from Nigeria mainly entered the Far North Region since May 2013.

- In February 2016, the number of food insecure people was estimated at 2.4 million, more than two times the level in June 2015. The most affected area is the Far North Region.

Displacement

- Insecurity along the borders with Nigeria has led to the internal displacement of 158 000 individuals.

Congo

Influx of refugees straining the already limited resources of host communities

- As of January 2016, about 27 000 refugees from the CAR are sheltering in the country.

Democratic Republic of the Congo

Conflict and displacements in eastern provinces

- As of December 2015, the total number of IDPs was estimated at 1.5 million.
- An estimated 4.5 million people are in need of urgent humanitarian assistance in Eastern and Southern conflict-affected provinces (September 2015).

Influx of refugees straining on the already limited resources of host communities

- As of late August, refugees from the CAR, mainly hosted in the northern Equateur Province, were estimated at about 97 000.

Impact of floods

- Torrential rains received in the last quarter of 2015 and in January 2016, linked to El Niño, have resulted in floods which affected about half a million people, caused the displacement of 50 000 individuals and damaged about 9 000 hectares of crop land.
- Destruction of food stocks has also been reported. The most affected areas are the province of Maniema in the east, the province of Mongala in the northwest, Orientale Province in the northeast and Katanga Province in the south.

Ethiopia

Impact of severe drought on livestock and crop production

- The estimated number of food insecure people has sharply increased from 2.9 million in January 2015 to 10.2 million in December 2015, as severe rainfall deficits led to the rapid deterioration of food security conditions in several agro-pastoral and pastoral areas.
- Locally, thousands of livestock deaths are severely limiting the availability of nutritious livestock products and households' incomes.

Kenya

Reduced second season crop production during the first quarter of 2015 and worsening pasture conditions

- About 1.1 million people are severely food insecure, mainly located in coastal and northeastern counties.

Lesotho

Drought conditions impacting 2016 production prospects and reduced 2015 harvest

- Reflecting the current El Niño-associated drought conditions that have sharply lowered production prospects and adversely impacted on livestock conditions, the number of people requiring assistance in 2015/16 was recently revised upwards from 463 936 to 534 502.

Madagascar

Drought conditions in southern areas and tighter cereal supplies

- Successive poor agricultural seasons in southern areas have resulted in severe food security conditions in these areas, with 2016 production prospects similarly unfavourable.

- Nationally, an estimated 1.89 million people are food insecure.

Mozambique

Tighter cereal supplies and poor cereal production prospects in 2016

- Maize production in 2016 is expected to fall compared to the below-average 2015 harvest due to unfavourable seasonal rains.
- Currently, an estimated 176 139 people are food insecure.

Somalia

Conflict, civil insecurity and reduced localized crop production

- About 1 million people are estimated to be in need of emergency assistance, mainly IDPs and drought-affected agro-pastoral communities in northern regions.

South Sudan

Conflict, civil insecurity and severe economic downturn

- Over 2.8 million people, including 40 000 people in the Integrated Food Security Phase Classification (IPC) Household Phase 5: "Catastrophe", are severely food insecure, mainly in the conflict-affected states of Jonglei, Unity and Upper Nile.
- New pockets of severe food insecurity are in Northern Bahr el Ghazal, Warrap and Eastern Equatoria states due to trade disruptions and high market prices.

Sudan

Conflict and civil insecurity

- An estimated 3.9 million people are in need of humanitarian assistance, mainly IDPs in conflict affected areas and pastoral communities.

Swaziland

Poor cereal production prospects in 2016

- El Niño-associated drought conditions have sharply lowered 2016 production prospects and adversely impacted livestock conditions.
- The current unfavourable production prospects come on the back of a poor agricultural season in 2015/16 and higher maize prices which are adversely impacting on food security conditions.
- Approximately 300 000 people are food insecure.

Uganda

Below-average crop production

- About 320 000 people in Karamoja region are estimated to be severely food insecure following consecutive unfavourable rainy seasons.

ASIA (7 countries)

EXCEPTIONAL SHORTFALL IN AGGREGATE FOOD PRODUCTION/SUPPLIES

Iraq

Escalation of the conflict and large internal displacement

- Over 2 million people have been displaced since January 2014.
- Some 1.8 million beneficiaries (IDPs, non-displaced food insecure in conflict areas and food insecure host families) are receiving food assistance.
- Internal trade restrictions and reduced access to stocks held in the areas under ISIL control.

Syrian Arab Republic

Worsening civil conflict

- Agricultural production significantly affected by conflict.
- About 13.5 million people are in need of humanitarian assistance, with caseloads increasing.
- Although some international food assistance is being provided, Syrian refugees are also putting strain on other host communities in neighbouring countries.
- WFP plans to reach 2 million people with food assistance in neighbouring countries and 4.5 million within the country.

WIDESPREAD LACK OF ACCESS

Democratic People's Republic of Korea

Impact of drought and floods in 2015

- Poor rains between April and mid-July, coupled with reduced supplies of irrigation water, sharply decreased the 2015 early and main season food crops production. Heavy rains from late July to early August 2015 reportedly caused some localized floods across North Hamgyong and Rason provinces, located in the northeastern part of the country, causing severe damage to housing and infrastructure (including schools, roads and bridges).
- With a reduced harvest in 2015, the food security situation is likely to deteriorate compared to the situation of previous years, when most households were already estimated to have borderline or poor food consumption rates.

Yemen

Conflict, poverty, and high food and fuel prices

- Around 21.2 million people, 82 percent of the population, require some kind of humanitarian assistance to meet their basic needs or protect their fundamental rights.
- According to the IPC indicative analysis of June 2015, out of the 12.9 million food insecure people across the country, about 6.1 million were in Phase: 4 "Emergency", while 6.8 million were in Phase: 3 "Crisis".
- The level of food insecurity increased by 21 percent compared to the previous year.

SEVERE LOCALIZED FOOD INSECURITY

Afghanistan

Continuing conflict and population displacement

- Some 2.1 million people are classified as very severely food insecure.
- Over 700 000 people are internally displaced, mostly in Helmand Province.
- About 1.7 million people targeted with food assistance.

Myanmar

Impact of floods in July-August 2015

- Nearly 1.7 million people were displaced by heavy rainfall and the passing of Cyclone Komen in July.
- The floods caused severe damage to productive assets and resulted in a reduction of the 2015 main season paddy production. In the states of Chin and Rakhine, paddy production is expected to fall by up to 16 percent, constraining food access and pushing up consumer prices. In these areas, there are pockets where people may face severe food shortages in the coming months and may require relief assistance.

Nepal

Impact of the earthquake in April 2015

- The earthquake that struck in April 2015, mostly impacting central and western parts, resulted in the loss of nearly 9 000 lives. In addition, the damage to the agricultural sector, coupled with poor rains during the cropping season, contributed to a reduction in 2015 cereal output, mainly for rice and maize crops.

Countries with unfavourable prospects for current crops² (total: 14 countries)

AFRICA (14 countries)

Algeria

Drought conditions have acutely weakened 2016 production prospects, particularly of winter cereals



Central African Republic

The widespread conflict, which caused large-scale displacements, the loss and the depletion of the households' productive assets and input shortages, is continuing to weigh down the early 2016 production outlook



Morocco

Drought conditions have acutely weakened 2016 production prospects, particularly of winter cereals



Southern Africa subregion

(Angola, Botswana, Lesotho, Madagascar, Malawi, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe)

Drought conditions, associated with the El Niño episode, have acutely weakened 2016 production prospects.

Aggregate cereal production is expected to decline from last year's already reduced and below-average level



Key - Changes since last report (December 2015)

No change ■ Improving ▲ Deteriorating ▼ New Entry +

Terminology

¹ **Countries requiring external assistance for food** are expected to lack the resources to deal with reported critical problems of food insecurity. Food crises are nearly always due to a combination of factors but for the purpose of response planning, it is important to establish whether the nature of food crises is **predominantly** related to lack of food availability, limited access to food, or severe but localized problems. Accordingly, the list of countries requiring external assistance is organized into three broad, not mutually exclusive, categories:

- Countries facing an **exceptional shortfall in aggregate food production/supplies** as a result of crop failure, natural disasters, interruption of imports, disruption of distribution, excessive post-harvest losses, or other supply bottlenecks.
- Countries with **widespread lack of access**, where a majority of the population is considered to be unable to procure food from local markets, due to very low incomes, exceptionally high food prices, or the inability to circulate within the country.
- Countries with **severe localized food insecurity** due to the influx of refugees, a concentration of internally displaced persons, or areas with combinations of crop failure and deep poverty.

² **Countries facing unfavourable prospects for current crops** are countries where prospects point to a shortfall in production of current crops as a result of a reduction of the area planted and/or yields due to adverse weather conditions, plant pests, diseases and other calamities.

Global production overview

(for FAO's latest global Cereal Supply and Demand Brief visit the website [here](#)¹)

WHEAT 2016

FAO's first forecast for wheat production in 2016 stands at 723 million tonnes, 1.4 percent (10 million tonnes) below the record output achieved in 2015. The anticipated decrease would be mostly on account of reduced winter plantings in **the Russian Federation** and **Ukraine**, largely driven by dry weather conditions, while a lower output is also foreseen in the **EU**, where yields are expected to return to average from bumper levels in 2015. In **the United States of America**, early forecasts put the 2016 harvest just below the 2015 level, as higher yields are expected to make up for reduced

winter plantings. In *Asia*, favourable growing conditions are anticipated to sustain near-record harvests in **China** and **Pakistan**, while helping production to recover in **India**.

COARSE GRAINS 2016

The bulk of the 2016 global maize crop is yet to be planted in *Asia*, *Europe* and *North America*, while in the Southern Hemisphere harvesting has already commenced, with early indications pointing to reduced outputs in *South America* and *Southern Africa*. A contraction in 2016 plantings in **Brazil** and **Argentina**, mostly reflecting ample regional supplies and lower prices,

is largely behind the expected small decline from last year's record. In *Southern Africa*, the El Niño episode sharply curbed seasonal rains and 2016 production is expected to decline steeply from the previous year's already weather-reduced level.

RICE 2016

Although the 2016 season will not begin in the Northern Hemisphere until May/June, countries along or south of the equator are already harvesting their 2016 main paddy crops. Expectations for these crops have been somewhat clouded by continued erratic weather patterns, since cropping activities in the Southern Hemisphere often coincided with peak El Niño conditions. In *Asia*, this has been primarily the case for **Indonesia**, while in *Southern Africa*, severe precipitation deficits have beset planting operations in a number of Southern African producers. In **Australia**, the output could fall to a six-year low, as limited and costly water supplies have significantly constrained plantings. In *South America*, prospects remain positive for **Ecuador** and **Peru**, but less so in **Bolivia** and **Guyana**, where poor expected margins may depress cultivation. Excess precipitation and reduced sunshine conditions instead mar the outlook for **Argentina**, **Uruguay** and particularly **Brazil** (the region's largest producer), where plantings were curbed by high production costs and incessant rains, with conditions further aggravated by severe flooding problems in Rio Grande do Sul state, Brazil's main rice producing state.

Table 1. Wheat production: leading producers¹
(million tonnes)

	Average 2013-15	2014	2015 estimate	2016 forecast	Change: 2016 over 2015 (%)
European Union	153.1	157.1	158.5	155.0	-2.2
China (Mainland)	126.1	126.2	130.2	130.0	-0.2
India	91.9	95.8	86.5	93.8	8.4
Russian Federation	57.9	59.7	61.8	57.0	-7.8
United States of America	56.3	55.1	55.8	54.0	-3.2
Canada	31.5	29.4	27.6	29.2	5.8
Pakistan	25.2	26.0	25.5	26.0	2.0
Ukraine	24.3	24.1	26.4	17.8	-32.6
Australia	24.2	23.1	24.2	25.0	3.3
Turkey	21.2	19.0	22.6	21.5	-4.9
Kazakhstan	13.6	13.0	13.7	13.5	-1.5
Argentina	11.5	13.9	11.3	11.5	1.8
Iran Islamic Rep. of	10.5	10.6	11.5	11.5	0.0
Egypt	8.9	8.8	9.0	9.0	0.0
Uzbekistan	7.5	7.6	8.0	7.5	-6.3
Other countries	59.7	59.7	59.8	60.7	1.5
World	724.3	729.1	733.0	723.0	-1.4

¹ Countries ranked according to average production in 2013-15.

¹ FAO Cereal Supply and Demand Brief: <http://www.fao.org/worldfoodsituation/csdb/en/>

CEREALS 2015

With the season coming to a close, FAO estimates world cereal production in 2015 at 2 525 million tonnes, about 1.4 percent (35.8 million tonnes) below the record output of 2014. The year-on-year decrease is mainly the result of reduced maize and, to a lesser extent, rice outputs.

WHEAT 2015

Global production of wheat in 2015 is estimated at 733 million tonnes, slightly down from the earlier forecast but still 0.5 percent (3.9 million tonnes) up from the previous year and a record high. The bulk of the increase in 2015 is on account of larger outputs in the European CIS countries (**the Russian Federation** and **Ukraine**) and *North Africa*.

COARSE GRAINS 2015

Global coarse grains production in 2015 is estimated at 1 301 million tonnes, marginally below earlier forecast, and 2.7 percent (36.5 million tonnes) down from 2014. Most of the contraction reflects lower maize outputs in the **EU**, **Ukraine** and **the United States of America**, which more than negated robust gains in **China** and **Brazil**. World barley production in 2015 increased by 3 percent to 147.5 million tonnes, with most regions registering larger harvests, except for *Europe*, mainly due to lower outputs in **the**

Russian Federation and **Ukraine**. The global sorghum output declined in 2015 to 644 million tonnes, 1 percent lower than the previous year, mostly stemming from a steep decline in **Sudan's** production.

RICE 2015

The 2015 season is drawing to a close as off-season crops in Northern

Hemisphere countries have reached the harvesting stage. FAO's latest forecast points to a global harvest of 491.4 million tonnes (milled basis) in 2015. This level would represent a 3.4 million-tonne contraction from the already disappointing outturn of 2014, reflecting the negative impact of adverse weather conditions associated with the prevailing El Niño episode.

Table 2. World cereal production¹
(million tonnes)

	2013	2014	2015 estimate	Change: 2015 over 2014 (%)
Asia	1 117.3	1 115.6	1 119.5	0.3
Far East	1 014.3	1 019.3	1 014.5	-0.5
Near East	69.5	64.3	70.6	9.9
CIS in Asia	33.5	32.0	34.4	7.5
Africa	163.5	175.5	162.9	-7.1
North Africa	36.0	32.7	37.1	13.5
West Africa	49.9	52.5	53.5	1.9
Central Africa	4.7	4.7	4.5	-4.2
East Africa	44.0	51.0	41.3	-19.0
Southern Africa	28.9	34.6	26.5	-23.3
Central America and Caribbean	41.3	42.0	43.2	2.8
South America	176.8	178.7	186.3	4.3
North America	498.0	491.3	482.5	-1.8
Europe	482.9	522.5	492.9	-5.7
EU	306.0	330.8	309.6	-6.4
CIS in Europe	162.9	177.6	170.2	-4.1
Oceania	40.3	35.8	38.2	6.5
World	2 520.1	2 561.4	2 525.5	-1.4
Developing countries	1 441.6	1 453.5	1 456.1	0.2
Developed countries	1 078.6	1 107.9	1 069.4	-3.5
- wheat	710.8	729.1	733.0	0.5
- coarse grains	1 314.8	1 337.6	1 301.1	-2.7
- rice (milled)	494.5	494.7	491.4	-0.7

Note: Totals and percentage change computed from unrounded data.

¹ Includes rice in milled terms.

WHEAT

Export prices of **wheat** generally declined in February, with the benchmark US wheat (No.2 Hard Red Winter, fob) price averaging USD 205 per tonne, 4 percent lower than in January and almost 20 percent down from its year-earlier value. Weaker export prices reflected slow trade activity, while supplies remain large and mostly favourable growing conditions in the Northern Hemisphere point to another good output in 2016.

MAIZE

The benchmark US **maize** (No.2, Yellow, fob) value averaged USD 160 per tonne in February, virtually unchanged from its level in January, though still about 8 percent lower than the corresponding period last year. A rebound in import demand and some concerns about crop conditions in the Southern Hemisphere provided support to maize export quotations, although abundant

supplies and strong competition between exporters limited the gains. In Argentina, quotations increased reflecting firm export demand and some weather-related worries for the 2016 crop, about to be harvested. In the Black Sea region, prices also moved up as a result of export demand and recent sales.

RICE

The FAO All **Rice** Price index (2002-04=100) averaged 197 points in February 2016, 1 point more than in January, mainly as a result of a 1.5 percent rise in the Japonica price sub-index, lifted by a firming of Egyptian quotations. In Thailand, export quotations generally moved up, with the benchmark Thai 100%B white rice averaging USD 389 per tonne, almost 4 percent higher than in January, on a stronger Baht and expectations of new trade agreements. Prices also increased in Pakistan, due to ongoing sales to Africa. By contrast, they declined slightly in India on subdued import demand, and in Viet Nam. Low import demand put downward pressure on prices in the Americas, with export quotations decreasing in the United States of America, but also in Argentina, Uruguay and Brazil.

Table 3. Cereal export prices*

(USD/tonne)

	2015					2016	
	Feb.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
United States							
Wheat ¹	252	218	221	211	212	214	205
Maize ²	174	166	172	166	164	161	160
Sorghum ²	230	177	182	173	170	165	165
Argentina³							
Wheat	241	223	223	210	193	194	194
Maize	178	161	164	167	166	161	167
Thailand⁴							
Rice, white ⁵	430	367	376	379	373	375	389
Rice, broken ⁶	331	316	323	329	331	331	339

*Prices refer to the monthly average.

¹ No.2 Hard Red Winter (Ordinary Protein) f.o.b. Gulf.

² No.2 Yellow, Gulf.

³ Up river, f.o.b.

⁴ Indicative traded prices.

⁵ 100% second grade, f.o.b. Bangkok.

⁶ A1 super, f.o.b. Bangkok.

Low-Income Food-Deficit Countries food situation overview²

Favourable production outlook for 2016 winter crops, but sharply lower 2016 output expected in Southern Africa

In Low-Income Food-Deficit Countries (LIFDCs), harvesting of the 2016 winter crops will begin in April and the outlook is generally positive. However, in *Southern Africa*, production prospects for the main 2016 summer crops, to be harvested from March/April, are extremely poor, reflecting El Niño-associated drought conditions.

In *Asia*, 2016 production expectations in the *Far East* subregion are generally favourable. In **India**, the largest producing LIFDC, preliminary forecasts point to a recovery in wheat production from the weather-reduced output in 2015, mainly resting on a return to average yields. In **Pakistan**, the wheat output is expected to remain close to the record level in 2015. In the *Near East*, despite relatively beneficial weather conditions supporting 2016 crop development in most countries, the ongoing conflict and lack of inputs in the **Syrian Arab Republic** and **Yemen** has continued to erode the capacity of the agriculture sector, significantly weighing down 2016 production prospects. In sub-Saharan *Africa*, the production outlook is acutely unfavourable in several countries of *Southern Africa*, on account of sharply-reduced seasonal rains and higher-than-normal temperatures, linked to the prevailing El Niño and 2016 cereal production is anticipated to remain below average and decline compared to

the already weather-depressed output in 2015. In *East* and *Central Africa*, planting of the main 2016 season crops has started. Persistent insecurity in parts of the region, notably in the **Central African Republic (CAR)**, continues to affect the agriculture sector, adversely impacting the cropping activities and access to inputs.

Lower cereal output in 2015, due to weather-depressed harvests in India, East and Southern Africa

Harvesting of the 2015 cereal crops is virtually complete and FAO's latest LIFDC production estimate for 2015 stands at 410 million tonnes, 1 percent (4 million tonnes) lower than last reported in December and 27.5 million tonnes below

the bumper level in 2014. The quarterly revision mostly reflects a lowering of the production estimate in *Asia*, while the year-on-year decrease is principally on account of reduced outputs in *East* and *Southern Africa*, and **India**.

In *Asia*, the aggregate 2015 cereal output is estimated at 300.1 million tonnes, 5.1 percent down from 2014. The decrease mostly reflects a 16-million tonne production fall in **India**, due to persistent dry weather. Elsewhere in the *Far East* subregion, lower outputs were also estimated in **Nepal**, the **Democratic People's Republic of Korea** and **Mongolia**. In the **Syrian Arab Republic**, beneficial weather resulted in a 35 percent cereal production increase; however, larger gains were severely limited by the impact

Table 4. Basic facts of the Low-Income Food-Deficit Countries (LIFDCs) cereal situation (million tonnes, rice in milled basis)

	2013/14	2014/15 estimate	2015/16 forecast	Change: 2015/16 over 2014/15 (%)
Cereal production¹	425.8	437.5	410.0	-6.3
<i>excluding India</i>	182.4	193.1	181.6	-6.0
Utilization	449.3	463.1	462.1	-0.2
Food use	363.8	371.7	377.4	1.5
<i>excluding India</i>	174.5	179.2	182.9	2.1
Per caput cereal food use (kg per year)	146.3	146.9	146.5	-0.3
<i>excluding India</i>	144.6	145.1	144.7	-0.3
Feed	33.1	35.4	34.6	-2.3
<i>excluding India</i>	20.0	21.8	20.7	-5.0
End of season stocks²	90.7	94.8	79.7	-15.9
<i>excluding India</i>	36.9	40.1	35.0	-12.8

¹ Data refer to calendar year of the first year shown.

² May not equal the difference between supply and utilization because of differences in individual country marketing years.

² The **Low-Income Food-Deficit Countries (LIFDCs)** group includes net food deficit countries with annual per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 945 in 2011). The new list of the LIFDCs stands at 54 countries, one less than in 2014 list but with some changes. These are: the Republic of the Congo, the Philippines and Sri Lanka, which all graduated out based on income criterion (for the Philippines in particular this is part due to the World Bank revision of income data). The 2015 list of LIFDCs now also includes South Sudan, for which data had previously been unavailable, and the Syrian Arab Republic, which had previously been taken off the list, but now fails to satisfy the three criteria for exclusion. For full details see: <http://www.fao.org/countryprofiles/lifdc/en/>

Table 5. Cereal production¹ of LIFDCs
(million tonnes)

	2013	2014	2015 estimate	Change: 2015 over 2014 (%)
Africa (37 countries)	108.4	119.7	108.3	-9.5
East Africa	44.0	51.0	41.3	-19.0
Southern Africa	9.9	11.5	9.1	-21.4
West Africa	49.9	52.5	53.5	1.9
Central Africa	4.7	4.6	4.4	-4.2
Asia (12 countries)	315.1	316.2	300.1	-5.1
CIS in Asia	10.3	10.6	11.3	7.3
Far East	294.0	295.7	278.8	-5.7
- India	243.4	244.4	228.4	-6.5
Near East	10.7	10.0	10.0	0.8
Central America (3 countries)	2.2	1.6	1.5	-1.3
Oceania (2 countries)	0.0	0.0	0.0	0.0
LIFDC (54 countries)	425.8	437.5	410.0	-6.3

Note: Totals and percentage change computed from unrounded data.

¹ Includes rice in milled terms.

of the conflict. By contract, a second consecutive year-on-year production decline in **Yemen** has resulted in a well below-average output. In *CIS in Asia*, the 2015 aggregate cereal crop is estimated at an above-average level.

In sub-Saharan *Africa*, with harvesting of the 2015 cereal crops complete, the aggregate cereal output is estimated at 108.3 million tonnes, 9.5 percent below the previous year. *East Africa* accounts for the bulk of this year's contraction, with an aggregate output estimated at 41.3 million tonnes, 9.7 million tonnes down on the previous year due to sharp reductions in **Ethiopia**, **the Sudan** and the **United Republic of Tanzania**. A steep production drop is also estimated in *Southern Africa*, reflecting a prolonged dry period in early 2015, with significant production falls in **Malawi** and **Zimbabwe**. In *West Africa*, the 2015 aggregate production is estimated at 53.5 million tonnes, marginally up from the previous year, largely on account of production gains in **Mali** and **Senegal**, which offset reduced outputs in several coastal countries along the Gulf of Guinea. In *Central Africa*, civil insecurity in parts of the subregion adversely affected the agriculture sector, resulting

in a reduced and below-average 2015 cereal harvest.

In *Central America and the Caribbean*, the subregional aggregate production is estimated to have fallen to a below-average level of 1.5 million tonnes, caused by dry weather associated with the El Niño episode.

LIFDC aggregate cereal import to increase marginally

The aggregate cereal import requirement of LIFDCs in the 2015/16 marketing year (July/June) is forecast at 54.8 million tonnes (including rice in milled terms), marginally above last year's level. This mainly reflects higher imports in several countries in *East* and *Southern Africa*, and *Near East*, due to reduced harvests, which are expected to more than outweigh lower imports in *West Africa* and *CIS in Asia*. Smaller year-on-year changes are also estimated in all LIFDCs of *Central America* (namely **Haiti**, **Honduras** and **Nicaragua**), where reduced 2015 harvests pushed-up import requirements, while higher imports are also forecast in *Central Africa*, mostly linked to increased wheat and rice needs in **Cameroon**. In *Far East*, total imports in 2015/16 are anticipated to decrease marginally from the previous year's high level, reflecting a significantly reduced import forecast in **Bangladesh** more than offsetting higher import needs in **India** and **Nepal**. In *Oceania*, imports are expected to remain close to their levels of the previous year.

Table 6. Cereal import position of LIFDCs
(thousand tonnes)

	2014 or 2015 Actual imports	2015/16 or 2016			
		Requirements ¹		Import position ²	
		Total imports:	of which food aid	Total imports:	of which food aid pledges
Africa (37 countries)	31 273	31 450	1 367	1 926	24
East Africa	9 889	10 357	918	611	0
Southern Africa	2 647	3 142	39	1 184	18
West Africa	17 026	16 130	260	130	7
Central Africa	1 710	1 821	149	1	0
Asia (12 countries)	20 898	20 709	714	4 822	147
CIS in Asia	4 132	3 696	1	1 645	0
Far East	6 529	6 441	282	2 093	11
Near East	10 237	10 572	431	1 084	135
Central America (3 countries)	1 958	2 158	98	551	2
Oceania (2 countries)	473	482	0	0	0
Total (54 countries)	54 601	54 799	2 179	7 298	172

Note: Totals computed from unrounded data.

¹ The import requirement is the difference between utilization (food, feed, other uses, export plus closing stocks) and domestic availability (production plus opening stocks).

² Estimates based on information available as of February 2016.

Regional reviews

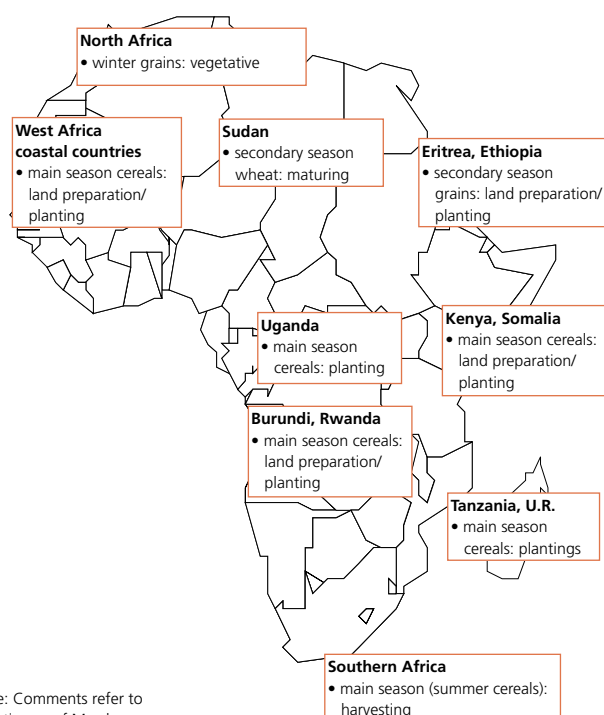
NORTH AFRICA

Mixed prospects for 2016 winter crops

In *North Africa*, early prospects for the 2016 winter wheat and coarse grains crops, to be harvested from May, are mixed. While **Egypt**, western parts of **Tunisia** and eastern parts of **Algeria** maintain favourable crop prospects owing to timely and widespread precipitation, large swathes of land normally planted to cereals in **Morocco** and western **Algeria** have been adversely affected by drought conditions. Between November 2015 and January 2016, precipitation deficits reached 80 percent in some parts of Morocco. In addition, above-average temperatures have exacerbated the impact of rainfall deficits on crop development. Improved rainfall during the remainder of the season would partly mitigate the negative impact of early seasonal dryness but would not lead to a full production recovery. In **Egypt**, reports indicate average meteorological conditions, resulting in a preliminary wheat production forecast of 9 million tonnes.

Above-average import requirement estimated for the 2015/16 marketing year despite an above-average 2015 cereal harvest

The aggregate 2015 subregional cereal production (including rice in paddy terms) is estimated at 39 million tonnes, an increase of about 12.5 percent on the previous year's output and 9 percent on the five-year average. The coarse grains harvest is put at 12.5 million tonnes, about 5 percent above the five-year average and about 15 percent higher than in 2014. Total wheat production, which accounts for just over half of the aggregate cereal output, was estimated at 20.5 million tonnes, 16 percent above 2014's output.



Note: Comments refer to situation as of March.

With a slightly above-average harvest estimated in 2015, the subregion's aggregate cereal import requirement for the 2015/16 marketing year (July/June) is estimated at approximately 44.5 million tonnes, slightly below the previous year's level but about 9 percent above the average of the previous five years. Wheat accounts for almost 60 percent of the total cereal import requirement. The above-average 2015 harvest in **Morocco** lowered the forecasted cereal imports to 5.1 million tonnes (20 percent below the 2014/15 volumes), while a reduced crop increased the import requirement in **Tunisia** by 18 percent compared to last year.

Table 7. North Africa cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	Change: 2015/2014 (%)
North Africa	20.3	17.6	20.5	11.5	10.8	12.5	6.1	6.3	5.9	37.9	34.6	38.9	12.5
Algeria	3.3	2.0	2.4	1.6	1.3	1.5	0.0	0.0	0.0	4.9	3.3	3.9	18.0
Egypt	8.8	8.8	9.0	6.5	6.6	6.8	6.1	6.2	5.9	21.4	21.6	21.7	0.3
Morocco	7.0	5.1	8.0	2.9	1.9	3.7	0.0	0.0	0.0	9.9	7.0	11.7	66.8
Tunisia	1.0	1.5	0.9	0.3	0.8	0.4	0.0	0.0	0.0	1.3	2.3	1.3	-43.7

Note: Totals and percentage change computed from unrounded data.

Table 8. West Africa cereal production
(million tonnes)

	Coarse grains			Rice (paddy)			Total cereals ¹			
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	Change: 2015/2014 (%)
West Africa	41.1	43.5	44.2	13.8	14.0	14.5	55.0	57.7	58.8	2.0
Burkina Faso	4.6	4.1	4.2	0.3	0.3	0.3	4.9	4.5	4.5	1.3
Chad	2.2	2.4	2.2	0.4	0.3	0.2	2.6	2.7	2.4	-11.7
Ghana	2.2	2.2	1.9	0.6	0.6	0.6	2.7	2.8	2.4	-13.4
Mali	3.5	4.8	5.6	2.2	2.2	2.5	5.7	7.0	8.0	15.3
Niger	4.3	4.8	4.5	0.0	0.1	0.1	4.3	4.9	4.6	-5.1
Nigeria	18.4	19.5	19.2	4.7	4.9	4.8	23.2	24.4	24.0	-1.6

Note: Totals and percentage change computed from unrounded data.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

Uneven developments in food inflation

Food price inflation in January 2016 ranged from no inflation in **Morocco** to over 13 percent in **Egypt**. **Algeria** reported a food price inflation of 2 percent in January 2016 and **Tunisia** 1.4 percent. The reported variations are largely in response to changes in prices of non-subsidized products, with bread prices generally subsidized across the subregion. In **Libya**, where the overall yearly inflation is estimated at over 14 percent, the increases are driven by supply chain disruptions due to infrastructure destruction offsetting the downward pressure from high fuel and food subsidies.

WEST AFRICA

In *West Africa*, seasonal dry conditions prevail in the Sahel, while in the coastal countries along the Gulf of Guinea land preparation for the first maize crop is underway. Planting will begin with the arrival of rains, usually from April.

Above-average harvest gathered in 2015

The subregion's aggregate cereal output in 2015 was provisionally estimated at about 58.8 million tonnes, which is 2 percent above the previous year's crop and 7.45 percent above the five-year average. Reduced harvests in several coastal countries were more than offset by above-average crops in other parts of the subregion, notably in the Sahel belt.

In the Sahel, cereal production recovered significantly in the countries that were affected by irregular rains in 2014 and experienced a steep drop in production. Compared to the previous year's outputs, 2015 cereal production is estimated to have increased by 84 percent in **Senegal**, 28 percent in **Guinea-Bissau** and 12 percent in **Islamic Republic of the Gambia**. In **Cabo Verde**, production is estimated to have recovered significantly from the drought-reduced harvest of the previous year. A record crop was gathered in **Mali**, while

an above-average output was estimated in **Burkina Faso**.

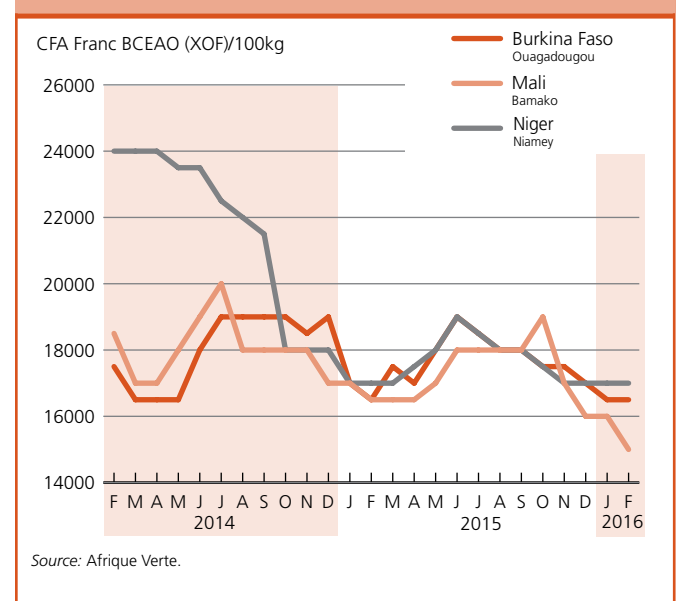
By contrast, in coastal countries along the Gulf of Guinea, maize yields were adversely affected by irregular rains in parts. Compared to 2014, cereal outputs are estimated to have declined by over 13 percent in **Ghana**, 2 percent in **Benin** and 6 percent in **Togo**. In **Nigeria**, cereal production is expected to remain at the same level

as in 2014. In the countries affected by the Ebola Virus Disease (EVD) outbreak, **Guinea**, **Liberia** and **Sierra Leone**, production is estimated to have recovered from the previous year's Ebola-affected levels.

Coarse grain prices have fallen in most countries

Reflecting ample supplies from last year's above-average crop, prices of coarse grains dropped considerably in recent months in most countries. In the Sahel belt, prices of locally-produced sorghum and millet continued to decline in January and were overall significantly below their year-earlier levels, as markets are generally well supplied. Coarse grain prices also continued to decline in **Burkina Faso**, **Mali** and **Niger**. Similarly, in **Chad**, coarse grain prices generally decreased in December, with a

Figure 1. Millet prices in selected West African markets



few exceptions due to insecurity affecting trade activities. In the coastal countries along the Gulf of Guinea, prices of maize, the most consumed cereal, decreased substantially in late 2015. In **Benin**, maize prices declined by up to 21 percent between October and December after the steep rise of the previous months, while in **Togo**, maize prices dropped up to one-third over the same period. In both countries, however, prices were still well above their year-earlier levels as of December 2015. In **Nigeria**, the largest producing country of the subregion, despite some increases, prices in December were generally well below their values of a year earlier, mainly reflecting adequate supplies from the good 2015 cereal harvest.

Food security affected by civil insecurity and infectious disease outbreaks

In spite of the above-average 2015 cereal harvest, humanitarian assistance is still needed in several parts, mostly due to the continuing civil conflict in northern **Nigeria** and the **CAR** that has resulted in large population displacement. Specifically, the conflict in northern Nigeria has resulted in large-scale population displacements internally and in the neighbouring countries of **Cameroon, Chad** and **Niger**. Over 1.8 million people have been displaced in northeast Nigeria. In addition, over 105 000 people are estimated to have left Nigeria for the Diffa Region of Niger, while nearly 57 000 people have taken refuge in northern Cameroon. Moreover, according to the Office of the United Nations High Commissioner for Refugees (UNHCR), an additional 15 000 Nigerians fled to Chad, which has also seen increased numbers of refugees and returnees due to civil conflict in the Sudan, the CAR, Nigeria and Libya. Overall, over 460 000 refugees are estimated to be currently living in Chad, while about 340 000 Chadians have returned to their country. The refugee crisis has exacerbated an already fragile food security situation. Moreover, the areas affected by irregular rains in 2015 are expected to experience increased food insecurity and malnutrition in the 2015/16 marketing year.

In spite of the relatively low impact of EVD on 2014 agricultural production at the national level, its impact on economic activities and livelihoods severely affected household food security in **Guinea, Liberia** and **Sierra Leone**. Similarly, since December 2014, HPAI (avian influenza) has been affecting several poultry farms and live bird markets in **Nigeria, Burkina Faso, Niger, Côte d'Ivoire** and **Ghana**, causing major economic losses in the poultry sector.

As a result of the shocks mentioned above, over 8 million people are estimated to be in Phase 3: "Crisis" and above in *West Africa* between October and December according to the latest "Cadre Harmonisé" analysis. This number is forecast to rise to over 10.7 million between June and August 2016. More than half of the people in need of food assistance live in Nigeria.

CENTRAL AFRICA

Main cropping season in 2016 is about to start; uncertain prospects in the CAR due to persistent civil insecurity

In *Central Africa*, planting of the 2016 main season maize crops, due for harvest from July, will begin in March. In the **CAR**, agricultural activities are severely hampered by the widespread conflict, which resulted in massive population displacements, caused input shortages and depleted households' productive assets that were already inadequate. Although FAO will continue to assist crisis-affected households through seeds and tools distributions and resilience strengthening programmes, prospects remain uncertain for the 2016 crop. In southern **Democratic Republic of the Congo (DRC)**, where the rainfall pattern is similar to *Southern Africa*, planting of the secondary season maize crop, to be harvested from May, started in January under generally favourable weather conditions.

Near-average 2015 harvests estimated in most countries except in the CAR

In the **CAR**, harvesting of the 2015 main season cereal crops was completed between last September and October. According to the findings of a joint FAO/WFP Crop and Food Security Assessment Mission (CFSAM) conducted last October-November, the 2015 aggregate production of food crops increased by 10 percent from the sharply-reduced 2014 output due to an increase in cassava production, but still remained 54 percent below the pre-crisis five-year average (2008-2012). By contrast,

Table 9. Central Africa cereal production
(million tonnes)

	Coarse grains			Rice (paddy)			Total cereals ¹			
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	Change: 2015/2014 (%)
Central Africa	4.4	4.3	4.1	0.5	0.6	0.5	4.9	4.9	4.7	-4.1
Cameroon	2.9	2.8	2.7	0.2	0.2	0.2	3.1	3.0	2.9	-6.0
Central African Rep.	0.1	0.1	0.1	0.0	0.0	0.0	0.2	0.1	0.1	-4.0
Dem.Rep.of the Congo	1.3	1.3	1.3	0.3	0.3	0.3	1.6	1.6	1.6	-1.2

Note: Totals and percentage change computed from unrounded data.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

cereal output, already reduced in the previous two seasons, recorded a 4 percent decrease from 2014, and currently is 70 percent lower than the pre-crisis average. The ongoing socio-political crisis and widespread insecurity severely disrupted agricultural and marketing activities, and caused the depletion of already inadequate households' productive assets. FAO and NGO partners helped to avert a major food crisis, by providing crop production support to a total of 170 900 vulnerable households.

In **Cameroon**, with harvesting of the second season crops completed in January in the Centre and South, total cereal production for 2015 is estimated to have decreased to a below-average level. This decline mainly reflects erratic rains that adversely affected the 2015 main season's crop, while in Far North Region, civil insecurity severely disrupted agricultural activities and caused a reduction in the planted area. According to an Emergency Food Security Assessment (EFSA), conducted in June 2015, 60 percent of farmers in the region indicated major land access constraints on account of civil insecurity. In the **DRC**, harvesting of the 2015 main maize crops was completed in November in the north, while in southern parts it has been recently concluded. According to remote sensing analysis, average to above-average rainfall was received in most cropping areas, reflecting generally favourable vegetation conditions during the main cropping season that began in June 2015 in northern provinces. However, torrential rainfall received towards the end of the cropping season in late 2015 and early 2016, resulted in floods and localized crop losses.

In the **Congo** and **Gabon**, where the main season harvest normally starts in December, crops benefited from the timely onset of seasonal rains in October, except in some coastal areas where early season dryness may have affected planting operations. Earlier in the year, the secondary season maize crop, harvested in June-July, benefited from adequate rainfall throughout the growing period. However, in both countries, the bulk of the national cereal requirement is met through imports. Overall, the 2015 cereal output for the subregion is forecast to fall by about 4 percent compared to the previous year.

Inflation rates forecast to increase in 2016 but still low in most countries except in the CAR

In the **CAR**, the inflation rate, which surged to 12 percent in 2014 due to crisis-induced disruptions of economic activities, declined to 5.7 percent in 2015 and is forecast to decrease further to 4.9 percent in 2016, which is still well above the convergence rate of 3 percent set by the Communauté économique et monétaire de l'Afrique centrale. In the **DRC**, rates of inflation are forecast to slightly increase from a low level of 1 percent in 2015 to 1.6 percent in 2016, due to a relatively strong economic

growth and a loosening fiscal policy which is expected to boost domestic demand. Similarly, in the **Congo**, inflation rates are forecast to slightly increase from a low level of nearly 1 percent in 2015 to 1.7 percent in 2016, due to a rise in public sector wages. In **Gabon**, rates of inflation, which declined from 4.5 percent in 2014 to 0.6 percent in 2015, driven by lower oil prices and a reduction in the Government's spending, are forecast to increase to 1.6 percent in 2016. In **Cameroon**, by contrast, the inflation rate in 2016 is forecast to remain stable at around 2 percent.

Acute food insecurity situation in the CAR, the DRC and parts of Cameroon due to conflict

Continued civil insecurity in the **CAR** and in eastern **DRC** has resulted in massive population displacements and hindered access to food for the affected population. As of January 2016, about 465 000 refugees from the CAR have sought refuge in neighbouring Cameroon (267 000), the DRC (108 000), Chad (63 000) and the Republic of the Congo (27 000) straining the already limited resources of the hosting communities. The IDP caseload in the CAR declined in the first semester of 2015 following a relative improvement of the security situation in some areas of the country. About 369 000 individuals were internally displaced as of June 2015, the lowest level since early 2014. However, the IDP caseload increased again to 452 000 in January 2016 following the resurgence of inter-communal violence in the capital, Bangui, and in other areas of the country. The recent violence has worsened an already dire humanitarian situation, impeding the ability of humanitarian agencies and aid partners to gain access and assist the thousands of internally-displaced people. Reduced food availability and access constraints have led to a deterioration of the food security situation. According to the findings of the CFSAM, 47 percent of the surveyed groups have indicated that the food security situation has deteriorated compared to 2014, and 20 percent has indicated that it has sharply deteriorated. The Integrated Food Security Phase Classification (IPC)³ analysis, currently underway, will provide an updated estimate of the number of people affected by food insecurity.

Similarly, in the **DRC**, the escalation of the civil conflict since 2013, especially in the eastern provinces, severely damaged local livelihood systems and caused massive population displacements. As of December 2015, the IDP caseload was estimated at 1.5 million, with about 41 and 22 percent, respectively, of the displaced population located in North Kivu and South Kivu. Moreover, DRC hosts about 20 000 refugees from Burundi, who fled their homes since mid-April 2015 following the election-related conflict. Furthermore, the torrential rains received in the last quarter of 2015 and in January 2016, linked

³ The **Integrated Food Security Phase Classification (IPC)** brings together a set of standardized tools that aims at providing a universal measure to classify the severity and magnitude of food insecurity. For further information please visit: <http://www.ipcinfo.org/>

to the strong El Niño episode, have resulted in floods that affected about half a million people, including the displacement of 50 000 individuals and damaged about 9 000 hectares of crop land. Destruction of food stocks has also been reported. The most affected areas are Maniema Province in the East, Mongala (district Equateur Province) in the northwest, Orientale Province in the northeast and Katanga Province in the south. According to the latest available IPC analysis, that covers the period from September 2015 to March 2016, the number of people in acute food insecurity and livelihood crisis Phase 3: "Crisis" and Phase 4: "Emergency" was estimated at about 4.5 million. The areas most affected by food insecurity are the conflict-affected Maniema, Katanga and North Kivu provinces, where 18, 16 and 13 percent, respectively, of the total national food insecure population reside.

In **Cameroon**, as of early February 2016, the Far North Region is hosting about 65 000 refugees fleeing civil unrest in Nigeria, which has spread into the region and has also resulted in the displacement of 158 000 Cameroonians. The number of food insecure people was estimated in February 2016 at 2.4 million, more than two times the level of June 2015. The area most affected by food insecurity is the Far North Region, where according to an EFSA conducted in September last year, 35 percent of the population is food insecure.

EAST AFRICA

Favourable prospects for 2015 secondary season crop production in southern and coastal Kenya and southern/central Somalia

Harvesting of the 2015 secondary season crops is underway in most southeastern areas of the subregion, except in **Ethiopia** where planting of the "belg" season crops is about to start. Secondary season cereal production is forecast at above-average levels in **Kenya** and **Somalia** due to abundant precipitation between October and December ("short-rains" season), largely attributed to the strong El Niño phenomenon. In general, the anticipated floods linked to El Niño have been less severe and extended than expected, having caused only localized damages to crops and infrastructure.

In most bi-modal rainfall areas of **Kenya**, the "short-rains" 2015 cereal production is estimated at well above-average levels, with particularly good

prospects for crops in southeastern and coastal areas where the ongoing harvest accounts for about 70 percent of the total annual crop output. Here, despite some localized floods, rains have been generally favourable, with above-average amounts and a timely onset that induced farmers to significantly increase the area planted. Similarly, in **Somalia** "deyr" cereal production is estimated at well above-average levels in most southern and central areas following abundant and well-distributed (October-December) rains. Pockets of crops with lower yields are expected in parts of Lower Juba, Middle Juba and Lower Shabelle regions, especially along the coast, that received below-average rainfall amounts. In most riverine areas of Middle Shabelle, Juba and Gedo regions, flooding has been moderate, with only localized damage to standing crops; however, the flood waters have limited planting opportunities for recession cultivation of off-season crops, mainly sesame, maize and cowpeas, to be harvested by March. Abundant "sapie" rains between November 2015 and January 2016 have benefitted root crops, particularly sweet potato, to be harvested in March in Southern Nations Nationalities and People Region (SNNPR) in southwestern **Ethiopia**. In bi-modal rainfall areas of **the United Republic of Tanzania**, harvesting of the "vuli" maize crop was recently completed and the output is estimated at below-average levels mainly reflecting erratic rainfall distribution.

The aggregate 2015 cereal output for the subregion is estimated at about 42.4 million tonnes, almost 19 percent below last year's record harvest and 4 percent below the average of the previous five years. The decline in production is mainly due to the drought-reduced harvests in **the Sudan** and **Ethiopia**.

Land preparation for the 2016 main season cereal crops has started in major growing areas of Central, Rift Valley and Western provinces in **Kenya** ("long-rains" season), in south and central **Somalia** ("gu" season), in bi-modal rainfall areas of **South Sudan** and southern **Uganda**. In **the United Republic of Tanzania**, planting of the 2016 main "msimu" crops has been completed in southern and central uni-modal rainfall areas in January and the green harvest is expected to start in May, while planting of 2016 "masika" crops has just started

Table 10. East Africa cereal production
(million tonnes)

	Wheat			Coarse grains			Total cereals ¹			
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	Change: 2015/2014 (%)
East Africa	4.9	5.3	4.7	37.2	43.6	34.6	45.0	52.2	42.4	-18.7
Ethiopia	4.0	4.2	3.6	18.5	19.2	16.6	22.6	23.6	20.3	-14.1
Kenya	0.5	0.3	0.4	3.9	3.4	3.7	4.5	3.9	4.2	9.5
Sudan	0.2	0.5	0.5	2.6	7.4	2.9	2.9	7.9	3.4	-56.3
Tanzania U.R.	0.1	0.2	0.1	6.5	7.9	6.0	8.8	10.7	8.5	-20.7
Uganda	0.0	0.0	0.0	3.3	3.3	3.2	3.5	3.6	3.4	-3.9

Note: Totals and percentage change computed from unrounded data.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

in northern bi-modal rainfall areas. First season crops have already been harvested in **Rwanda** and **Burundi**, and average to above-average harvests are estimated in both countries. However, large displacement of farmers and lack of inputs have significantly disrupted seasonal agricultural activities in Burundi's conflict-affected areas, adversely impacting on the planted area and expected yields.

Late atypical abundant rains improved pasture conditions in parts of Kenya, South Sudan, Ethiopia and Uganda

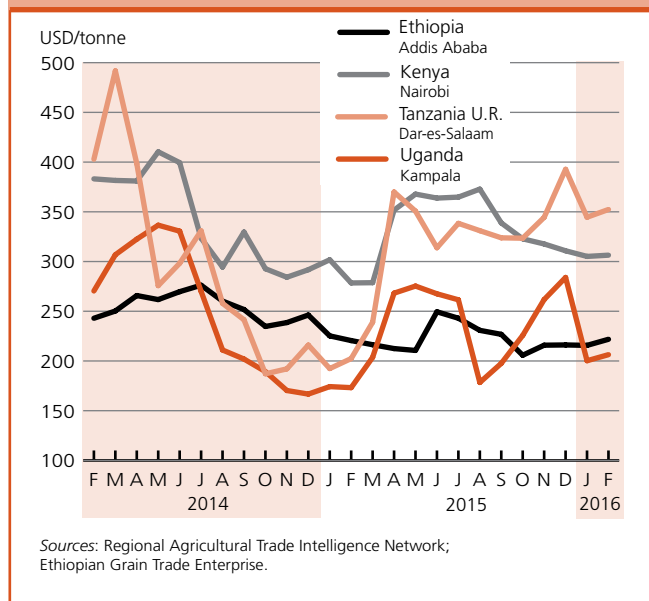
Largely affected by the El Niño phenomenon, the 2015 short rainy season has been very long, with atypical abundant rains in December 2015 and January 2016 which benefitted pasture conditions in Rift Valley Province in **Kenya** (especially in northwestern Turkana pastoralist areas), in southeastern agro-pastoral areas of **South Sudan**, in eastern and southeastern regions of **Ethiopia** and in central/northern **Uganda** (including drought-affected Karamoja region). Here, trekking distances have generally decreased, livestock body conditions range from fair to good and milk production is generally increasing. Good pasture conditions are also reported in agro-pastoral areas of Hiraan, Bakool and Middle Shabelle regions in central **Somalia**. Conversely, pasture conditions are well below average in parts of Afar and northern Somali regions in **Ethiopia**, coastal areas of **Eritrea**, **Djibouti** and northwestern **Somalia** (Awdal, Woqooy Galbeed and Sanaag regions) and they are expected to deteriorate further during the current dry season until the onset of the next rainy season in March. In **Ethiopia**, feed intervention and water rationing are ongoing in some areas of Afar and northern Somali regions that have been severely affected by drought in 2015.

Despite recent harvests, prices remained firm in drought-affected areas and reached record levels in South Sudan

In contrast to historical trends, cereal prices remained firm in **the Sudan** and **Ethiopia** due to drought-reduced harvests, while in **South Sudan** they continued the increasing trend that started since the beginning 2015 due to the general economic downturn and the direct and indirect effects of conflict/insecurity. So far, the impact of the 2015 reduced production on markets in Ethiopia and the Sudan has been generally mitigated by large carryover stocks from the bumper 2014 harvests, but significant price increases are likely to occur in the coming months.

In **South Sudan**, despite the recent harvest, sorghum prices in December/January were at record levels, three to five times above their levels of the corresponding period of the previous year. Market activities have slightly improved in recent months in some conflict-affected areas of Greater Upper Nile Region, but

Figure 2. Maize prices in selected East African markets



food supplies remain well below the pre-crisis levels and food prices remain exceptionally high and volatile, largely influenced by the distribution of food aid. In addition, the Central Bank's move from a fixed to a floating exchange rate regime, which led to a devaluation of the local currency by about 84 percent, exacerbated the rising price trends.

In **the United Republic of Tanzania**, maize prices were stable in recent months in Dar Es Salaam, the largest urban centre, mostly due to sales by the National Food Reserve Agency, while they declined by about 20 percent in Arusha between November 2015 and January 2016, located in a bi-modal rainfall area in the north, following the harvest of "vuli" season crops. Maize prices in January 2016 were up to 80 percent higher than 12 months earlier on account of a reduced 2015 cereal production, coupled with sustained export demand from neighbouring countries. In **Somalia**, prices of coarse grains were stable or declining and generally at low levels in January in most markets located in southern key-producing areas, as the ongoing "deyr" harvest increased supplies. In **Uganda**, prices of maize declined between November and January by 15-20 percent, as the second season harvest increased supplies. In **Kenya**, wholesale maize prices declined by 10-12 percent from September to December in most markets with the commercialization of the 2015 "long-rains" season crops. In January, prices leveled off in the capital, Nairobi, while in Eldoret and Mombasa they started to seasonally increase. Overall, prices in January were around or below their levels of 12 months earlier on account of adequate domestic availabilities and substantial imports from Uganda and the United Republic of Tanzania.

Significant humanitarian needs persist in areas affected by conflict and drought

Despite the ending of the lean season in most crop-producing areas of the subregion with the bulk of the 2015 main or second season crops available for consumption, severe food insecurity conditions persist in areas affected by drought in **Ethiopia** as well as by conflict and civil unrest in parts of **South Sudan**, the **Sudan**, **Somalia** and **Burundi**.

Food security conditions have further deteriorated in **Ethiopia's** pastoral and agro-pastoral communities in southern Afar, northern Somali, eastern Amhara and eastern Oromia regions. In these areas, stocks from the 2015 drought-affected "meher" crop production are already drawn down at household level, pushing up market prices. Herds in several parts of Afar and Somali regions have been decimated by pasture and water scarcity in 2015 and livestock body conditions are very poor with extremely low milk production. As the situation is not expected to improve before April/May with the start of the "diraac/sugum" rains, governmental agencies and humanitarian partners are providing food assistance to affected households as well as feed for livestock (hay/straw, molasses and concentrates).

In **South Sudan**, according to latest IPC analysis, the current number of severely food insecure people is estimated at about 2.8 million, about 400 000 people more than estimated in December 2015 despite the availability of newly-harvested crops. Although most food insecure people are still concentrated in conflict-affected areas of the Greater Upper Nile Region, food security conditions have also worsened in Northern Bahr el Ghazal, Warrap and Eastern Equatoria states due to trade disruptions and high market prices. Overall, food security is expected to continue to worsen as a consequence of the general economic downturn, reflecting households' declining purchasing power, as a result of limited income sources and rising prices attributed to the sharp devaluation of the national currency and high transport costs.

In **Somalia**, food insecurity conditions are particularly severe among IDPs, but also in drought-affected northern agro pastoral communities of Awdal, Woqooy Galbeed and Sanaag regions on account of below-average 2015 "karan" harvests and a depletion of stocks, two-three months earlier than usual. In **the Sudan**, food insecurity remains of great concern among IDPs in the conflict-affected states of Darfur, South Kordofan and Blue Nile as well as in most pastoral areas where declining terms of trade have limited access to food for most households. In **Burundi**, food security conditions remained stressed in the provinces most affected by the ongoing civil unrest, including parts of Kirundo, Muyinga and Makamba as well as in farming areas around the capital, Bujumbura, due to reduced exchanges of agricultural products and lower demand for labour in urban areas. As a consequence of the civil tension and violence, over 260 000 people have fled their homes, of which 90 percent have travelled to neighbouring countries.

The estimated number of people in need of humanitarian assistance in the subregion has increased by about 75 percent during the last 12 months, from 11 million to 19.5 million, including 10.2 million in Ethiopia, 3.9 million in the Sudan, 2.8 million in South Sudan, 1.1 million in Kenya, 953 000 in Somalia, 320 000 in Uganda and 230 000 in Djibouti.

SOUTHERN AFRICA

Sharply reduced 2016 cereal production prospects

Production prospects for the 2016 cereal crops are acutely unfavourable, reflecting the El Niño-associated weather patterns that curbed seasonal rains and caused hotter-than-normal temperatures during the 2015/16 cropping season (generally October/June). These poor conditions resulted in delayed and reduced plantings, as well as retarded crop development and

Table 11. Southern Africa cereal production

(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	Change: 2015/2014 (%)
Southern Africa	2.2	2.0	1.9	23.9	29.5	21.8	4.2	4.6	4.3	30.3	36.1	27.9	-22.6
- excl. South Africa	0.4	0.3	0.4	10.9	13.9	10.6	4.2	4.6	4.3	15.4	18.8	15.2	-18.9
Madagascar	0.0	0.0	0.0	0.4	0.4	0.4	3.6	4.0	3.7	4.0	4.3	4.1	-6.2
Malawi	0.0	0.0	0.0	3.8	4.1	2.9	0.1	0.1	0.1	3.9	4.2	3.0	-29.4
Mozambique	0.0	0.0	0.0	1.8	2.2	2.0	0.3	0.4	0.4	2.2	2.6	2.4	-5.4
South Africa	1.9	1.8	1.5	13.0	15.6	11.2	0.0	0.0	0.0	14.9	17.3	12.7	-26.7
Zambia	0.3	0.2	0.3	2.6	3.4	2.7	0.0	0.0	0.0	2.9	3.7	3.1	-16.6
Zimbabwe	0.0	0.0	0.0	1.0	1.7	0.8	0.0	0.0	0.0	1.0	1.8	0.9	-50.4

Note: Totals and percentage change computed from unrounded data.

pasture re-growth. Although heavier rains in mid-January 2016 partly alleviated the seasonal dryness, crop conditions still remained poor with most cropped areas exhibiting below-normal vegetation conditions as of mid-February, implying crop wilting and a high likelihood of diminished yields. In the main regional producer, **South Africa**, the preliminary forecast for the aggregate 2016 maize crop stands at 7.9 million tonnes, a drop of 25 percent from the already poor production levels of 2015 and 36 percent below the previous five-year average. While in **Malawi**, which historically tends to be less affected by El Niño-induced dry conditions, the first production forecast points to a 2 percent contraction from 2015's already below-average output. Official forecasts for other countries are not yet available, with national crop assessments expected to take place in the next months. However, reflecting an expected decrease in both the harvested area and yields, 2016 cereal outputs are anticipated to be below-average and down on the reduced 2015 harvests; the 2015 regional maize output is estimated at 20.5 million tonnes, 16 percent below the previous five-year average.

The effects of the drought on the livestock sector have also been severe. Pasture conditions are generally poor and water supplies limited, causing a worsening of livestock body conditions and increased mortality rates, with extensive losses reported in **Namibia, Swaziland** and **Zimbabwe**.

Maize exports from South Africa and Zambia help bridge larger national deficits in 2015/16

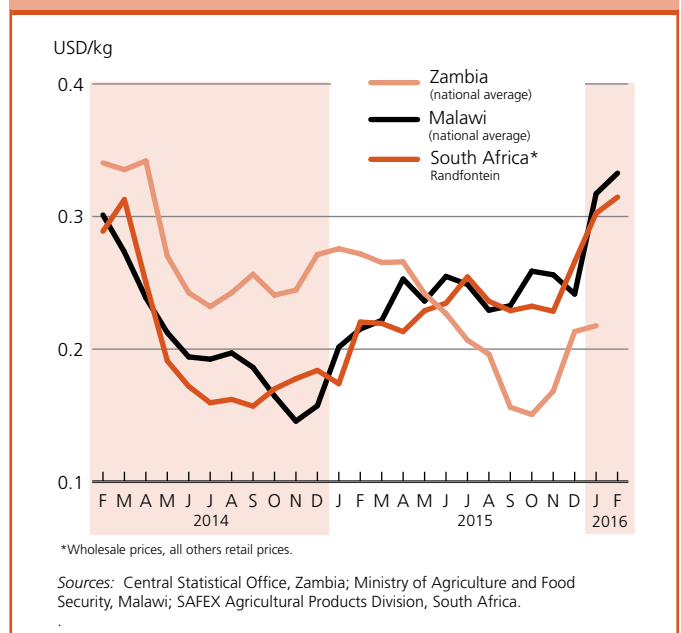
Maize import requirements in the 2016/17 marketing year (generally May/April) are forecast to rise, reflecting the anticipated decrease in 2016 production, with most of the expansion expected to be on account of larger requirements in **South Africa** and **Zimbabwe**. Although South Africa is still expected to export to **Botswana, Lesotho, Namibia** and **Swaziland**, aggregate regional supplies are projected to be insufficient to meet the import requirements of all countries and external supplies will be needed.

In the nearly-closed 2015/16 marketing year, exports from **South Africa** and **Zambia** have helped to bridge domestic deficits. South Africa's exports this year, however, are well below 2014/15's level partly reflecting tighter national supplies and higher prices, in particular, yellow maize exports to *Asia* shrunk to approximately 5 000 tonnes in 2015/16 compared to 1 million tonnes in the previous marketing year. Although South Africa has continued to export, the tight domestic supply situation instigated an increase in imports, with close to 1 million tonnes shipped in 2015/16, mostly yellow maize from *South America*. The bulk of Zambia's exported grain was delivered to Zimbabwe, with Botswana, Malawi, Mozambique and Namibia also importing smaller volumes.

Prices of maize at record levels in some countries

Driven by unfavourable production prospects for the 2016 maize crop, tight regional supplies and the depreciation of national currencies, maize prices have reached record highs in several countries. In **South Africa**, maize price increases have been persistent throughout 2015/16 reaching all time highs in February, with white maize prices more than double their year-earlier levels. The steep gains are mainly on account of the poor production outlook for the 2016 crop, on top of tighter supplies following the already reduced 2015 output. The persistent depreciation of South Africa's rand against the US dollar has also supported the upward trend, though a slight strengthening of the rand in February has eased prices. The high food prices have also contributed to a steep rise in the national inflation rate. In **Malawi**, prices of maize have continued to strengthen and reached record levels in January, mostly reflecting the reduced 2015 harvest and tighter supplies. Further upward pressure was provided by the subdued production prospects for the 2016 crop and a weaker Kwacha that augmented import costs. In **Zambia**, price increases slowed at the start of 2016, following sharp gains in late 2015, reflecting the impact of subsidized maize sales by the Food Reserves Agency, which require recipient milling companies to maintain fixed wholesale maize meal prices. Price levels were still well above their year-earlier values and at record levels. In **Lesotho** and **Swaziland**, prices have come under pressure from the record high prices in South Africa. In response, Swaziland's National Maize Corporation (NMC), the only importer

Figure 3. White maize prices in selected Southern African markets



of white maize in the country, increased the local selling price of maize grain by 66 percent in January. By contrast, maize prices in **Zimbabwe** have been relatively stable and were at levels below those of a year earlier as of December, partly reflecting the strength of the US dollar, the country's main currency that has put downward pressure on food import costs.

Acute food security conditions projected in 2016/17

The El Niño-induced drought instigated **Lesotho, Namibia, Swaziland** and **Zimbabwe** to declare national emergencies, while five out of the nine provinces of **South Africa** have been declared drought disaster areas. At the regional level, FAO and WFP are supporting the Southern African Development Community (SADC) to develop a coordinated response to minimize the impact and strengthen the resilience of the affected population.

Prior to the current crisis, an estimated 7.5 million people⁴ were categorized as food insecure in 2015/16, mainly reflecting the drought-curbed production of 2015. However, as a result of the rapid deterioration of food security conditions, several

countries updated their current food insecure numbers for 2015/16. **Zimbabwe's** revised number stands at 2.8 million (for the January-March 2016 period), up from a projected figure of 1.5 million based on the 2015 assessment. **Lesotho** has also raised the number of food insecure by 15 percent to 534 502 persons, valid until June 2016, while in **Swaziland** the food insecure population is put at 300 000, up from an earlier estimate of about 200 000.

These numbers are likely to increase significantly in 2016/17, driven by the expected below-average 2016 harvests, poor livestock conditions and high cereal prices. The situation is further compounded by the likely deterioration in households' agricultural productive capacity due to consecutive reduced harvests, while the overall sluggish economic growth further strains the situation. Detailed information on the number of food insecure will be available following the completion of the national Vulnerability Assessments Committee's (VAC) evaluations, expected to take place in April/May. It is critical that support be provided for immediate food assistance and recovery interventions that contribute to building the resilience of the affected households.

⁴ This figure excludes numbers from South Africa, which are not directly comparable, and DRC, which is not grouped with Southern Africa in this publication (please see Central Africa).

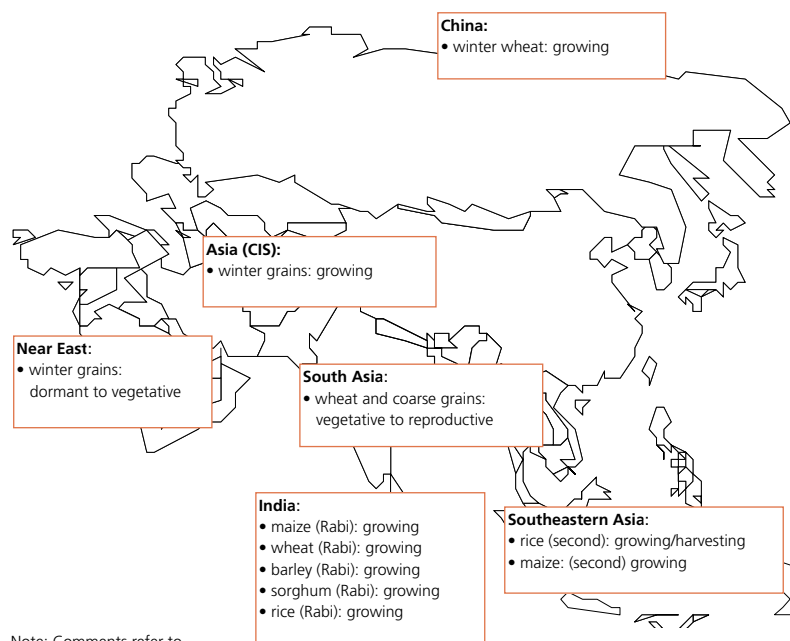
FAR EAST

Favourable prospects for the 2016 wheat crop

The subregion's 2016 winter wheat crop is well advanced, with harvesting due to start from April onwards. In **India**, the official Second Advance Estimate puts the 2016 wheat production at 93.8 million tonnes, 8 percent above last year's reduced level. This forecast assumes yields return closer to average after 2015's low levels, offsetting a 4 percent reduction in plantings on account of reduced water supplies, following a poor 2015 monsoon and below-average rains since the start of the season in October. In **China**, given that the planted area remained similar to the 2015 level and assuming favourable conditions from March when most winter wheat will break dormancy, the 2016 wheat production is forecast by FAO to remain close to the 2015 record level. In **Pakistan**, the 2016 wheat production is forecast at 26 million tonnes, slightly above the bumper level of the previous year, reflecting an anticipated increase in yields: crops have benefited from ample irrigation supplies, generally good weather conditions and increased application of fertilizer has also been reported.

Cereal production marginally down in 2015, largely reflecting reduced output in India

Harvesting of the 2015 main season paddy and coarse grains was completed by December in most countries of the subregion,



Note: Comments refer to situation as of March.

while that of the 2015 secondary season is expected to start in March-April. FAO's latest forecast for the 2015 aggregate cereal production has been lowered by 1.4 million tonnes since December, to 1 238 million tonnes, down marginally from the record in 2014. The decrease reflects reduced outputs in several countries throughout the subregion, in particular **India**, which endured a number of adverse climatic events during the cropping season, that offset a significant increase in China and some smaller production gains in several other countries. Unseasonable dryness during the main season associated with the El Niño weather anomaly resulted in reduced cereal

Table 12. Far East cereal production

(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	Change: 2015/2014 (%)
Far East	244.3	252.9	247.0	324.9	322.6	326.6	670.4	668.3	664.0	1 239.5	1 243.9	1 237.6	-0.5
Bangladesh	1.3	1.3	1.4	2.6	2.6	2.6	51.2	51.8	52.3	55.0	55.7	56.3	1.0
Cambodia	0.0	0.0	0.0	0.9	0.5	0.5	9.4	9.3	9.2	10.3	9.9	9.7	-1.7
China	121.9	126.2	130.2	228.0	225.2	234.5	205.2	208.2	209.8	555.1	559.7	574.5	2.6
India	93.5	95.9	86.5	43.2	43.1	38.3	160.0	158.2	155.4	296.7	297.1	280.2	-5.7
Indonesia	0.0	0.0	0.0	18.5	19.0	19.6	71.3	70.8	73.0	89.8	89.9	92.6	3.0
Japan	0.8	0.9	1.0	0.2	0.2	0.2	10.9	10.8	10.2	11.9	11.8	11.4	-3.6
Korea Rep. of	0.0	0.0	0.0	0.2	0.2	0.2	5.6	5.6	5.8	5.8	5.9	6.0	1.9
Myanmar	0.2	0.2	0.2	1.6	1.6	1.5	28.3	28.9	28.4	30.1	30.8	30.1	-2.2
Nepal	1.9	2.0	1.9	2.6	2.6	2.5	5.0	4.8	4.3	9.6	9.4	8.7	-7.6
Pakistan	24.2	26.0	25.5	5.6	5.2	5.2	10.2	10.5	9.9	40.0	41.7	40.6	-2.6
Philippines	0.0	0.0	0.0	7.3	7.8	7.6	18.8	18.9	18.0	26.2	26.7	25.6	-4.1
Thailand	0.0	0.0	0.0	5.0	4.9	4.8	36.8	33.2	29.3	41.8	38.1	34.1	-10.6
Viet Nam	0.0	0.0	0.0	5.2	5.2	5.3	44.0	45.0	45.2	49.2	50.2	50.5	0.7

Note: Totals and percentage change computed from unrounded data.

harvest in **Cambodia**, the **Democratic People's Republic of Korea (DPRK)**, **Lao People's Democratic Republic**, **Mongolia**, **Nepal**, the **Philippines**, **Timor-Leste** and **Thailand**. By contrast, 2015 cereal production in China reached a record level of 574.5 million tonnes, up 14.8 million tonnes from 2014's level, driven by an expansion in plantings, reflecting strong Government production incentives and record yields on account of beneficial weather conditions. Favourable weather conditions also boosted crops in **Bangladesh**, **Bhutan**, **Republic of Korea**, **Malaysia** and **Sri Lanka**.

The 2015 paddy production is estimated at 664 million tonnes, slightly below last year's reduced level. Smaller harvests are estimated for several countries, but the largest reductions concern **India** and **Thailand**, where rainfall deficits and low water availabilities for irrigation reduced the 2015 main crop and undermined prospects for ongoing 2015 offseason harvests. Unseasonably dry conditions similarly impaired rice production in the **DPRK**, **Lao People's Democratic Republic**, the **Philippines** and **Nepal**, whereas in **Japan** and **Pakistan**, smaller crops are linked to reduced plantings in response to large stocks and poor price prospects. According to the findings of a joint FAO/WFP Crop and Food Security Assessment Mission (CFSAM) conducted in Myanmar last November-December, the aggregate 2015 rice production is forecast to decrease by 3 percent from the previous year's output, following the floods in July and August. Elsewhere in the subregion, favourable weather boosted rice production, particularly in **China**, **Viet Nam**, **Bangladesh** and **Republic of Korea**, and resulted in a strong production recovery in **Sri Lanka**, following last year's reduced harvest.

The subregion's 2015 aggregate maize production is estimated at a record 297.3 million tonnes, 2 percent up from the previous year's high, mainly reflecting a larger output in **China**, which more than offset a 3-million tonne reduction in **India**.

With most official estimates now available, FAO has revised down its estimate of the subregion's 2015 wheat production to 247 million tonnes. The latest revision mainly takes account of the final official estimate released by **India**, which indicates a larger reduction than what was anticipated earlier. At 86.5 million tonnes, the output is 10 percent down on the 2014 harvest, as a result of severe crop losses caused by heavy rains, coupled with strong winds and localized hail in March 2015.

Table 13. Far East cereal production and anticipated trade in 2015/16¹
(thousand tonnes)

	Avg 5-yrs (2010/11 to 2014/15)	2014/15	2015/16	2015/16 over 2014/15 (%)	2015/16 over 5-yr avg (%)
Cereals - Exports	43 521	46 361	41 838	-9.8	-3.9
Cereals - Imports	101 377	125 007	123 210	-1.4	21.5
Cereals - Production	981 365	1 019 333	1 014 478	-0.5	3.4
Rice-milled - Exports	33 533	37 212	37 616	1.1	12.2
Rice-milled - Imports	13 007	15 686	15 212	-3.0	17.0
Rice-milled - Production	436 546	443 793	440 906	-0.7	1.0
Wheat - Exports	5 365	5 036	2 785	-44.7	-48.1
Wheat - Imports	37 288	40 071	40 890	2.0	9.7
Wheat - Production	239 502	252 942	246 980	-2.4	3.1

¹ Marketing year July/June for most countries. Rice trade figures are for the second year shown.

Cereal trade in the 2015/16 marketing year to decline from previous year's record

Aggregate cereal imports in the 2015/16 marketing year are forecast at 123.2 million tonnes, slightly below the 2014/15 record level but still well above the average of the past five years. The small contraction this year mainly stems from reduced demand for maize and sorghum from **China**, whose total cereal imports are currently foreseen to fall by 6 percent to 29 million tonnes compared with the exceptionally high level of the previous year, mostly as a result of record 2015 harvests and large stocks. Aggregate rice imports in the 2016 calendar year are forecast at 15.2 million tonnes, 3 percent below the 2015 record level. This decrease rests on anticipated lower imports by **Bangladesh**, **China** and **Sri Lanka**, which are expected to more than offset increased deliveries elsewhere, especially to **Indonesia**, **Nepal** and **the Philippines**.

Aggregate cereal exports in 2015/16 are projected to contract by 10 percent compared to the previous year's record level and reach 41.8 million tonnes. The bulk of the decrease is expected from **India**, whose shipments (mostly wheat) would be 24 percent lower than in 2014/15, as a result of the reduced 2015 production and rising domestic demand under the ongoing National Food Security Act. Rice exports are forecast to increase marginally compared with last year, reflecting larger deliveries from **Thailand**, **Pakistan** and **Viet Nam**, which are expected to more than compensate for lower exports from **India**, the world's leading rice exporter.

Domestic rice prices followed mixed trends, while those of wheat changed little

In the exporting countries of the subregion, domestic prices of rice, in local currency terms, followed mixed trends during recent months. In **Viet Nam**, rice prices started to decline from the beginning of 2016, reflecting limited export demand and

Figure 4. Rice retail prices in selected Far East countries

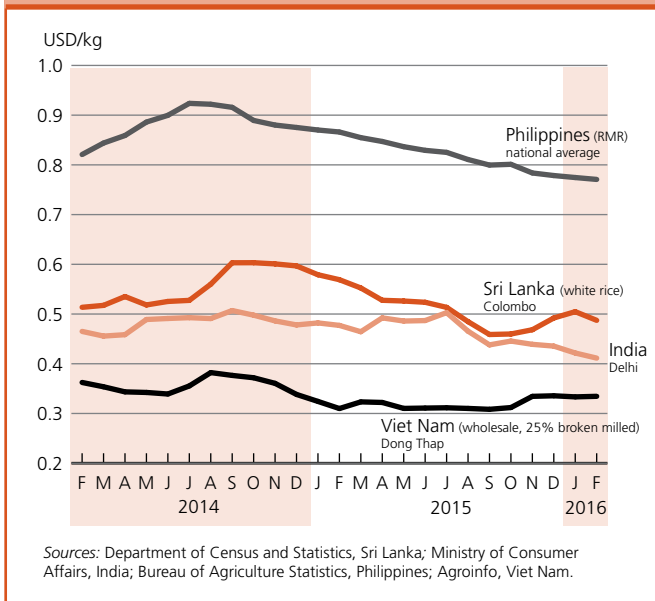
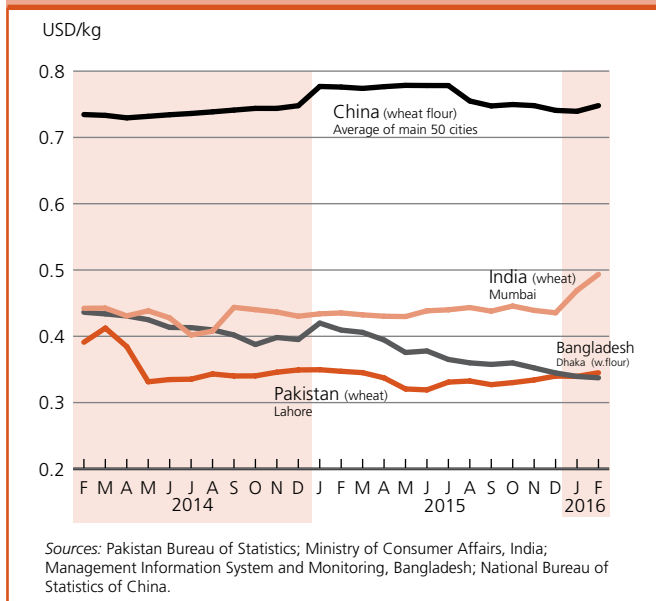


Figure 5. Wheat and wheat flour retail prices in selected Far East countries



the release of stocks ahead of the 2016 main season (winter/spring) harvest. In **Thailand**, a reduced 2015 main season crop harvest, completed by December 2015, and prospects of a smaller 2015 secondary crop underpinned prices with tighter availabilities also supporting quotations in **Myanmar**. In **India**, rice prices were stable despite reduced supplies from the 2015 main season crop and large ongoing Government procurement purchases. Amid ample domestic availabilities from record 2015 harvests, domestic prices in **Bangladesh** and

Sri Lanka decreased in February 2016 and were well below their year-earlier levels. As for wheat and wheat flour, prices changed little in most countries of the subregion. They were stable in **India**, owing to continued large sales of Government supplies through the Open Market Sale Scheme (OMSS), and in **Pakistan**, while they rose in **China**. In **Bangladesh**, wheat flour prices have decreased since November pressured by ample supplies of imported wheat and large Open Market Sales (OMS) by the Government.

NEAR EAST

Favourable outlook for 2016 winter crops in major producers

Wheat and barley crops, for harvest from June, remain in their final stages of dormancy. After some heavy rainfall and localized flooding that hampered planting operations, climatic conditions across the subregion have been generally favourable, although early-seasonal dryness occurred in some parts of **the Syrian Arab Republic**. In the main producing countries of the subregion, should normal weather conditions prevail for the remainder of the season, preliminary forecasts of wheat production in **the Islamic Republic of Iran** and **Turkey** are estimated at above-average levels of 11.5 and 21.5 million tonnes, respectively, despite localized pockets of dryness in **Turkey**. As before, the ongoing conflict and lack of inputs are continuously hampering agricultural activities in **the Syrian Arab Republic, Yemen** and **Iraq**.

Above-average 2015 winter cereal crop harvested despite ongoing conflict in parts

The aggregate subregional 2015 cereal output (including rice in paddy terms) is estimated at 72.3 million tonnes, an increase of about 10 percent and 6 percent, respectively, on last year and on the five-year average owing to timely and abundant rains. In **Turkey**, the biggest subregional producer, official estimates indicate an 18 percent increase in cereal production in 2015 compared to the 2014 drought-affected crop, to about 38.6 million tonnes, including 22.6 million tonnes of wheat (19 percent increase on 2014) and 15 million tonnes of coarse grains (16 percent improvement). In **the Islamic Republic of Iran**, the 2015 harvest slightly exceeded those of the previous year, while in **Afghanistan** limited snow cover in northern and eastern parts of the country increased the danger of freeze-kill and threatened irrigation water availability

causing production to decline by some 12.6 percent compared to 2014. The continued conflict in **the Syrian Arab Republic, Iraq** and **Yemen** resulted in significant damage to agricultural machinery, irrigation systems and storage facilities together with disruptions in electricity supplies and lack of inputs (such as improved seeds, fertilizers and fuel) which, in turn, seriously hampered agricultural production. The above-average aggregate cereal production resulted in a lowering of the forecasted cereal import requirement to about 60.4 million tonnes, over 10 percent down on 2014 and 6 percent above the five-year average.

Civil unrest affects food security of large numbers of people

In **the Syrian Arab Republic**, approximately 13.5 million people continue to be in need of urgent humanitarian assistance within the country, including more than 6.5 million people who are internally displaced. As of mid-February 2016, over 4.7 million Syrian refugees were registered in the region covering Egypt, Iraq, Jordan, Lebanon and Turkey. In addition, a large share of the population lives abroad without seeking refugee registration. In **Yemen**, around 21.2 million people, 82 percent of the population, require some kind of humanitarian assistance to meet their basic needs or protect their fundamental rights. An estimated 14.4 million are food insecure (including 7.6 million severely food insecure), 19.3 million lack adequate access to clean water or sanitation and nearly 320 000 children have severe acute malnutrition. With the rapid escalation of the conflict and insecurity, the disruption of markets, employment opportunities and rural livelihoods, the food security situation continues to deteriorate significantly. Humanitarian assistance has been seriously constrained by the lack of access and shortages of fuel, as well as the challenging security situation. In **Iraq**, as of December 2015, there were at least 4 million people internally displaced, of whom nearly 2 million have been displaced since January 2014.

Table 14. Near East cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	Change: 2015/2014 (%)
Near East	43.3	41.3	44.9	23.3	20.3	22.9	4.6	4.3	4.5	71.2	65.9	72.3	9.7
Afghanistan	5.2	5.4	4.7	0.7	0.7	0.7	0.8	0.8	0.6	6.7	6.9	6.0	-12.6
Iran (Islamic Rep. of)	9.3	10.6	11.5	4.7	3.7	3.9	2.5	2.3	2.7	16.4	16.6	18.1	9.0
Iraq	3.3	3.5	3.2	1.2	1.2	1.1	0.5	0.4	0.3	5.0	5.1	4.6	-10.1
Syrian Arab Republic	2.4	1.9	2.4	1.1	0.8	1.1	0.0	0.0	0.0	3.5	2.6	3.6	35.5
Turkey	22.1	19.0	22.6	14.5	12.9	15.1	0.9	0.8	0.9	37.5	32.8	38.6	17.8

Note: Totals and percentage change computed from unrounded data.

CIS IN ASIA⁵**Lower plantings for 2016 winter wheat in some countries, however, overall prospects for winter crops are favourable**

Planting of the 2016 winter crops has been completed under generally satisfactory conditions. Remote sensing data indicates that overall above-average precipitation (snow and rainfall) between October and mid-February, points to favourable soil moisture availability for winter crops to break dormancy in spring. In **Kazakhstan**, which accounts for more than half of the subregion's output, most of the wheat crop will be sown later this year in the spring. Plantings of winter wheat, which accounts for only 5 percent of the country's total output are reported to have shrunk by 11 percent from the previous year. However, as of the end of January, the crop was reported in good condition. In **Kyrgyzstan**, the winter wheat area has also reportedly decreased. Following the country's accession to the Eurasian Economic Union in mid-2015, domestic wheat has to compete with cheaper imported supplies from Kazakhstan, making it less attractive for producers. Elsewhere, winter wheat plantings are expected to have remained similar to the previous year's levels.

Cereal production in 2015 increased following higher yields

The 2015 total subregional cereal output is estimated at 34.7 million tonnes, up 7.4 percent from the 2014 level, mainly reflecting a larger wheat production, which increased by 1.8 million tonnes, or 7 percent, to 26.9 million tonnes. Most of the increase originates from Kazakhstan, where total wheat output is estimated at 13.7 million tonnes, around 6 percent higher than in the previous year reflecting higher yields as a result of overall favourable weather conditions. Moreover, the improved yields more than offset a contraction in plantings, which occurred following a shift to more profitable crops in 2015. In

Uzbekistan, wheat production is estimated at a record level in 2015, following favourable weather during the growing season and the increased use of improved seeds. Good weather and improved yields also resulted in larger harvests in **Azerbaijan, Kyrgyzstan, Turkmenistan** and **Georgia**. In **Tajikistan**, wheat production remained close to the previous year's level. Output of coarse grains also increased in the subregion, with output estimated 8 percent up compared to 2014, mostly attributed to an increased barley crop.

Cereal exports forecast to increase in 2015/16, while imports decline following better domestic production

Aggregate cereal exports in the 2015/16 marketing year (July/June) are forecast at 7.7 million tonnes, up 11 percent from the relatively high level of 2014/15. The increase is anticipated to come from higher wheat shipments from Kazakhstan, the main supplier of wheat for other countries in the subregion. In 2015/16, **Kazakhstan** is projected to export 6.7 million tonnes, up 10 percent from the below-average level of the previous year. The expected increase in wheat shipments is mainly driven by the current competitive price of Kazakhstan grain. The subregion's total cereal import requirement during 2015/16 is forecast slightly at below last year's level, following improved domestic outputs.

Wheat flour prices increasing in some countries due to weakening of national currencies

In **Kazakhstan**, export prices of milling wheat declined by 11 percent between November 2015 and February

Table 15. CIS in Asia cereal production
(million tonnes)

	Wheat			Coarse grains			Total cereals ¹			Change: 2015/2014 (%)
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	
CIS in Asia	26.4	25.1	26.9	6.6	6.4	6.9	33.7	32.3	34.7	7.4
Armenia	0.3	0.3	0.4	0.2	0.2	0.2	0.5	0.5	0.6	3.2
Azerbaijan	1.9	1.4	1.7	1.0	1.0	0.9	2.9	2.5	2.6	5.5
Georgia	0.1	0.1	0.2	0.4	0.3	0.3	0.5	0.4	0.6	35.9
Kazakhstan	14.0	13.0	13.7	3.4	3.4	3.8	17.6	16.8	17.9	6.7
Kyrgyzstan	0.8	0.7	0.8	0.8	0.7	0.9	1.6	1.4	1.7	26.3
Tajikistan	0.9	0.8	0.8	0.3	0.3	0.3	1.2	1.1	1.1	1.3
Turkmenistan	1.6	1.2	1.4	0.1	0.1	0.1	1.8	1.4	1.6	14.4
Uzbekistan	6.9	7.6	8.0	0.4	0.4	0.4	7.5	8.2	8.6	4.9

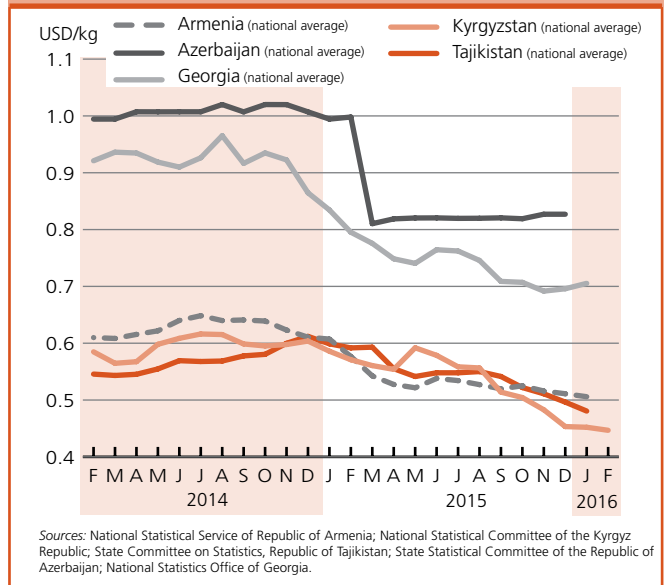
Note: Totals and percentage change computed from unrounded data.

¹ Total cereals includes wheat, coarse grains and rice (paddy).

⁵ Georgia is no longer a member of CIS but its inclusion in this group is maintained for the time being.

2016 following trends in the international market and the continued depreciation of the national currency. Kazakhstan switched to a free floating exchange rate in August 2015, triggering a 23 percent slide in the tenge during the first month of the new policy. As of February 2016, the export price of wheat grain was almost 40 percent below its year-earlier level, also reflecting a recent slowdown in export demand from neighbouring countries. In importing countries of the subregion, domestic prices increased in **Tajikistan** over the past few months, due to the persistent sharp depreciation of the Somoni, which lost around one-third of its value against the US dollar in the past year, increasing the cost of imported goods. Prices of wheat flour rose also in **Georgia** on the back of currency weakness and increased energy costs. In **Armenia** and **Kyrgyzstan**, prices of wheat flour remained stable, however, they were generally below their year-earlier levels, reflecting low prices in the regional export market and adequate supplies from the 2015 good wheat outputs.

Figure 6. Retail wheat flour prices in selected CIS in Asia countries



CENTRAL AMERICA AND THE CARIBBEAN

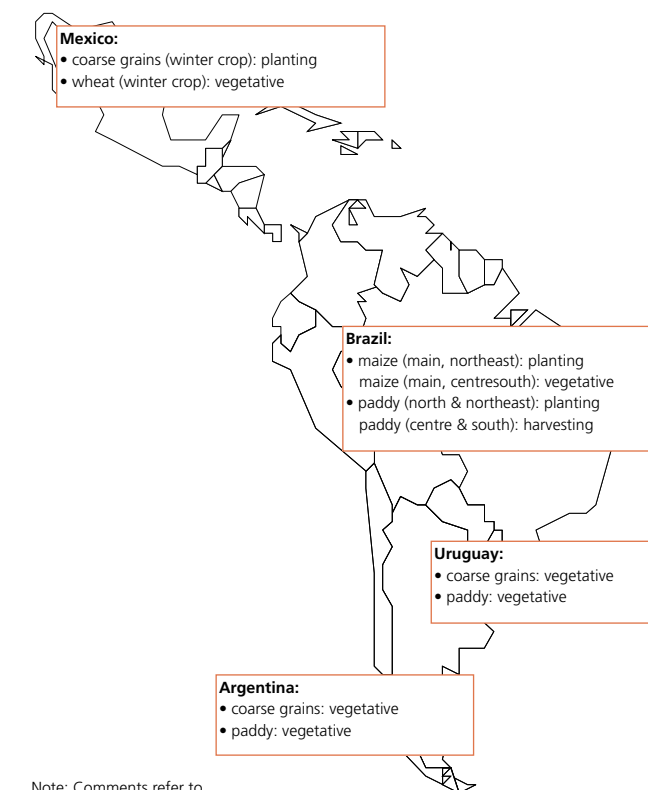
Increased sowings for 2016 main autumn-winter wheat crop

The early outlook for 2016 suggests that cereal production in **Mexico**, the subregion's major producer, will remain high. The planted area for the autumn-winter maize crop, which accounts for about 30 percent of the total annual output, is officially estimated to have sharply risen by 18 percent compared to the area for corresponding season last year. Wheat is only grown in the autumn-winter season and planting has been concluded for the crop that will be harvested from May. Early estimates indicate a 3 percent increase in area compared to the previous year. Early indications of producers' intentions for the main 2016 spring-summer crop, planted later in the year, also point to production remaining at a similarly high level compared to the 2015 harvest.

Elsewhere in the subregion, planting of the 2016 main "de primera" season will not begin until late April and will conclude in late June. Rainfall levels are reported to have remained mostly below average due to the impact of the ongoing El Niño event, which is forecast to end in June. As a result, the main "de primera" season plantings may be affected for the third consecutive year.

Record 2015 cereal production in Mexico, while prolonged dry weather reduced outputs elsewhere in the subregion

The subregion's aggregate cereal production in 2015 is estimated to have reached an all-time high level of 44 million tonnes, largely on the back of a record output in **Mexico**. The 2015 maize



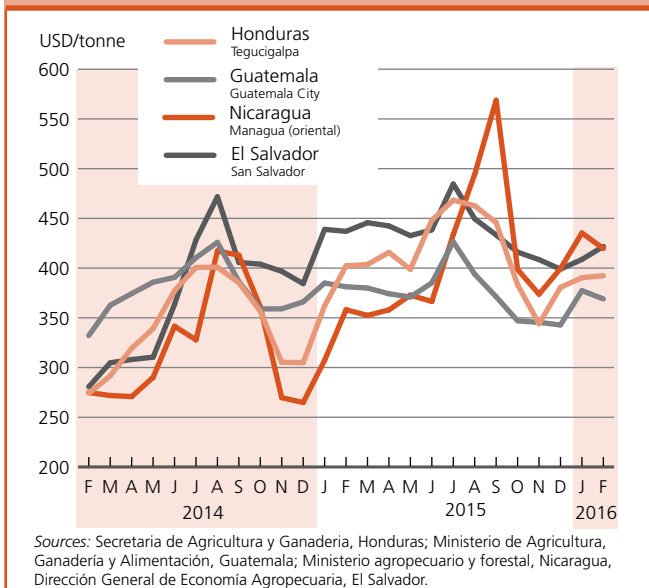
production in Mexico is estimated at a high of 25 million tonnes, about 4 percent up from the previous year's level, while the wheat output is put at 4.2 million tonnes, up from previous expectations due to better-than-expected yields. However, by contrast, elsewhere in the subregion, prolonged and severe dry weather associated with El Niño negatively affected cereal production in

Table 16. Latin America and Caribbean cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	Change: 2015/2014 (%)
Central America & Caribbean	3.4	3.7	4.2	35.9	36.4	37.1	3.2	3.0	2.8	42.4	43.1	44.2	2.6
El Salvador	0.0	0.0	0.0	1.0	1.0	0.8	0.0	0.0	0.0	1.1	1.0	0.8	-14.4
Guatemala	0.0	0.0	0.0	1.8	1.8	1.7	0.0	0.0	0.0	1.8	1.9	1.8	-4.6
Honduras	0.0	0.0	0.0	0.6	0.4	0.4	0.1	0.1	0.1	0.7	0.5	0.5	-8.3
Mexico	3.4	3.7	4.2	30.7	31.8	32.8	0.2	0.3	0.2	34.3	35.8	37.3	4.3
Nicaragua	0.0	0.0	0.0	0.6	0.4	0.5	0.5	0.5	0.5	1.2	0.9	0.9	2.7
South America	19.2	24.4	20.7	141.1	137.4	148.1	24.3	24.8	25.8	184.6	186.6	194.6	4.3
Argentina	9.2	13.9	11.3	40.9	39.9	42.4	1.6	1.6	1.6	51.7	55.4	55.2	-0.3
Brazil	5.7	6.3	5.4	83.5	82.9	88.6	11.8	12.1	12.4	101.1	101.3	106.4	5.1

Note: Totals and percentage change computed from unrounded data.

Figure 7. Wholesale white maize prices in selected countries in Central America



2015, particularly in **El Salvador, Guatemala, Haiti, Honduras** and **Nicaragua**. FAO estimates the aggregate 2015 cereal output of the subregion, excluding Mexico, at 6.9 million tonnes, just below the previous year's already drought-reduced level.

White maize prices increased in most countries in recent months

White maize prices increased significantly in most countries between December and February. Despite adequate supplies from the recently-completed 2015 secondary "de postrema" season harvests, overall tight market availabilities following the sharply drought-reduced main season "de primera" outputs, mainly instigated the recent price gains. In **Haiti, Honduras** and **Nicaragua**, prices increased sharply in the past three months and were at near-record levels in Haiti. In **Mexico**, despite record production, the depreciation of the local currency has put upward pressure on prices. By contrast, in **El Salvador**, sustained imports from the United States of America, Mexico and Guatemala, have kept prices relatively unchanged although they remained well above their year-earlier levels.

SOUTH AMERICA

Cereal production in 2016 to remain high, despite anticipated lower maize output

Early forecasts for the subregion's 2016 cereal production point to an output 3 percent below the previous year's record

level, although still well above the previous five-year average. The bulk of the decrease is expected in the maize outputs of **Argentina** and **Brazil**, which together account for almost 90 percent of the subregion's total maize production. In **Brazil**, where harvesting of the 2016 first season maize crop is currently ongoing, the output is officially forecast to decline by some 3 percent to 28.6 million tonnes reflecting lower plantings. Sowing of the second season crop is finalized and the area planted is forecast marginally above last year's level. In **Argentina**, the area planted to maize is estimated to be 2 percent lower than last year at 5.9 million hectares. In **Chile**, the 2016 maize harvest has recently started and production is officially forecast at about 1.3 million tonnes, somewhat lower than the recent average, mainly due to reduced plantings in response to lower prices. In **Bolivia**, yellow maize production is expected to decline more than what was earlier anticipated. The planted area for the 2016 maize crop, to be harvested from March, was down by an estimated 27 percent, but drought conditions in late December and January may result in an even larger reduction of the final area for harvest, while also adversely impacting yields.

Sowing of the 2016 wheat crop will not begin until April; however, plantings are expected to increase in **Brazil** reflecting high demand and in **Argentina**, the subregion's main producer, due to high export demand.

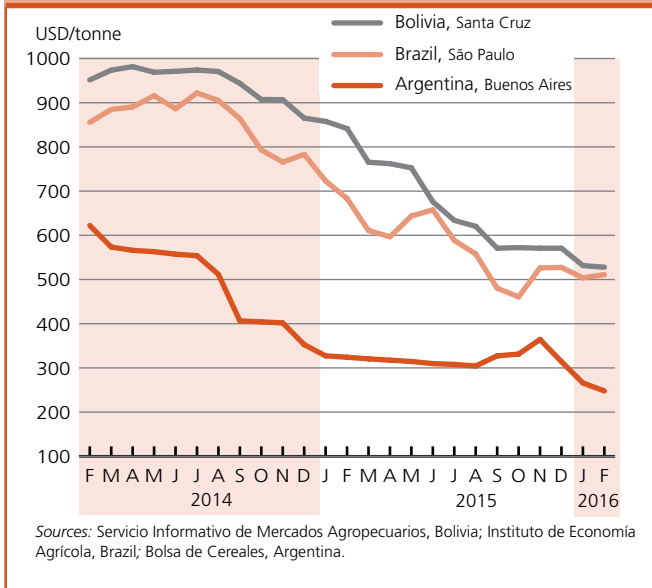
Cereal production reached record levels in 2015

Cereal production in *South America* is estimated to have reached a record high of 194.6 million tonnes in 2015, mainly a result of increased maize production in **Argentina** and **Brazil**, which together account for some 80 percent, on average, of the subregional cereal output. Elsewhere, cereal outputs remained high in **Bolivia** and **Chile**. In **Paraguay** and **Uruguay**, wheat production in 2015 was lower than the highs of previous years, driven primarily by reduced plantings due to low prices.

Cereal prices, particularly for yellow maize, at high levels

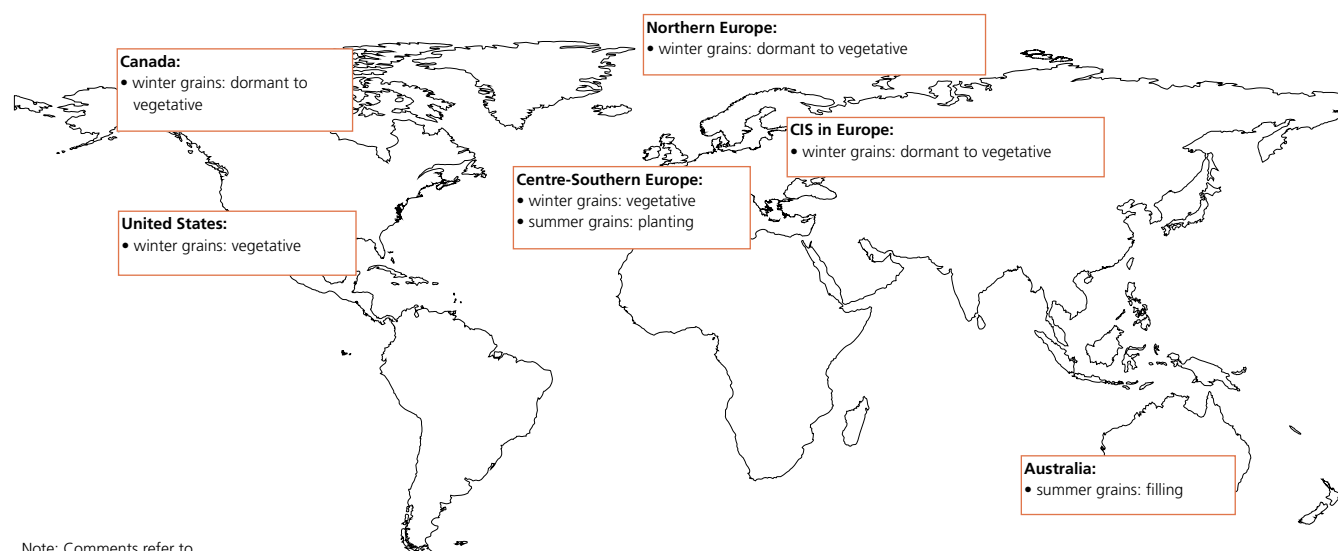
Wheat flour prices followed mixed trends in the past three months. In **Argentina** and **Brazil**, prices increased by 3.2 percent and 1.7 percent, respectively, and were significantly above their year-earlier levels, mainly driven by a strong depreciation of the local currencies. In **Bolivia**, prices also increased in the previous three months, mainly reflecting seasonal trends, but remained generally below their level at the same time last year in most markets. In **Chile** and **Peru**, large importers in the subregion, prices remained stable or declined

Figure 8. Wholesale wheat flour prices in selected countries in South America



and were generally below their levels in the corresponding period last year.

Yellow maize prices in **Argentina** and **Brazil** increased to near-record levels in the past three months, despite bumper production in 2015 and good prospects for the 2016 crops, driven by the depreciation of the local currencies and high inflation rates. In **Bolivia**, yellow maize prices increased sharply in most markets in the past three months, as reduced prospects for the 2016 output provided support. However, prices were still below or unchanged from a year earlier reflecting good availabilities from the 2015 production and imports. In **Colombia**, prices retreated in the main markets from previous highs in the quarter from December to February, which were driven by the depreciation of the local currency; however, prices were still well above their levels in February last year. In **Chile**, yellow maize prices increased moderately between December and February but were still below the values of a year earlier reflecting adequate availabilities from the recent harvest and imports.



Note: Comments refer to situation as of March.

NORTH AMERICA

United States of America 2016 winter wheat area down but conditions generally favourable

Winter wheat plantings in **the United States of America** are officially reported to be down by 7 percent from the previous year, in response to large domestic stocks and abundant global reserves in general, which point to a continuation of lacklustre demand and low prices. However, the condition of crops is reported to be generally favourable and better than at the same time last year. With little change expected in the spring sowings compared to 2015, the total area for the 2016 wheat harvest is set to be the smallest since the early 1970s. Thus, even assuming above-normal winter survival rates,

after relatively favourable winter conditions, and average yields overall, at this early stage, FAO tentatively forecasts the aggregate 2016 wheat output at 54 million tonnes, down 3.2 percent from the previous year's level. In **Canada**, plantings for the minor winter wheat crop increased sharply and conditions are reported to be generally favourable. The main crop will be sown later this spring but with strong competition from other crops, such as pulses and oilseeds that are expected to give better returns in 2016, the area of spring wheat is anticipated to decline and the overall wheat area for harvest later this year is tentatively forecast to remain virtually unchanged from the previous year. However, with average yields expected to recover somewhat from last year's below-average level, the 2016 aggregate wheat output is forecast up by almost 6 percent at 29.2 million tonnes.

Table 17. North America, Europe and Oceania cereal production
(million tonnes)

	Wheat			Coarse grains			Rice (paddy)			Total cereals			
	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	2013	2014	2015 estim.	Change: 2015/2014 (%)
North America	95.6	84.6	83.4	396.3	399.6	393.0	8.6	10.1	8.7	500.5	494.3	485.1	-1.9
Canada	37.5	29.4	27.6	28.8	22.1	25.7	0.0	0.0	0.0	66.4	51.5	53.3	3.6
United States	58.1	55.1	55.8	367.4	377.6	367.2	8.6	10.1	8.7	434.1	442.8	431.8	-2.5
Europe	225.5	248.6	254.1	254.8	271.4	236.3	4.1	4.0	4.2	484.4	524.1	494.5	-5.6
Belarus	2.0	2.5	2.4	5.3	6.0	5.8	0.0	0.0	0.0	7.3	8.5	8.2	-3.7
EU	143.6	157.1	158.5	160.6	172.0	149.3	2.9	2.9	3.0	307.1	332.0	310.8	-6.4
Russian Federation	52.1	59.7	61.8	37.3	42.4	39.0	0.9	1.0	1.1	90.3	103.1	101.9	-1.1
Serbia	2.7	2.4	2.5	6.6	7.2	6.5	0.0	0.0	0.0	9.3	9.6	8.9	-7.1
Ukraine	22.3	24.1	26.4	40.5	39.5	32.0	0.1	0.1	0.1	62.9	63.7	58.4	-8.3
Oceania	25.6	23.4	24.5	13.9	11.9	13.1	1.2	0.8	0.7	40.7	36.1	38.4	6.4
Australia	25.3	23.1	24.2	13.4	11.3	12.6	1.2	0.8	0.7	39.8	35.2	37.5	6.5

Note: Totals and percentage change computed from unrounded data.

EUROPE

European Union**European Union wheat area unchanged and growing conditions mostly favourable**

In the **European Union (EU)**, where the bulk of the wheat is sown in winter and already in the ground, latest indications suggest that the overall wheat area for the 2016 harvest will remain virtually unchanged from the previous year's level. Crop conditions throughout the region are reported to have been generally favourable throughout the past few weeks, with soil moisture reserves ample for spring growth as crops break dormancy. At this early stage, assuming yields return to average levels after last year's highs, production is tentatively forecast to decline by some 2 percent.

CIS in Europe**Mixed prospects for 2016 winter cereal crops**

Prospects for the 2016 winter crops, which are mostly still dormant, are mixed. In **the Russian Federation**, unfavourable dry weather conditions during planting of the winter cereal crops last autumn led to a reduction in the area sown and resulted in the irregular emergence of some crops. However, precipitation in November 2015 somewhat improved moisture and crop conditions before dormancy and good snowcover in most regions reduced the risk of winterkill. The impact of the earlier dryness on crops will not be determined until growth resumes in the spring. Considering the current condition of the winter crop and assuming that the spring plantings will likely increase to make up for some of the reduced winter area, FAO preliminarily forecasts the Russian Federation's 2016 aggregate wheat production at 57 million tonnes, down 5 million tonnes from the record level last year. Similarly, in **Ukraine**, drought during the planting period led to a decline in the winter wheat area and impaired the good establishment of crops. With recent reports indicating that only about 66 percent of the wheat crop is in good or satisfactory condition, it is unlikely that last year's bumper yields could be matched again this year. At this early stage, FAO tentatively forecasts the 2016 wheat production at 17.8 million tonnes, about 30 percent down from the record-high level of 2015. In **the Republic of Moldova**, where the area under winter wheat increased, the winter crop is reported in good condition despite exceptionally cold weather. In **Belarus**, the outlook for winter wheat is generally favourable.

Above-average cereal output in 2015

FAO's latest estimate puts the subregion's 2015 aggregate cereal production at 170 million tonnes, 4 percent down from the previous year's high level, but still well above the recent average. Lower maize and barley outputs more than offset an increase

in wheat production. The subregional wheat output, which accounts for half of the total cereal production, is estimated at a record level of 91 million tonnes. Most of the increase, in absolute terms, is expected in **Ukraine**, where the wheat output is estimated at an historically high level of 26.4 million tonnes, up 2.3 million tonnes from 2014, following increased plantings and above-average yields. Similarly, a larger area planted and favourable weather conditions boosted wheat production in **the Russian Federation** to a near-record level of 61.8 million tonnes. By contrast, production of maize in the subregion declined by 13 percent to 36.8 million tonnes, with most of the decrease attributed to Ukraine following reduced plantings and drought-affected yields. Similarly, the aggregate barley production is estimated to have declined by 12 percent to 28 million tonnes, on the back of a lower harvest in the Russian Federation (-2.9 million tonnes) and Ukraine (-0.8 million tonnes).

Cereal exports forecast to reach new record in 2015/16

Despite a decrease in the 2015 production, aggregate cereal exports in the 2015/16 marketing year (July/June) are forecast to reach a new record level of 67 million tonnes, 2.5 percent higher than in 2014/15. Supported by a depreciation of national currencies, an increase in wheat exports more than offset reduced maize and barley shipments. Higher wheat exports are expected in **Ukraine** and **the Russian Federation**. The latter is expected to become the biggest wheat exporter after the EU in 2015/16, surpassing for the first time the United States of America. By contrast, the subregional barley shipments are expected to drop by 14 percent to 8.4 million tonnes, following a decrease after exceptionally high levels of exports from the Russian Federation in the previous year. A small decline is also estimated for subregional maize exports, primarily because of a drop in exportable surpluses in Ukraine following reduced production in 2015.

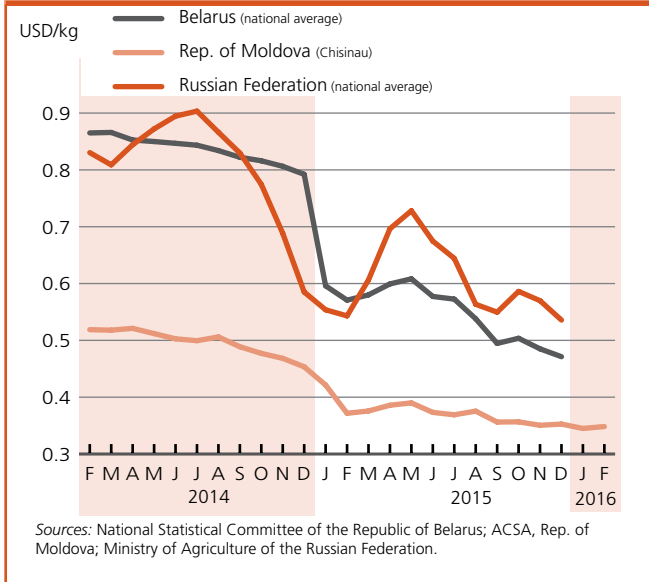
Domestic prices of wheat and wheat flour strengthened in some countries, while export prices declined

Export prices of milling wheat in the two main exporting countries of the subregion, the Russian Federation and Ukraine, declined over the past four months, largely as a result of a depreciation of national currencies and generally following trends in the global market. In **Ukraine**, domestic prices of wheat and wheat flour remained relatively unchanged in January and February, after increasing in previous months, due to limited trade activity. By contrast, average prices of wheat grain in **the Russian Federation** increased slightly, mainly following a further depreciation of the local currency. Prices of wheat flour rose moderately also in the export-oriented Southern region, pending the possible reduction of export duties. However, ample domestic supplies prevented

further increases and kept prices of wheat and wheat flour below their year-earlier levels. In **the Republic of Moldova**, prices of wheat and wheat flour generally moved up over the last months

due to tightening supplies after a drought-reduced output in 2015. In **Belarus**, the domestic price of wheat flour remained stable over recent months.

Figure 9. Retail wheat flour prices in Belarus, Russian Federation and Republic of Moldova



OCEANIA

Australia harvests larger cereal crop in 2015

The latest official estimate of the recently-completed 2015 wheat harvest in **Australia** stands at 24.2 million tonnes, 5 percent up from the previous year's crop. The bulk of the increase is attributed to an increased area with plantings rising to a three-year high, while yields were largely unchanged. Barley production also rose in 2015 by 2 percent to about 8.2 million tonnes. Prospects for the 2016 summer crop improved in late January and February, with the arrival of widespread rains, after earlier dry conditions, in the main producing areas. The overall area planted to sorghum is estimated down by about 2 percent for the 2016 harvest due to unfavourable planting conditions in parts of Queensland. The 2016 wheat crop will be planted from April to June. At this early stage, the area planted is tentatively forecast to remain close to the previous year's level and, assuming about-average yields, output is tentatively forecast at 25 million tonnes in 2016.

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Table A1. Global cereal supply and demand indicators

	Average 2008/09 - 2012/13	2011/12	2012/13	2013/14	2014/15	2015/16
1. Ratio of world stocks to utilization (%)						
Wheat	27.9	28.7	24.9	25.7	27.6	28.8
Coarse grains	18.0	17.6	15.4	17.8	20.3	19.8
Rice	30.3	30.9	33.3	34.8	34.7	32.9
Total cereals	23.3	23.6	21.7	23.4	25.2	24.7
2. Ratio of major grain exporters' supplies to normal market requirements (%)						
	119.7	118.7	108.1	121.6	122.7	121.3
3. Ratio of major exporters' stocks to their total disappearance (%)						
Wheat	19.0	18.2	14.1	14.1	16.6	18.3
Coarse grains	12.7	11.1	8.4	10.4	12.5	12.1
Rice	23.7	25.1	27.8	28.9	23.9	17.1
Total cereals	18.5	18.1	16.8	17.8	17.7	15.9
	Annual trend growth rate 2005-2014	2011	Change from previous year			2015
			2012	2013	2014	
4. Changes in world cereal production (%)						
	2.5	4.2	-2.2	9.9	1.6	-1.4
5. Changes in cereal production in the LIFDCs (%)						
	3.7	2.0	3.8	1.3	2.7	-6.3
6. Changes in cereal production in the LIFDCs less India (%)						
	5.4	-3.5	5.6	1.1	5.8	-5.9
	Average 2009-2013	2012	Change from previous year (%)			2016*
			2013	2014	2015	
7. Selected cereal price indices:						
Wheat	184.3	-4.8	-4.9	-6.6	-20.5	-21.6
Maize	227.6	2.2	-12.9	-25.8	-11.8	-8.4
Rice	237.4	-4.6	0.8	0.8	-10.5	-11.3

Notes:

Utilization is defined as the sum of food use, feed and other uses.

Cereals refer to wheat, coarse grains and rice; grains refer to wheat and coarse grains.

Major wheat exporters are Argentina, Australia, Canada, the EU, Kazakhstan, the Russian Federation, Ukraine and the United States of America; major coarse grain exporters are Argentina, Australia, Brazil, Canada, the EU, the Russian Federation, Ukraine and the United States of America; major rice exporters are India, Pakistan, Thailand, the United States of America and Viet Nam.

Normal market requirements for major grain exporters are defined as the average of domestic utilization plus exports in the three preceding seasons.

Disappearance is defined as domestic utilization plus exports for any given season.

Price indices: The Wheat Price Index has been constructed based on the IGC Wheat Price Index, rebased to 2002-2004=100; for maize, the U.S. maize No.2 Yellow (delivered U.S. Gulf ports) with base 2002-2004=100; for rice, the FAO Rice Price Index, 2002-2004=100, is based on 16 rice export quotations.

*January-February average.

Table A2. World cereal stocks¹
(million tonnes)

	2011	2012	2013	2014	2015 estimate	2016 forecast
TOTAL CEREALS	528.9	548.1	526.5	585.8	636.7	636.3
Wheat	198.2	196.0	172.6	182.6	199.9	205.1
held by:						
- main exporters ²	52.3	43.8	37.8	41.9	49.7	56.8
- others	145.9	152.2	134.8	140.7	150.2	148.3
Coarse grains	200.9	205.7	192.9	231.5	264.0	263.9
held by:						
- main exporters ²	64.0	59.4	46.1	63.5	76.9	79.7
- others	136.9	146.3	146.8	168.0	187.1	184.2
Rice (milled basis)	129.9	146.4	161.0	171.7	172.8	167.2
held by:						
- main exporters ²	33.8	41.3	46.6	49.5	42.8	30.7
- others	96.1	105.1	114.4	122.2	130.0	136.5
Developed countries	159.8	153.0	117.4	136.2	161.3	170.0
Australia	11.1	9.0	6.8	6.8	6.6	7.0
Canada	11.2	9.4	8.2	15.1	10.5	8.9
European Union	33.7	32.6	24.4	28.1	33.1	35.0
Japan	5.4	5.5	6.2	5.6	5.5	5.3
Russian Federation	19.7	16.0	6.6	6.1	8.3	9.1
South Africa	4.0	2.5	2.3	1.6	3.3	2.8
Ukraine	6.2	10.7	6.4	8.6	10.0	6.6
United States	57.3	49.3	44.2	51.4	69.0	78.9
Developing countries	369.2	395.1	409.2	449.6	475.3	466.3
Asia	304.5	327.6	351.3	377.3	391.9	389.1
China	182.8	195.4	212.5	233.9	245.3	262.0
India	44.8	50.3	53.1	53.8	54.6	44.7
Indonesia	10.0	10.6	11.4	11.2	10.6	10.2
Iran (Islamic Republic of)	6.8	1.9	3.9	3.4	6.4	4.4
Korea, Republic of	3.7	3.7	3.3	3.7	4.1	4.6
Pakistan	3.4	5.2	3.5	3.9	4.5	3.5
Philippines	3.7	2.9	3.1	3.1	4.1	3.8
Syrian Arab Republic	3.8	3.5	2.6	2.1	1.3	1.5
Turkey	3.6	4.2	4.3	5.5	4.9	5.0
Africa	36.2	39.5	37.0	39.1	42.9	38.8
Algeria	4.2	4.9	5.4	6.4	6.8	6.6
Egypt	5.8	8.1	6.0	6.4	6.2	5.8
Ethiopia	1.9	2.0	1.8	2.1	2.3	1.7
Morocco	4.2	4.8	3.4	5.7	5.6	7.2
Nigeria	1.4	2.1	1.4	1.5	1.8	1.3
Tunisia	0.8	0.8	1.3	1.1	1.3	1.0
Central America	6.9	5.5	5.5	6.4	6.7	6.8
Mexico	3.8	2.3	2.7	3.3	3.6	3.8
South America	21.2	22.0	15.0	26.3	33.4	31.1
Argentina	5.4	4.8	2.1	5.7	9.9	9.3
Brazil	8.4	9.1	5.7	11.5	14.0	10.7

Note: Based on official and unofficial estimates. Totals computed from unrounded data.

¹ Stocks data are based on an aggregate of carryovers at the end of national crop years and do not represent world stock levels at any point in time.

² Major wheat exporters are Argentina, Australia, Canada, the EU, Kazakhstan, the Russian Federation, Ukraine and the United States of America; major coarse grain exporters are Argentina, Australia, Brazil, Canada, the EU, the Russian Federation, Ukraine and the United States of America; major rice exporters are India, Pakistan, Thailand, the United States of America and Viet Nam.

Table A3. Selected international prices of wheat and coarse grains
(USD/tonne)

	Wheat			Maize		Sorghum
	US No.2 Hard Red Winter Ord. Prot. ¹	US Soft Red Winter No.2 ²	Argentina Trigo Pan ³	US No.2 Yellow ²	Argentina ³	US No.2 Yellow ²
Annual (July/June)						
2003/04	161	149	154	115	109	118
2004/05	154	138	123	97	90	99
2005/06	175	138	138	104	101	108
2006/07	212	176	188	150	145	155
2007/08	361	311	318	200	192	206
2008/09	270	201	234	188	180	170
2009/10	209	185	224	160	168	165
2010/11	316	289	311	254	260	248
2011/12	300	256	264	281	269	264
2012/13	348	310	336	311	278	281
2013/14	318	265	335	217	219	218
2014/15	266	221	246	173	177	210
Monthly						
2014 - February	303	261	328	209	218	224
2014 - March	334	285	340	222	226	228
2014 - April	340	281	361	224	229	226
2014 - May	345	271	372	217	224	223
2014 - June	314	235	365	202	204	220
2014 - July	294	218	287	182	192	203
2014 - August	284	219	270	175	181	183
2014 - September	279	204	248	164	166	174
2014 - October	289	223	242	165	171	189
2014 - November	280	236	252	178	179	197
2014 - December	289	261	251	178	197	217
2015 - January	262	233	254	176	184	231
2015 - February	252	221	241	174	178	230
2015 - March	250	219	228	173	169	226
2015 - April	239	209	225	172	168	223
2015 - May	231	199	228	166	168	217
2015 - June	242	211	226	170	173	224
2015 - July	238	208	229	179	176	223
2015 - August	216	190	227	163	160	180
2015 - September	218	195	223	166	161	177
2015 - October	221	208	223	172	164	182
2015 - November	211	201	210	166	167	173
2015 - December	212	191	193	164	166	170
2016 - January	213	192	194	161	161	165
2016 - February	205	189	194	160	167	165

Sources: International Grains Council and USDA.

¹ Delivered United States f.o.b. Gulf.

² Delivered United States Gulf.

³ Up River f.o.b.

Table A4a. Cereal import requirements of Low-Income Food-Deficit Countries¹, 2015/16 or 2016 estimates
(thousand tonnes)

	2014/15 or 2015			2015/16 or 2016				
	Marketing year	Commercial purchases	Food aid	Total commercial and aid	Total import requirements (excl. re-exports)	Total commercial and aid	Food aid deliveries ³	Commercial purchases
AFRICA		30 278.0	994.7	31 272.7	31 449.6	1 925.5	24.2	1 901.3
East Africa		9 379.0	510.3	9 889.3	10 357.3	610.6	0.0	610.6
Burundi	Jan/Dec	147.4	3.0	150.4	170.0	0.0	0.0	0.0
Comoros	Jan/Dec	70.0	0.0	70.0	46.0	0.0	0.0	0.0
Djibouti	Jan/Dec	202.0	3.5	205.5	146.0	0.0	0.0	0.0
Eritrea	Jan/Dec	427.0	0.0	427.0	437.3	0.0	0.0	0.0
Ethiopia	Jan/Dec	803.1	56.2	859.3	1 380.0	0.0	0.0	0.0
Kenya	Oct/Sep	2 859.4	99.3	2 958.7	2 700.0	332.3	0.0	332.3
Rwanda	Jan/Dec	116.2	2.6	118.8	120.0	0.0	0.0	0.0
Somalia	Aug/Jul	570.0	58.0	628.0	600.0	0.6	0.0	0.6
South Sudan	Nov/Oct	n.a.	n.a.	545.0	555.0	n.a.	n.a.	n.a.
Sudan	Nov/Oct	2 087.2	257.3	2 344.5	2 815.0	14.5	0.0	14.5
Tanzania U.R.	Jun/May	1 161.7	9.6	1 171.3	865.0	263.2	0.0	263.2
Uganda	Jan/Dec	390.0	20.8	410.8	523.0	0.0	0.0	0.0
Southern Africa		2 586.5	60.9	2 647.4	3 141.7	1 184.1	17.5	1 166.6
Lesotho	Apr/Mar	216.0	7.6	223.6	232.0	53.6	0.0	53.6
Madagascar	Apr/Mar	543.7	7.4	551.1	463.0	15.2	7.7	7.5
Malawi	Apr/Mar	117.0	13.2	130.2	265.0	249.3	2.8	246.5
Mozambique	Apr/Mar	1 216.0	25.0	1 241.0	1 190.0	388.3	1.3	387.0
Zimbabwe	Apr/Mar	493.8	7.7	501.5	991.7	477.7	5.7	472.0
West Africa		16 751.6	274.2	17 025.8	16 130.1	129.9	6.7	123.2
Coastal Countries		12 626.7	151.3	12 778.0	12 238.5	0.5	0.5	0.0
Benin	Jan/Dec	381.0	6.0	387.0	387.0	0.0	0.0	0.0
Côte d'Ivoire	Jan/Dec	1 817.0	3.5	1 820.5	1 770.5	0.0	0.0	0.0
Ghana	Jan/Dec	937.2	7.8	945.0	985.0	0.5	0.5	0.0
Guinea	Jan/Dec	640.5	21.5	662.0	612.5	0.0	0.0	0.0
Liberia	Jan/Dec	355.0	77.0	432.0	432.0	0.0	0.0	0.0
Nigeria	Jan/Dec	7 920.0	0.0	7 920.0	7 420.0	0.0	0.0	0.0
Sierra Leone	Jan/Dec	351.0	35.0	386.0	366.0	0.0	0.0	0.0
Togo	Jan/Dec	225.0	0.5	225.5	265.5	0.0	0.0	0.0
Sahelian Countries		4 124.9	122.9	4 247.8	3 891.6	129.4	6.2	123.2
Burkina Faso	Nov/Oct	479.0	6.0	485.0	515.0	11.0	0.0	11.0
Chad	Nov/Oct	104.0	40.6	144.6	154.6	3.4	0.0	3.4
Gambia	Nov/Oct	201.0	11.5	212.5	223.5	6.2	6.2	0.0
Guinea-Bissau	Nov/Oct	88.0	6.3	94.3	104.3	0.0	0.0	0.0
Mali	Nov/Oct	366.2	9.7	375.9	261.2	18.8	0.0	18.8
Mauritania	Nov/Oct	514.5	10.0	524.5	469.0	50.2	0.0	50.2
Niger	Nov/Oct	468.2	36.8	505.0	508.0	0.1	0.0	0.1
Senegal	Nov/Oct	1 904.0	2.0	1 906.0	1 656.0	39.7	0.0	39.7
Central Africa		1 560.9	149.3	1 710.2	1 820.5	0.9	0.0	0.9
Cameroon	Jan/Dec	825.0	2.0	827.0	937.0	0.0	0.0	0.0
Cent.Afr.Rep.	Jan/Dec	52.0	23.0	75.0	75.0	0.9	0.0	0.9
Dem.Rep.of the Congo	Jan/Dec	669.7	120.3	790.0	790.0	0.0	0.0	0.0
Sao Tome and Principe	Jan/Dec	14.2	4.0	18.2	18.5	0.0	0.0	0.0

Source: FAO

¹ The Low-Income Food-Deficit Countries (LIFDCs) group includes net food deficit countries with annual per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 945 in 2011); for full details see <http://www.fao.org/countryprofiles/lifdc>

² Estimates based on information as of February 2016.

³ Refers to food aid deliveries to WFP country offices, bilateral transfers, and deliveries by other UN agencies and NGOs.

Table A4b. Cereal import requirements of Low-Income Food-Deficit Countries¹, 2015/16 or 2016 estimates
(thousand tonnes)

	Marketing year	2014/15 or 2015 Actual imports			2015/16 or 2016 Import position ²			
		Commercial purchases	Food aid	Total commercial and aid	Total import requirements (excl. re-exports)	Total commercial and aid	Food aid deliveries ³	Commercial purchases
ASIA		20 392.0	505.7	20 897.7	20 708.8	4 821.7	146.5	4 675.2
Cis in Asia		4 130.9	1.0	4 131.9	3 696.2	1 645.0	0.0	1 645.0
Kyrgyzstan	Jul/Jun	569.9	1.0	570.9	580.2	34.6	0.0	34.6
Tajikistan	Jul/Jun	1 081.0	0.0	1 081.0	1 089.0	457.4	0.0	457.4
Uzbekistan	Jul/Jun	2 480.0	0.0	2 480.0	2 027.0	1 153.0	0.0	1 153.0
Far East		6 366.8	162.0	6 528.8	6 440.6	2 093.2	11.2	2 082.0
Bangladesh	Jul/Jun	5 276.0	10.0	5 286.0	4 298.0	1 605.1	0.3	1 604.8
Bhutan	Jul/Jun	85.0	1.0	86.0	79.0	0.0	0.0	0.0
D.P.R. of Korea	Nov/Oct	300.0	121.0	421.0	440.0	17.6	8.9	8.7
India	Apr/Mar	38.2	0.0	38.2	590.0	457.3	0.0	457.3
Mongolia	Oct/Sep	75.8	0.0	75.8	157.8	7.3	0.0	7.3
Nepal	Jul/Jun	591.8	30.0	621.8	875.8	5.9	2.0	3.9
Near East		9 894.3	342.7	10 237.0	10 572.0	1 083.5	135.3	948.2
Afghanistan	Jul/Jun	2 141.0	16.0	2 157.0	2 232.0	542.3	0.0	542.3
Syrian Arab Republic	Jul/Jun	3 553.3	276.7	3 830.0	4 240.0	492.3	86.4	405.9
Yemen	Jan/Dec	4 200.0	50.0	4 250.0	4 100.0	48.9	48.9	0.0
CENTRAL AMERICA		1 881.5	76.4	1 957.9	2 158.1	551.1	1.6	549.5
Haiti	Jul/Jun	565.0	68.1	633.1	698.1	111.4	0.9	110.5
Honduras	Jul/Jun	869.4	5.5	874.9	975.0	338.3	0.7	337.6
Nicaragua	Jul/Jun	447.1	2.8	449.9	485.0	101.4	0.0	101.4
OCEANIA		472.6	0.0	472.6	482.2	0.0	0.0	0.0
Papua New Guinea	Jan/Dec	415.2	0.0	415.2	425.2	0.0	0.0	0.0
Solomon Islands	Jan/Dec	57.4	0.0	57.4	57.0	0.0	0.0	0.0
TOTAL		53 024.1	1 576.8	54 600.9	54 798.7	7 298.3	172.3	7 126.0

Source: FAO

¹ The Low-Income Food-Deficit Countries (LIFDCs) group includes net food deficit countries with annual per caput income below the level used by the World Bank to determine eligibility for IDA assistance (i.e. USD 1 945 in 2011); for full details see <http://www.fao.org/countryprofiles/lifdc>

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