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FOOD SECURITY ASSESSMENT, 2006



Sub-Saharan Africa is the most food-insecure region and shows no signs of improvement—on average—in food security and poverty levels.



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Food Security Assessment, 2006

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Abstract

The number of hungry people in the 70 lower income countries covered in this report rose between 2005 and 2006, from 804 million to 849 million. However, the food distribution gap—an indicator of food access—declined, which means that, although more people are vulnerable to food insecurity, the intensity was less in 2006 than in 2005. By 2016, the number of hungry people is projected to decline in all regions, except Sub-Saharan Africa. The average nutrition gap, the indicator of food availability, was 13.5 million tons (grain equivalent) in 2006 and is expected to increase to 14 million tons by 2016. Sub-Saharan Africa accounts for 85 percent of this gap, the low-income countries of Asia for only 14 percent, and the low-income countries of Latin America and the Caribbean for the remaining 1 percent. The average nutrition gap was much smaller than the distribution gap, which takes into account unequal purchasing power within countries. The distribution gap was an estimated 27 million tons in 2006 for all 70 countries, decreasing to close to 26 million tons by 2016.

Keywords: food security, food aid, production, imports, Sub-Saharan Africa, North Africa, Asia, Latin America and the Caribbean, Commonwealth of Independent States

Preface

This report continues the series of food assessments begun in the late 1970s. *Global Food Assessments* were done from 1990 to 1992, hence the GFA series. In 1993, the title was changed to *Food Aid Needs Assessment* to more accurately reflect the contents of the report, which focuses on selected developing countries with past or continuing food deficits. In 1997, we widened our analysis beyond the assessment of aggregate food availability to include more aspects of food security. We therefore changed the title to *Food Security Assessment*.

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Contents

List of Figures and Tables	iv
Summary	v
Overview: Food Security Assessment in Lower Income Countries, 2006-16	1
North Africa.....	6
Asia.....	8
Sub-Saharan Africa.....	11
Latin America and the Caribbean	15
Commonwealth of Independent States	16
Conclusions	20
References	21
<i>Special Article</i>	
Energy Price Implications for Food Security in Developing Countries	23
Energy Price Increase Impact on Income and Imports.....	24
Food and Oil Price Shocks	25
Uncertainty in Outlook.....	27
Expected Price Trends	27
Domestic Energy Policy Options	29
Safety Net Options	30
References	31
Appendix—Food Security Model: Definition and Methodology	33

List of Figures and Tables

Figures

1. Average per capita calorie consumption, 2002-04	1
2. Average growth in per capita calorie consumption between 1992-94 and 2002-04	1
3. Number of hungry people: Present versus future.....	2
4. 2005 food aid donors.....	21
 A-1. Price indices.....	25
A-2. Diet shares of low-income countries by region	26

Tables

1. Food availability and food gaps for 70 countries	4
2. Food availability and food gaps for North Africa	7
3. Food availability and food gaps for Asia	9
4. Food availability and food gaps for Sub-Saharan Africa	14
5. Food availability and food gaps for Latin America and the Caribbean.....	17
6. Food availability and food gaps for Commonwealth of Independent States	18
 A-1. Import dependency	27

Appendix tables

1. List of countries and their food gaps in 2006-2016	38
2. Country indicators.....	40

Summary

Preliminary estimates indicate that the number of hungry people in 70 lower income countries rose between 2005 and 2006, from 804 million people to 849 million. The two main factors contributing to this increase were higher food prices and poor economic performance in several countries. By 2016, however, the number of hungry people is projected to decline in all regions, except Sub-Saharan Africa. The most significant improvement is expected in Asia, followed by Latin America and the Caribbean.

In *Food Security Assessment, 2006*, the Economic Research Service (ERS) estimates and projects the number of hungry people globally, regionally, and in each of the 70 lower income countries studied. Hungry people are those consuming less than the nutritional target of 2,100 calories a day. The report also measures the food distribution gap (the amount of food needed to raise consumption of each income group to the nutritional requirement) and examines the factors that shape food security. Food security is defined as access by all people at all times to enough food for an active and healthy life.

What Is the Issue?

Recent oil price hikes have raised concerns for low-income countries over the financial burden of the higher energy import bill and the constraints that might ensue in importing necessities like food and raw materials. If food imports become vulnerable, food security could become more of an issue for some of these countries.

Higher oil prices have sparked global energy concerns, which in turn, have spurred demand for ethanol and biodiesel in some food-exporting countries. The resulting increase in demand for grain, sugar, and vegetable oils (commodities used to produce biofuels and biodiesel) has resulted in higher food prices, which compounds economic pressure for the low-income countries. These commodities constitute a large share of the diets in low-income countries, and therefore, rising prices and their subsequent inflationary effects are likely to further constrain consumers' budgets.

What Did the Project Find?

The average nutritional food gap was 13.5 million tons (grain equivalent) in 2006 and is projected to increase slightly to 14 million tons by 2016. Sub-Saharan Africa accounts for 85 percent of this gap, while the low-income countries of Asia account for only 14 percent and the low-income countries of Latin America and the Caribbean for the remaining 1 percent. The distribution gap, an indicator of food access (as it takes into account unequal purchasing power within countries), is estimated at about 27 million tons for 2006, decreasing slightly to 26 million tons by 2016.

ERS has estimated that there were 849 million undernourished people in 70 low-income developing countries in 2006. **Asia** was home to 47 percent of this number, and this share is projected to decline markedly to 37 percent by 2016 due to improvements expected in India. Given the region's compara-

tively low import dependency (4 percent of total grain availability), the current increase in food prices does not immediately threaten these countries' ability to pay for commercial imports.

Sub-Saharan Africa is the most food-insecure region. The region accounted for 44 percent of the total number of hungry people, but it accounted for only 24 percent of the population of the study countries. While Asia had a higher absolute number of hungry people, it is far less vulnerable than SSA. Asia accounted for 47 percent of the total number of hungry people, but it accounted for a far larger share of the total population—66 percent. Also, unlike Asia, Sub-Saharan Africa shows no signs of improvement—on average—in food security and poverty levels. In fact, by 2016, the region will have more hungry people, 460 million, than Asia, at 300 million, does. In 2016, more than half of the region's population is projected to consume below the nutritional requirement.

An estimated 44 percent of the population in **Latin America and the Caribbean** consumed below the nutritional requirement in 2006. This share is expected to drop to 26 percent by 2016 because per capita consumption in the region is projected to rise nearly 16 percent between 2006 and 2016.

How Was the Project Conducted?

All historical and projected data are updated relative to the 2005 *Food Security Assessment* report. Food production estimates for 2006 are preliminary, based on USDA data as of October 2006, with supplemental data from the Food and Agriculture Organization of the United Nations and the World Food Program. Financial and macroeconomic data are based on the latest World Bank data. Projected macroeconomic variables are either extrapolated based on calculated growth rates for the 1990s and early 2000s or are World Bank projections/estimations. Projections/estimates of food availability include food aid, with the assumption that each country will receive the 2003-05 average level of food aid throughout the next decade.