

GLOBAL AGRICULTURAL DEVELOPMENT – WEEKLY NEWS BRIEF

August 7 – August 14, 2008

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Key Articles

- ***Politics affecting WTO deal, says Lamy***, *Times of India*, August 13, 2008
Lamy also agreed that the present food crisis is a result of the lack of investment in the developing countries. "One of the reasons for decline in production is the trade distorting subsidies and high tariffs in the rich countries," he said.
http://timesofindia.indiatimes.com/Business/Politics_affecting_WTO_deal/articleshow/3358528.cms
- ***Dealing with the fault-lines in global food policy***, by Lawrence Haddad, *Relief Web*, August 12, 2008
The current world food price situation has, by some estimates, plunged 100 million people into hunger and poverty. If there is a faint silver lining to this tragedy, it is that five critical fault-lines in food policy have been exposed. ..Third, the rich countries have not been able to change their behaviour outside of decisions on how to allocate aid money. No policy movements on biofuels or biotech. No policy movement on US farm subsidies. No movement on trade. Aid is transient, policies are much more enduring. That is what the hungry in Africa and Asia need – a long term commitment from the donors to change their own behaviour.
<http://www.reliefweb.int/rw/rwb.nsf/db900SID/ONIN-7HFQTL?OpenDocument>
- ***Sudan seeks \$1bn to put into agriculture***, by Andrew England and Barney Jopson, *Financial Times*, August 12, 2008
Sudan is seeking to attract at least \$1bn of capital for its agricultural sector from Arab and Asian investment groups, which are turning to Africa in search of new food supplies as their governments try to manage the impact of commodity price inflation.
<http://www.ft.com/cms/s/0/f1011e20-6805-11dd-8d3b-0000779fd18c.html>
Contact the Financial Times: +44 (0) 20 7873 3000
- ***Bush not ready to give up on WTO talks—US farm chief***, by Doug Palmer, *Reuters*, August 12, 2008

President George W. Bush still thinks a world trade deal is possible despite a major setback last month and will continue pushing to get one, U.S. Agriculture Secretary Ed Schafer said on Tuesday. "I was with President Bush when we received word that there was an impasse and his immediate response was 'it's not over yet. It's not over yet, we can still do it,'" Schafer told Reuters reporters and editors in an interview.

http://www.forbes.com/reuters/feeds/reuters/2008/08/12/2008-08-12T200600Z_01_N12512069_RTRIDST_0_TRADE-WTO-USA-UPDATE-2.html

- **UN announces program to help hunger hot spots**, by Ariel David, *Washington Post*, August 12, 2008
A U.N. agency rolled out a \$214 million program Tuesday to help 16 needy places hit hard by high prices for food and oil, amid a crisis already making it hard for aid groups to provide enough food for the world's hungry.
<http://www.washingtonpost.com/wp-dyn/content/article/2008/08/12/AR2008081200905.html>
Contact the Washington Post: 703.469.2500
- **Small farmers at risk in land scramble**, by Murithi Mutinga, *Financial Times*, August 11, 2008
Small-scale farmers with limited knowledge of their rights stand to lose most as countries such as China and Saudi Arabia expand their quest for African farmland, analysts have warned. Calestous Juma, a Harvard University professor who heads the Victoria Institute of Science and Technology, which is working to boost productivity in western Kenya, said land reform should make Africa a more attractive destination for foreign investors, while also enabling local farmers to access capital and improve their own agricultural productivity.
<http://www.ft.com/cms/s/0/d6f7ccae-67ba-11dd-8d3b-0000779fd18c.html>
Contact the Financial Times: +44 (0) 20 7873 3000
- **WTO farm mediator calls for talks to restart soon**, by Jonathan Lynn, *Reuters Africa*, August 11, 2008
World Trade Organisation talks, which collapsed last month over a proposal to help poor farmers cope with a surge in imports, need to resume soon to build on existing compromises, the WTO farm mediator said on Monday. Besides the special safeguard mechanism, Falconer warned there were still a number of potential deal-breakers which had to be tackled, such as the level of cotton subsidies, which ministers did not even get as far as discussing last month. But he said the state of negotiations last month reflected inconceivable progress compared with a year earlier, with the basis for a deal on many of the agriculture issues.
<http://africa.reuters.com/wire/news/usnLB184522.html>
- **Darfur Withers as Sudan Sells Food**, by Jeffrey Gettleman, *New York Times*, August 9, 2008
Even as it receives a billion pounds of free food from international donors, Sudan is growing and selling vast quantities of its own crops to other countries, capitalizing on high global food prices at a time when millions of people in its war-riddled region of Darfur barely have enough to eat.
<http://www.nytimes.com/2008/08/10/world/africa/10sudan.html>
Contact the New York Times: 212-556-1234
- **EPA Declines to Reduce the Quota for Ethanol in Cars**, by Matthew Wald, *New York Times*, August 8, 2008

The Environmental Protection Agency rejected on Thursday a request to cut the federal government's quota for the use of ethanol in cars, concluding, at least for now, that the national goal of reducing oil use trumps any effect on food prices from making fuel from corn.

http://www.nytimes.com/2008/08/08/washington/08ethanol.html?_r=2&th=&emc=th&pagewanted=print&oref=slogin&oref=slogin

Contact the New York Times: 212-556-1234

- ***Food crisis sows seed for change***, by Alexandra Spieldoch, *Asia Times*, August 8, 2008
Doha...negotiations collapsed over ongoing disagreements about whether WTO members have the right to protect their food security and "livelihoods" from import surges....the Interagency Task Force on the Global Food Crisis in June...defines "boosting smallholder production" as including World Bank loans for public-private partnerships that pave the way for a more prominent role for agribusiness. The draft framework highlights a stronger role for the Bank and the WTO to help countries boost trade rather than to determine what kind of trade is needed.
http://www.atimes.com/atimes/Global_Economy/JH08Dj03.html
- ***Food crisis should make Nigeria net provider for global community***, by Daniel Gumm, *Vanguard Online*, August 8, 2008
Indeed, Dr. Ruma explained that the "current global food crisis is an economic opportunity for developing countries, especially Nigeria," saying the opportunity was due to "Nigeria's highly diversified agro-ecological condition, which makes the production of a wide range of agricultural products possible." The current state of the nation's agriculture which is dependent mainly on: small-scale subsistence farming, seasonal rains, and manual labour, is a serious cause for concern. In terms of global best practice, Nigeria's agriculture still has a lot to achieve, especially in the area of benchmarking and commodity branding.
http://www.vanguardngr.com/index.php?option=com_content&task=view&id=13795&Itemid=0

New Reports

- ***USDA Briefing: Food CPI, Prices, and Expenditures***, USDA, June 17, 2008
The Consumer Price Index (CPI) for all food is forecast to increase 4.5 to 5.5 percent in 2008, as retailers continue to pass on higher commodity and energy costs to consumers in the form of higher retail prices. The CPI for food increased 4.0 percent in 2007, the highest annual increase since 1990. Food-at-home prices, led by eggs, dairy, and poultry prices, increased 4.2 percent, while food-away-from-home prices were up 3.6 percent in 2007.
<http://www.ers.usda.gov/Briefing/CPIFoodAndExpenditures/>
- ***CRS Report for Congress: Rising Food Prices and Global Food Needs: US Response***, by Charles E Hanrahan, Senior Specialist in Agricultural Policy; Resources, Science, and Industry Division; May 8, 2008
The additional emergency food aid would be allocated to P.L. 480 Title II donations. The additional funds for disaster assistance would be allocated to the International Disaster and Famine Assistance (IDFA) account and used to purchase food locally in developing countries, to provide vouchers, and to purchase seeds and other supplies. No detail was suggested with respect to how the additional \$150 million for agricultural development

assistance would be allocated.

<http://www.nationalaglawcenter.org/assets/crs/RL34478.pdf>

Congressional Testimony

- ***U.S. Responses to the Global Food Crisis: New Approaches***, testimony by Henrietta H. Fore, Director of U.S. Foreign Assistance and USAID Administrator
Experts tell us that the situation underlying the crisis is not a temporary one; demand for grain is outstripping supply. Our response is therefore three-pronged. We plan to increase our efforts in three key areas: 1) expand humanitarian assistance, looking at the most critical needs globally; 2) attack the underlying causes of food insecurity through a significant increase in staple food production; and 3) address policy barriers and trade policies adversely impacting food prices.
<http://www.state.gov/f/releases/104703.htm>

Food Crisis Developments

- ***State authorizes first batch of maize imports***, by Emmanuel Were, *Business Daily Africa*, August 13, 2008
Kenya has moved to ensure food security in the short term by importing some of the maize needed to bridge a domestic shortfall. The consignment of 150,000 tonnes, equivalent to 1.6 million 90 kilogramme bags, is about half the amount needed to ensure adequate supplies for the next two months.
http://www.bdafrica.com/index.php?option=com_content&task=view&id=9326&Itemid=5813
Contact Business Daily Africa: +254 20 328 8121
- ***Corn Crop on Track for a Near-Record Harvest***, by David Streitfeld, *New York Times*, August 12, 2008
The Department of Agriculture is forecasting the second-highest corn yield on record with production of 12.3 billion bushels, nearly 600 billion bushels more than it forecast earlier in the summer.
<http://www.nytimes.com/2008/08/13/business/13crop.html?ref=business>
Contact the New York Times: 212-556-1234
- ***Sunnier Forecast for Corn and Soybean Harvest***, by David Streitfeld, *New York Times*, August 12, 2008
After a worrisome start to the growing season that fanned fears of food shortages and huge economic losses, the nation's most important crop is now on track for a bountiful harvest, the government said Tuesday.
<http://www.nytimes.com/2008/08/13/business/13crop.html>
Contact the New York Times: 212-556-1234
- ***Australia cotton faces climate change threat***, *Times of India/Reuters*, August 12, 2008
After global price rises this year for grains and cotton, the terms of trade were turning back in favour of farming, but costs were also rising, said Julian Cribb, a professor at the University of Technology Sydney. The Australian cotton industry was at the forefront in dealing with climate change and efficiency in use of water, land, fuel and chemicals, but was facing the same challenges as food in world agricultural production, he said.

http://timesofindia.indiatimes.com/Developmental_Issues/Australia_cotton_faces_climate_change_threat/articleshow/3355999.cms

Contact the Times of India: 91- 124 - 418 7000

- **High Food Prices put pressure on HIV programmes**, Reuters/IRIN, August 11, 2008
As global food prices continue to increase, the lack of affordable nutritious food could endanger the lives of people living with HIV in the developing world, experts have said. "As prices continue to rise, people will start to buy cheaper, less nutritious food and may begin to skip meals – in Lesotho we are already seeing people skipping meals because they can't afford food," Alan Whiteside, an economist with South Africa's University of KwaZulu-Natal.
<http://www.alertnet.org/thenews/newsdesk/IRIN/1c748965abf6841159766b672bc9c761.htm>
Contact IRIN: +1 917 367 2422
- **All Ears on Corn Report for hints of Flood Damage**, by Scott Kilman, *Wall Street Journal*, August 11, 2008
In its most anticipated monthly crop report of the year, the U.S. Agriculture Department is expected Tuesday to show that June flooding didn't damage Midwest farm fields nearly as much as originally feared.
http://online.wsj.com/article/SB121842151110628917.html?mod=todays_us_page_one
Contact the Wall Street Journal: (212) 416-2000
- **Rising food prices sow hope for farmers**, by Katie Hunt, *BBC News*, August 11, 2008
Rising food prices are source of concern for consumers as the cost of their weekly shop mounts and politicians worldwide fear that food shortages could spark unrest. But with the era of cheap food coming to a close, the UK's farmers are hoping that power will shift away from the supermarkets and give them a better position at the negotiating table.
<http://news.bbc.co.uk/2/hi/business/7547239.stm>
- **Kenya buys 150,000 tonnes of maize from US, S.Africa**, Reuters, August 11, 2008
The east African country plans to buy a total 3 million bags of the grain to cover a shortage created during a devastating post-election crisis in January that destroyed harvests or blocked farmers from planting.
<http://africa.reuters.com/business/news/usnBAN149977.html>
Contact Reuters: +44 20 7542 9484
- **Can Israel find the Water it Needs?** By Andrew Martin, *New York Times*, August 9, 2008
Some economists suggest that arid countries should focus on growing only those crops that give them a competitive advantage, like water-sipping grapes and vegetables, and buy everything else on the world market. But the recent volatility and high prices in commodity markets have made many world leaders reluctant to rely on global markets. Some oil-rich countries like Saudi Arabia are now shopping for farmland in more fertile countries like Sudan and Pakistan.
<http://www.nytimes.com/2008/08/10/business/worldbusiness/10feed.html?ref=world>
Contact the New York Times: 212-556-1234
- **Kofi Annan concerned about global food crisis, fuel crisis**, *GhanaWeb*, August 8, 2008
Former UN Secretary-General Kofi Annan has expressed concern about the current global food crisis and the rising costs of fertilizer and fuel in Ghana.

<http://www.ghanaweb.com/GhanaHomePage/NewsArchive/artikel.php?ID=148102>

- ***Food Giants Race to Pass Rising Costs to Shoppers***, by Scott Kilman, *Wall Street Journal*, August 8, 2008
Companies throughout the food chain are changing the way they do business in response to soaring grain costs, and consumers are likely to bear the brunt in the form of rising food prices.
http://online.wsj.com/article/SB121815511527422591.html?mod=todays_us_page_one
Contact the Wall Street Journal: (212) 416-2000
- ***South Africans Stage Strike Over Costs of Food, Power***, by Sarah Childress, *Wall Street Journal*, August 7, 2008
Tens of thousands of South African workers stayed home from their jobs Wednesday, hitting the country's main economic drivers -- mining and manufacturing -- in a protest against rising food and electricity prices and tapping a national sentiment that the government has failed to offer relief amid a growing global crisis
http://online.wsj.com/article/SB121803889729817275.html?mod=googlenews_wsj
Contact the Wall Street Journal: (212) 416-2000
- ***EU expects Europe's cereal harvest up this year***, *Associated Press/Forbes*, August 7, 2008
Cereal yields in the European Union are expected to rise 16 percent this year compared with 2007, officials said Thursday. Higher yields should help calm grain prices, which have surged over the past year because bad weather hit last year's crop amid worries that a boom in biofuels would eat up more cereals.
<http://www.forbes.com/feeds/ap/2008/08/07/ap5299584.html>

Relationship between food/fuel prices

- ***Relief for Consumers: Prices Falling***, by Ron Scherer, *Christian Science Monitor*, August 11, 2008
Prices are now lower on staples such as rice, wheat, corn, and soybeans. Also down are prices for metals such as aluminum, zinc, and copper. The commodity almost everyone follows – oil – is off nearly 20 percent as well, dropping Friday to its lowest level since May 1.
<http://www.csmonitor.com/2008/0811/p01s01-usec.html>
Contact the Christian Science Monitor: 617.450.7929

Agriculture Development practices (corporate, IGO, NGO, gov't) with focus on South East Asia/Sub-Saharan Africa

- ***Former UN chief expresses concern over global food, fuel crisis in Ghana***, *Tehran Times*, August 11, 2008
Former UN Secretary-General Kofi Annan has expressed concern about the current global food crisis and the rising costs of fertilizer and fuel in Ghana, reported the Ghana News Agency on Saturday. He stressed the need to provide financial support and innovative insurance measures for African farmers, most of whom were women.
http://www.tehrantimes.com/index_View.asp?code=175158
- ***FAO ups world 2008 paddy rice output to 668m tons***, *Reuters India*, August 9, 2008

The United Nations' Food and Agriculture Organisation (FAO) has raised its forecast of 2008 world paddy rice production by more than 1 million tonnes to 668 million tonnes after improved harvests in India and some other major producers.

<http://in.reuters.com/article/businessNews/idINIndia-34917420080809>

Contact Reuters: +44 20 7542 9484

- ***On the Front Lines of the Global Food Crisis***, by Mira Kamdar, *Slate*, August 5, 2008
Farmers in turbans of every hue, many coordinated with the color of their immaculate shirts, milled around helping themselves to tea and breakfast. They had come from all over the state to learn about natural farming. These were educated men who'd clearly prospered from Punjab's Green Revolution.
<http://www.slate.com/id/2196642/>
The author is a senior fellow at the World Policy Institute and fellow at the Asia Society, contact at mirak@asiasociety.org
- ***AFBF Criticizes Bush Administration's Handling of New Farm Bill Implementation***, by Jerry Hagstrom, *DTN*, August 8, 2008
The Bush administration is prohibiting small farmers from combining their farm acreages so that they have the total of 11 acres required to qualify for farm subsidies under the new farm bill even though Congress specifically included such aggregations in the bill, according to the American Farm Bureau Federation and congressional farm leaders.
<http://www.dtnprogressivefarmer.com/dtnag/common/link.do?symbolicName=/free/news/templ1&vendorReference=0f4971e5-73db-4414-a3b8-39bac7e6ddf6>
Contact DTN: 800-328-2278
- ***Conundrum of subsidies***, by Alan Beattie, *Financial Times*, August 5, 2008
With the energy and food crises inflating the cost of subsidies across the developing world, governments are being forced down a route the World Bank and development economists have urged for years: cushioning poor families by targeted cash payments delinked from the cost of hydrocarbons and carbohydrate.
<http://www.ft.com/cms/s/0/73411b2e-6301-11dd-9fd0-0000779fd2ac.html>
Contact the Financial Times: +44 (0) 20 7873 3000

Small scale farms and agriculture productivity

- ***Small scale dairy farming encouraged***, *The Fiji Times*, August 12, 2008
The agriculture ministry is hoping for more small scale farmers to contribute towards the total milk production for the sector.
<http://www.fijitimes.com/story.aspx?id=97638>
- ***Crop farmers schooled on new technologies***, *Ghana Broadcasting Corporation*, August 9, 2008
A field day has been organized for some small holder crop farmers at a maize demonstration farm at Ejura in the Ashanti region. The event was to introduce the beneficiary farmers to improved farming technologies and agro-inputs to enable them to modernize their farming practices.
<http://gbcghana.com/news/21821detail.html>
- ***Move to empower farms in Shinyanga***, by Christopher Magola, *IPP Media*, August 8, 2008

A British charity organisation, Oxfam has decided to empower farmers as part of strategies to end extreme poverty in the region. To achieve the objective on 28 March 2008 Oxfam GB (Great Britain) unveiled their most ambitious plan of action yet in Shinyanga, geared to bring lasting, tangible change to millions of the poorest and most vulnerable communities.

<http://www.ippmedia.com/ipp/observer/2008/08/10/120276.html>

- ***Bolivian farmers to replant after floods***, by Annette Arceneaux, *ReliefWeb*, August 7, 2008
In Bolivia's Cochabamba region, small-scale farming has long provided farmers with a means to survive.
<http://www.reliefweb.int/rw/rwb.nsf/db900SID/ONIN-7HALVV?OpenDocument>
- ***VP Stressed Farmers need in the Sub-Region***, *Liberia Broadcasting Network*, August 5, 2008
Vice President, Joseph Boakai has stressed the need for the establishment of a manufacturing plant for fertilizers and chemicals in the sub-region to increase farmers' productively. He said, such agricultural entities would control post harvest and yield losses for farmers, especially those in Liberia.
http://liberiabroadcastingsystem.com/news/article_2008_08_5_4236.html

Biofuels

- ***Stop the Rush to Corn Biofuel***, *Christian Science Monitor*, August 12, 2008
Despite a recent dip in gas prices, energy still tops the issues in the US campaign. The Bush administration stirred the debate last week by refusing a request to reduce a mandate for more corn ethanol in gasoline. Even John McCain opposes this false notion that converting a vital food into fuel helps energy security.
<http://www.csmonitor.com/2008/0812/p08s01-comv.html>
Contact the Christian Science Monitor: 617.450.7929
- ***Texas is Fed Up with Corn Ethanol***, by Rick Perry, *Wall Street Journal*, August 12, 2008
At what price will corn be so expensive that the federal government will decide that it is time to stop driving up the price of food?
http://online.wsj.com/article/SB121850115460131741.html?mod=todays_us_opinion
Contact the Wall Street Journal: (212) 416-2000
- ***EPA Declines to Reduce Ethanol Requirements***, by Sobhan Hughes, *Wall Street Journal*, August 8, 2008
The Bush administration denied a request to reduce the amount of ethanol that must be blended into the U.S. gasoline supply, dealing a setback to food producers, livestock ranchers and others who say the mandate is contributing to high food prices.
http://online.wsj.com/article/SB121812843826021093.html?mod=todays_us_page_one
Contact the Wall Street Journal: (212) 416-2000

Food Aid

- ***Turmoil in Central Asia***, by Martha Olcott and Johannes Linn, *Wall Street Journal*, August 12, 2008

The region needs food aid and focused technical assistance to create enhanced food security and encourage the use of renewable energy resources.

http://online.wsj.com/article/SB121848477867430767.html?mod=googlenews_wsj

Contact the Wall Street Journal: (212) 416-2000

- **Africa: Catholic Charity Launches Global Food Crisis Response**, *All Africa.com*, August 8, 2008
Catholic Relief Services (CRS), the charity and development arm of the American Catholic Church, has set aside an initial 1 million dollars to help hungry people in a half dozen countries as the global food crisis worsens.
<http://allafrica.com/stories/200808080924.html>

Market Access

- **Hawkins: back to the future of trade?**, by William Hawkins, *Washington Times*, August 8, 2008
Food security has been recognized throughout the Doha proceedings as a legitimate area for protection and support, a concern heightened by the world food crisis. The resolve of China and India (with the tacit support of most of the rest of the world) to control both agricultural and non-agricultural markets brought the Geneva talks to an end.
<http://washingtontimes.com/news/2008/aug/08/back-to-the-future-on-trade/>
- **CAP reforms have transformed the EU's role in the WTO**, by Mariann Fischer Boel, *European Commissioner's Blog*, August 8, 2008
This transformation of the EU's role in World Trade Organisation (WTO) negotiations is due in large measure to reforms of the Common Agricultural Policy (CAP). In the EU, helping farmers used to mean primarily supporting farm prices. To keep prices high, we spent large sums of public money on buying up unwanted produce, and on subsidising exports.
<http://blogs.ec.europa.eu/fischer-boel/cap-reforms-have-transformed-the-eus-role-in-the-wto/>

Food Crisis and Poverty

- **Horn of Africa at tipping point, warns ActionAid**, *Reuters AlertNet*, August 12, 2008
In Ethiopia, the government estimates that 4.6 million people need emergency food aid. Less documented is the disastrous food crisis in Kenya, with 1.2 million people already affected and numbers rising daily.
<http://www.alertnet.org/thenews/fromthefield/216723/121853330973.htm>
Contact Reuters: +44 20 7542 9484
- **Senegal: Food security threatens 2.1 million**, *IRIN/Reuters*, August 8, 2008
Up to 2.1 million Senegalese are facing food insecurity linked to high food prices and a poor 2007 harvest, according to an inter-ministerial government assessment. Over one million face "severe" food insecurity, according to the report's definitions, and the situation could deteriorate. Senegal has a total population of 11 million.
<http://www.alertnet.org/thenews/newsdesk/IRIN/3cc6aea983417b23b4caca63400a0591.htm>
Contact IRIN: +1 917 367 2422

Developments in Agriculture, Science, and Technology

- **Plant mutation an answer to global food crisis: UN expert**, *The Hindu*, August 13, 2008

Plant mutation, a scientific technique that considerably improves crop productivity, could provide an answer to the current global food and energy crisis, a UN expert said.

<http://www.hindu.com/thehindu/holnus/015200808131401.htm>

- ***Food Fight***, by Paul Roberts, *Slate*, August 8, 2008
Could this be the turning point for genetically modified food? As food prices have soared around the world, agro-industry companies like Monsanto and Syngenta, along with their allies in Washington, have been carefully positioning GM technology as our last, best hope against a global food catastrophe.
<http://www.slate.com/id/2196772/>