

Document:	<u>REPL.VIII/3/R.4</u>
Agenda:	<u>6</u>
Date:	<u>8 July 2008</u>
Distribution:	<u>Public</u>
Original:	<u>English</u>

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IFAD's response to the food price increases

Consultation on the Eighth Replenishment of IFAD's
Resources — Third Session
Rome, 8-9 July 2008

For: Review

Note to Consultation members

This document is submitted for review by the Consultation on the Eighth Replenishment of IFAD Resources.

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I. Introduction

1. At a high-level meeting of the Economic and Social Council in April 2008, United Nations Secretary-General Ban Ki-moon warned that "the rapidly escalating crisis of food availability around the world [had] reached emergency proportions", and required the international community's "urgent and concerted action". This call for coordination was echoed by IFAD President Lennart Båge, who stated: "Responding effectively to the impact of higher food prices must be a top priority for the global community, particularly when the impact is combined with the projected effects of climate change."
2. This paper specifically addresses IFAD's own efforts as part of global efforts to respond to rising food prices. It first summarizes the scope of the problem and the factors underlying high food prices. It then provides a contextual analysis, discussing food markets in relation to IFAD's target group, rural poor people; the impact of the current food crisis on this group in general, and on women in particular; and the policy options and government measures needed to face this crisis. The final section places IFAD's response to the crisis in the context of a system-wide approach. An annex summarizes the actions the Fund has taken or plans to take in the short term to help mitigate this crisis.

II. Background and underlying factors

A. Scope of the problem

3. In April 2008, the world recorded the highest prices of major commodities in 10 years. Prices of basic food commodities have increased sharply over the last two years on the international market. The price of wheat has doubled in less than a year, and other staples such as maize and rice have shown similar increases. The hike in world commodity prices cuts across all major food and feed commodities and is of global concern. These trends have been well documented by the Food and Agriculture Organization of the United Nations (FAO), the World Bank and other organizations. The International Food Policy Research Institute estimates that by early 2008 prices on the international market had more than doubled compared with 2000 levels, and it predicts that this upward trend will continue. The scope of the problem and the underlying factors are different for different crops, different regions and different countries.
4. Soaring food prices have now shown signs of easing. The FAO food price index dropped from 217 points in March to 216.7 points in April 2008. Wheat prices have already fallen 40 per cent since peaking in February 2008. However, agriculture experts warn that because of a combination of factors (discussed below) – particularly extreme weather conditions and the growing demand for crops for the biofuel industry – this downward trend may be stalled. Moreover, even if wholesale food inflation stabilizes after the effects of short-term shocks have been dissipated and markets have readjusted, prices are still expected to remain high since companies will pass on previous increases to consumers.
5. Furthermore, compared with the food crisis of the 1970s or the corn crisis of 1996 when prices returned to their previous levels rather quickly, the current crisis is expected to be longer-lived. The Organisation for Economic Co-operation and Development and FAO predict that, although food prices in the coming few years will be lower than their current records, they are still likely to be considerably higher in nominal terms than in the past.
6. Hundreds of millions of poor people face hunger and malnutrition because of rising food prices. The capacity of some of the world's 450 million smallholder farmers to respond by growing more food is at risk because of spiralling energy and fertilizer

prices. Some poor farmers will not reap the benefits of higher food prices because they cannot afford the higher cost of fertilizer or seeds to plant next season's crops. Poor farmers are central to any solution to today's global food crisis and the long-term problems of hunger and poverty.

B. Factors underlying high food prices

7. The current crisis is the product of many interconnected factors – ranging from short- to long-term, cyclical to structural, supply-side to demand-side causes. While there is general agreement on the main contributing factors, there is less agreement on their relative importance. Cyclical factors are short-term phenomena that will ease over the year, while structural factors will have medium- to long-term effects, and may cause food prices to remain high for some time in the future. This paper underlines only a few of the factors that have caused prices to rise.

A long-term decline in investment in agriculture

8. An important factor accounting for the slowdown in yield growth and the poor agriculture sector performance is reduced public investment in agriculture (table 1). Agriculture received 18 per cent of total official development assistance (ODA) in 1979, but only 3.5 per cent in 2004. Total aid for African agriculture, for example, fell from US\$1.9 billion in 1981 to US\$1 billion in 2001, according to World Bank data. In 2007, total ODA to agriculture was less than 3 per cent – this despite the fact that agriculture is recognized to be 2.5-3 times more effective in increasing the income of the poor than non-agriculture investment.¹

Agriculture spending to total spending by developing country governments

Year	Africa	Asia	Latin America
1980	6.4%	15%	8%
2002	4.5%	5.6%	2.5%

Source: World Bank, *World Development Report 2007*

A structural change in demand coupled with population increases

9. With rapid economic growth in some countries, especially in Asia, demand for cereals has increased substantially for both consumption and livestock production. Moreover, there has been a structure change in demand, with a shift towards more meat-based diets in fast-growing economies. This, combined with the growth in populations and incomes, has pushed the demand for cereals upwards. In many densely populated areas, highly productive land, especially rice land, has been lost to housing and industrial development, or to production of cash crops such as biofuel crops. It is projected that, in 2015, Asia will need to produce 38 million more tons of rice than it produced in 2005 to satisfy the demand for rice, which is increasing on average by about 5 million tons per year.

A rapid increase in crude oil prices and expanded demand for biofuels

10. A rapid increase in crude oil prices has led to rising demand for biofuels and a shift in large-scale production from food crops to biofuel crops. In addition to contributing to general inflationary pressures, escalating oil prices have led to significant increases both in transportation costs, which affect the availability of world food supply, and in the world price of fertilizers, which are essential to large-scale agricultural production.
11. Rising oil prices and concerns about climate change have spurred investments in biofuels, creating increased pressure on the international trade of grains and livestock feed and on agricultural land in some countries. Although the magnitude of the direct impact of the rising market for biofuels has not yet been documented, it is

¹ World Bank. 2007. *World Development Report*. Washington, D.C.

expected that food production will be seriously affected should the trend continue. This is already the case for the maize market.

Extreme weather conditions and other adverse effects of climate change

12. Poor harvests in key cereal production areas, mainly the result of extreme weather conditions in 2005 and 2006, have led to a significant reduction in food supply, with respectively a 4 and a 7 per cent decrease in outputs. This was partially softened in 2007 by the supply response to price increases. Natural disasters – such as widespread drought in China and India in 2002, typhoons in the Philippines in 2006, back-to-back droughts in Australia in 2006, major flooding in Bangladesh in 2007 and the more recent cyclone in Burma – together with less severe manifestations of climate change that nonetheless put pressure on water and land – have all contributed to the shortfall in production and consequent increases in food prices.

A historical decline in global food stocks

13. World food grain stocks are at their lowest since 1976. This has also been attributed to a structural reduction in stock levels that started in the mid-1990s following changes in the policy environment brought about by the Uruguay Round agreements. It is estimated that stocks of rice, wheat and corn declined by over 40 per cent between 2002 and 2007.² Furthermore, the world is consuming more food than it is producing, thereby creating an imbalance between supply and demand, which is evidenced by the dwindling stockpiles of major cereals. Declining stocks may have triggered the initial round of speculative demand in recent years along with the instability of the global financial markets.

Other factors

14. Many other factors in addition to those mentioned above have contributed to the current crisis. Two worth highlighting are (i) the depreciation of the United States dollar against other major currencies and (ii) inadequate trade policies that have introduced distortions into the international market. Nevertheless, the underlying factor remains the decline in productivity growth in agriculture.

III. Contextual analysis

A. Relevance to IFAD's mission

15. IFAD was created to finance agricultural development projects primarily for food production in developing countries. Its objective is to mobilize additional resources to be made available on concessional terms for agriculture development in developing Member States.³

Target group and food markets

16. In the majority of countries, IFAD's target groups – poor rural people – are, at different times of the year, both sellers and buyers of food. Thus, the livelihoods of all of these people are acutely determined by both farm-gate prices to producers and the prices at which they are obliged to buy food as consumers. The impact of high food prices is felt differently depending on whether the concerned populations are net buyers or net sellers.
17. A thorough analysis would introduce a differentiation at both regional and country levels so as to capture the extent to which these populations respond to market signals. A survey conducted by IFAD in early 2008 in countries in which it operates found that in all regions, and in most countries, prices paid to food producers had increased over the past year. The extent to which they had increased varied considerably by country and by crop. Food prices to the consumer reflected the different levels of price increases to producers, and, again, varied considerably. In most countries, consumer prices had risen more than producer prices.

² Food and Agriculture Organization of the United Nations. April 2008. *Crop Prospects and Food Situation*. Rome.

³ Article 2 of the Agreement Establishing IFAD, adopted by the United Nations Conference on the Establishment of an International Fund for Agricultural Development on 13 June 1976 and entered into force on 30 November 1977.

Impact on poor rural populations

18. Domestic prices have risen less than international prices because of the compounded effect of the weakened United States dollar and the stabilization policies implemented by the national governments of the major producing countries. The current analysis from both media and international organizations focuses more on the situation in the urban areas neglecting the impact on the rural areas.
19. In some countries, and particularly in remote areas, there has been no or little transmission of price increases to producers at farm gate. In contrast, cost increases in transport and farms inputs – particularly fertilizers – have been transmitted rapidly and have impacted negatively on the income prospects of rural people, and in particular smallholder farmers. For a supply response from smallholder farmers to occur, higher international food prices must be allowed to move to farm gate. Moreover, in some countries, it is likely that increased competition for land, forest and mineral assets among smallholder farmers, urban elites and transnational corporations has had a negative impact on ownership and natural resources management.
20. As mentioned earlier, a differentiated approach, by region and country, would provide a clearer picture of the extent to which poor rural people engage directly or indirectly in national and regional markets. The IFAD survey has shown that those who are buyers of staple food products have to pay more for their food needs, while those who are sellers have, in some cases, found that the terms of trade have moved against them and that selling produce to meet cash needs has become a less attractive prospect. Food buyers are clearly suffering the most. In some countries, especially in Africa, households are reducing their daily food intakes and/or switching from cereal-based to tuber-based diets. The impact is already being seen in the form of increased levels of malnutrition and undernutrition in countries such as Mali.
21. According to the Overseas Development Institute,⁴ the prospects for poor people are dire in the short term and remain bleak even in the medium term. In the short term, incomes are expected to fall by more than an estimated 25 per cent and food consumption by almost 20 per cent. In the medium term, although declines in income and food consumption are projected at lower rates – respectively 11 and 8 per cent – these rates remain alarming.
22. If this situation is to improve during the coming year, efforts must be made to provide farmers with the inputs needed to increase production. Moreover, government policies need to be modified to allow farmers to benefit from higher world food prices.

Gender considerations

23. Women have a key role in agriculture-based economies. In some countries of sub-Saharan Africa, women contribute about 80 per cent of the total food production, compared with 65 per cent in Asia and 45 per cent in Latin America.⁵ In rural communities in particular, women play a central role in ensuring household food security. Studies have found that women's income and improved household food security are strictly related: when women have access to income, they tend to spend a higher percentage of it on food for the household than men do.⁶
24. Experiences during acute or chronic humanitarian crises and poverty situations show that women and children, and girls in particular, are more exposed than men and boys are to food insecurity. Higher food prices can produce similar vulnerabilities. Gender disparities that discriminate against women and restrict their economic contribution can impose high social and economic costs on individuals and societies, and impede their advancement. Such disparities also have a negative impact on the

⁴ Overseas Development Institute. April 2008. *Rising Food Prices: A global crisis*. London.

⁵ World Bank 2001. *Gender in Monitoring and Evaluation in Rural Development. A Toolkit*. Washington, D.C.

⁶ International Food Policy Research Institute. 1995. *Women: The Key to Food Security*. Available at www.ifpri.org/pubs/fps/fps21.htm

effectiveness of assistance interventions. Given the role of women and the constraints to their empowerment, high food prices may contribute to their impoverishment. Where women have access to land and farm inputs, however, they will be able to protect their consumption by producing more.

Policy options and government measures

25. The degree to which Governments have sought to address the issue of food prices varies considerably. Measures have included: reducing or eliminating taxes and duties on imports of food grains (e.g. in Africa: Cameroon, Mali, Senegal, the United Republic of Tanzania; in Latin America: Colombia, Peru); restricting exports (Azerbaijan, Bolivia, Egypt, Ghana); imposing and enforcing price controls (the Philippines) and consumer subsidies (Mauritania, Nicaragua, Togo); increasing supply using stocks (Chad); and setting up or expanding a range of social programmes (Pakistan, Panama). Some trade measures have contributed to global market instability; they have also reduced price transmission to producers, thereby lowering their incentives to increase production.
26. A number of Governments – principally those with an interventionist market approach – have put in place more medium- and long-term measures aimed at promoting domestic production and market supply. These have included promoting credit (China, Yemen); offering subsidies for production, including higher purchase prices (again China, Yemen, plus Jordan, Pakistan, the Philippines).

IV. IFAD's response to the food price increases

A system-wide and coordinated effort

27. IFAD recognizes that the current situation of rising food and commodity prices has serious and profound implications for the poor rural people who constitute its target group. Investing in smallholder agriculture is necessary in order to contribute to solving the global problem of hunger. However, IFAD also recognizes that the issue is of a much broader scope, requiring a range of global, regional and country policies and investments.

Food security crisis in Haiti

Food insecurity and hunger are chronic issues in Haiti, the poorest country of the Western Hemisphere. Since the particularly adverse effects of the 2007 hurricane season's heavy rains on agricultural production and the phenomenal rise in international food prices, the situation in this Caribbean country – which imports 60 per cent of the food, and up to 80 per cent of the rice, it consumes – quickly became unsustainable in early 2008. The result was deadly riots, attacks on the United Nations stabilization force and, on 13 April 2008, a vote of no-confidence by the Senate and the ousting of the Prime Minister.

A plan to counter food insecurity during the period from April to September 2008 has been drafted by a national working group (www.cnsahaiti.org) with the support of the international community. It outlines three priority actions to be developed in response to the crisis: (i) high labour intensive works; (ii) revival of agricultural production; and (iii) delivery of food aid. The second axis outlines actions such as the distribution of agricultural input, subsidized fertilizer and seed, the rehabilitation of irrigation systems and support to producers in the production and marketing of produce. All of these are included in ongoing IFAD operations, and will be financed from them.

The plan assigns responsibility to FAO and the World Food Programme for coordination and mobilization of the international community in support to its implementation. It calls on FAO to assist the Ministry of Agriculture, Natural Resources and Rural Development in the distribution of improved seeds for corn and beans in areas most affected by 2007 rains and drought.

IFAD completed discussions in connection with its country strategic opportunities programme (COSOP) in Haiti in early 2008. Given the extent of the crisis, it may be necessary to realign the COSOP with the most pressing country needs and to reassess its schedule (Executive Board presentation planned for September 2008).

IFAD is considering the reallocation of US\$10 million to US\$15 million from existing loans to Haiti for seed, fertilizer and related activities to boost agricultural production in response to the ongoing crisis. IFAD projects will create a bridge to the medium and longer term and a more sustainable agricultural development plan in the country.

28. At the global level, a fully coordinated response is required from the international community to: (i) meet emergency food needs; (ii) enable poor and vulnerable smallholder farmers to boost their production; (iii) provide safety nets for the most vulnerable segments of the population; (iv) promote sustainable livelihood options for vulnerable women, men and young people; (v) provide economic support for poor net-food-importing countries; and (vi) make progress in the Doha trade round.
29. The United Nations system is uniquely positioned to catalyze and help coordinate such a global effort. It can also assist developing countries in dealing with the impact of soaring prices on food security, helping them to seize the opportunity offered by higher demand to expand agriculture, fight rural poverty and promote sustainable development.
30. Work has already begun. In April 2008, the United Nations Secretary-General launched the High-Level Task Force (HLTF) on the Global Food Security Crisis, which is developing a Comprehensive Framework for Action to ensure that the international effort to address the crisis is well planned and well coordinated.
31. IFAD's response to the current food crisis is to assist its target group in building resilience to food price increases by providing support for short- and medium- to long-term actions. This response is guided by the IFAD Strategic Framework 2007-2010 with the overarching goal of empowering poor rural people to achieve higher incomes and improved food security.
32. Given today's soaring food prices, IFAD's priority is to support the supply response of the smallholder farmer. This work is carried out within the context of a global response, and IFAD is fully engaged with its partners in providing support to overcome the current crisis. IFAD is part of the HLTF, to which it has seconded a staff member until its finalization. The Fund is working with other partners, donors and agencies for agriculture development in developing countries. It is also engaged in discussions with governments and donors to provide a long-term structural solution to a structural problem.
33. Partnerships and country ownership are essential to addressing the current crisis successfully. Within its Strategic Framework, IFAD's objectives are clearly highlighted to ensure that poor rural people have better access to, and the skills and organization they need to take advantage of:
- (i) Natural resources, especially secure access to land and water, and improved natural resources management and conservation practices;
 - (ii) Improved agricultural technologies and effective production services;
 - (iii) A broad range of financial services;
 - (iv) Transparent and competitive markets for agricultural inputs and produce;
 - (v) Opportunities for rural off-farm employment and enterprise development; and
 - (vi) Local and national policy and programming processes.

A new food security programme in Benin

A new specific food security programme has been developed within an ongoing programme in Benin for a total of US\$3 million.

Following a request from the President of Benin, IFAD was able to reprogramme an existing loan designated for a rural development support programme to fast-forward assistance to smallholder farmers for mechanized ploughing where necessary, lowland reorganization, development and drilling of wells, training for maize and rice producers on best practices and the purchase of small machinery and equipment. The total cost of this operation is US\$0.7 million.

IFAD's comparative advantage

34. As stated in its Strategic Framework 2007-2010, IFAD's comparative advantage is rooted in its experience and its record. The broad areas where IFAD has its comparative advantage include:
- (i) Working with its partners – governments, civil society, NGOs, private-sector players and the international development community – to develop and implement sound and innovative projects and programmes that respond to the specific constraints and priorities identified by poor, vulnerable and marginalized rural people, and that enable them to increase their agricultural production, food security and incomes. Women are a particular focus of IFAD's efforts, as are the indigenous people in some regions;
 - (ii) Empowering poor rural women and men by building their skills, knowledge and confidence, and strengthening the capacity of their organizations both to bring tangible benefits to their members and to influence the policy processes that affect them; and
 - (iii) Capturing the lessons of experience from the projects it finances and using this knowledge as a basis for engagement in dialogue with its Member States and other international development partners. In doing so, it both promotes the replication and scaling up of the successful approaches it has piloted, and influences the agricultural and rural development policies and investments of those Member States and other partners.

Short-term assistance

35. IFAD recognizes the need for a concerted, comprehensive and coordinated effort by the international community, without which millions of poor people will face the prospect of slipping back into abject poverty.
36. The Fund operates in the majority of the 37 countries identified by FAO as the worst affected by today's high food prices. It is working with the Governments of these countries and other partners, including FAO, the World Food Programme (WFP) and the World Bank, to ensure an effective and efficient response to the global food crisis.
37. In the short term, IFAD announced in April 2008 its readiness to reallocate up to US\$200 million from existing loans and grants to provide an immediate boost to agricultural production in the developing world, in the face of high food prices and low food stocks.
38. These funds would enable poor farmers to access essential inputs such as seeds and fertilizer, allowing them not only to prepare for the coming cropping season but also to establish a basis for sustained increases in production in subsequent seasons. They are to be considered as distinct from emergency relief, food aid or social safety nets, but could accompany and complement the emergency measures provided by other partners.

Assistance to Yemen

Yemen imports almost 85 per cent of its food needs. Soaring food prices in the international market and the consequent rise in domestic food prices beyond the means of the poor (who constitute over half of the Yemeni population) are of serious concern. In response to a request from the Government of Yemen, IFAD is allocating US\$1.5 million to enable farming households to increase food production and productivity within the next cropping season. This is being achieved through an accelerated process in the identification of projects in its country strategic opportunities programme, including, for example, the distribution of improved seeds and fertilizer in small starter packages linked to the ongoing programme, and enhanced access to production credit through the capitalization of the country's stronger savings and credit associations.

39. By mid-May 2008, IFAD had assisted 14 countries in conducting preliminary assessments on the impact of rising food prices. It had also reprogrammed, or identified for reprogramming, a total of over US\$45 million. Joint assessment missions with FAO, WFP and the World Bank have been undertaken in Africa, Asia and Latin America. Furthermore, IFAD has identified some countries outside of the 37 countries listed by FAO as possible candidates for reprogramming.
40. IFAD is working to boost production in the current season in countries such as Benin, Cambodia, Côte d'Ivoire, the Dominican Republic, Ghana, Haiti, Honduras, Kenya, Mauritania, Mozambique, Nicaragua, the Philippines, Sierra Leone and Yemen. The annex to this document provides a summary of IFAD's actions.

Medium- to long-term investments

41. While IFAD recognizes the need for this short-term and immediate response, its strategic position and comparative advantage rest on providing a bridge between an emergency response and medium- to long-term solutions that build the resilience of poor populations to such crises. Its mandate is even more relevant today than ever before.
42. IFAD has a crucial role to play in the international response to invest in the 450 million smallholder family farms (2 billion poor people) allowing them to boost their productivity and production. The contribution of these smallholder farms is critical to our ability to feed this planet.
43. In the medium to long term, IFAD will continue to strengthen its development effectiveness and expand its investment in agriculture to provide adequate support for sustainable agricultural production in order to guarantee food security, nutrition and rural development and to eliminate the root causes of hunger. Its actions will be guided by its Strategic Framework. The new, reformed IFAD can and must scale up its operations quickly and effectively to help millions more poor and hungry rural people lift themselves out of poverty.
44. Solutions for the immediate response must not come at the expense of action for longer-term and sustainable food security. This can only be achieved through a step increase in investment in agriculture and rural development across all aspects of the production cycle and enhanced dialogue with those on the ground – the poor rural people themselves, their communities and their organizations.
45. Agricultural research is a cornerstone and driver of agricultural development. IFAD is a co-sponsor of the Consultative Group on International Agricultural Research (CGIAR) and one of its financial supporters. IFAD has contributed to the development and dissemination of improved and/or new technologies that have led or are leading to reshaped crop production in developing countries. IFAD is therefore strategically positioned to significantly contribute to long-term solutions for production and productivity growth in agriculture.
46. IFAD agrees with the United Nations Economic and Social Council (ECOSOC)⁷ that "the neglect of agriculture in developing countries in recent decades needs to be redressed and ODA to agriculture significantly increased in order to significantly increase the productivity and net incomes of small-scale farmers." This is clearly in line with IFAD's Strategic Framework and its medium- to long-term response to the current food crisis.

⁷ ECOSOC. 20 May 2008. Draft Issues Note for the Special Meeting of the Economic and Social Council on Global Food Crisis. New York.

Summary of IFAD's actions/plans related to rising food prices

(30 June 2008)

<i>No.</i>	<i>Country</i>	<i>IFAD's actions/plans</i>	<i>Partners</i>	<i>Total cost</i>
Asia and the Pacific				
01	Cambodia	Discussions are taking place with ministries of agriculture and finance to extend the completion and closing dates of ongoing projects so as to reactivate the agriculture component of a current loan in order to help the most vulnerable families respond to rising food prices.	Government of Cambodia	Yet to be costed
02	Philippines	Discussions with the Government are ongoing for a new initiative to support input supply and distribution. A fact-finding mission was conducted with partners. A rapid food production enhancement programme is being designed.	Government of the Philippines, Asian Development Bank, FAO and WFP	US\$16 million- US\$18 million
Latin America and the Caribbean				
03	Dominican Republic	A rural development and food security project is being designed with the Ministry of Agriculture with a focus on providing financial and technical assistance to enhance value chains of basic grains (beans, rice), coffee, cocoa and organic bananas.	Government of the Dominican Republic	Up to US\$20 million
04	Haiti	Immediate activities are being designed to boost agricultural production through increased availability of seed, fertilizer and related activities. An assessment mission has already been conducted.	Government of Haiti, FAO, WFP, and World Bank	US\$10 million- US\$15 million
05	Honduras	Additional resources are being provided to help small-scale producers increase the production of basic grains, including corn, rice, beans and sorghum.	Government of Honduras	US\$2.3 million
06	Nicaragua	Additional resources are being provided to help small-scale producers increase the production of basic grains, including corn, rice, beans and sorghum.	Government of Nicaragua	US\$1.2 million
Near East and North Africa				
07	Yemen	The Dhamar Participatory Rural Development Project is being accelerated to finance enhanced distribution of improved seeds and fertilizers in small starter packages and enhanced access to credit for the 2008/2009 season.	Government of Yemen	US\$1.5 million

<i>No.</i>	<i>Country</i>	<i>IFAD's actions/plans</i>	<i>Partners</i>	<i>Total cost</i>
Western and Central Africa				
08	Benin	A specific food security subprogramme has been integrated into the Rural Development Support Programme within the 2008 workplan and budget to stimulate production.	Government of Benin	Current component US\$0.7 million while total cost US\$3 million
09	Côte d'Ivoire	Assistance is being provided in the implementation of an emergency intervention plan for 2008-2009 to produce more rice by bolstering farmers' access to seeds, fertilizers and other inputs.	Government of Côte d'Ivoire with PNR (Projet National Riz), FAO	US\$3 million
10	Ghana	A fast-track pilot initiative is being prepared to improve the effectiveness of public-private partnerships (PPP) in maize production with possible rotation with soybean.	Government of Ghana, YARA (Norwegian fertilizer company), Wienco and Aquafarms (large maize processors)	A small grant to cofinance the PPP initiative for US\$0.2 million
11	Mauritania	The three ongoing projects support increased agricultural production by and for the poor rural people. A special reallocation has been made in support of the Government's Special Intervention Programme on Food Prices (April-September 2008) through the purchase and distribution of seeds, agricultural inputs and the establishment of cereal banks.	Government of Mauritania	US\$0.3 million
12	Sierra Leone	Rice production is being boosted through the National Rice Programme to increase farmers' access to seeds, fertilizer and other inputs so as to reduce vulnerability and improve household food security.	Government of Sierra Leone, FAO, WFP also in the context of FAO's Soaring Food Prices initiative	Yet to be costed
Eastern and Southern Africa				
13	Kenya	A joint agreement has been signed with the Alliance for a Green Revolution in Africa (AGRA) and Equity Bank establishing a credit window of US\$50 million for smallholder farmer credits, especially for input procurement to stimulate agricultural production. Also support is being provided to boosting input supply in several existing programmes.	Government of Kenya, AGRA, Equity Bank	Yet to be costed
14	Mozambique	Support is being provided to build the capacity of input supply businesses and follow up on a joint mission (FAO/World Bank/WFP and the United Nations Children's Fund – UNICEF) to identify short- and medium- term solutions to the food crisis.	Government of Mozambique, AGRA	Yet to be costed

