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FAC PRESS RELEASE

The Food Aid Committee held its 97th Session under the chairmanship of Dr Hedwig Wögerbauer of Austria. Members took note of the latest developments in the Doha negotiations on agriculture on the basis of an update provided by the WTO Secretariat. The Committee agreed that the renegotiation of the Food Aid Convention (FAC) would need to await the outcome of the WTO negotiations. As the FAC was due to expire on 30 June 2008, it was agreed in principle that the Convention should be further extended by one year from that date.

Against the background of recent developments in international grain and oilseed markets, with substantial increases in prices and ocean freight rates, donors took note of the current and prospective food situation in developing countries. Members shared information on recent food emergencies, particularly in Africa, also receiving a report from the World Food Programme (WFP) observer.

The observers from the Food and Agriculture Organisation (FAO) and WFP outlined the work being carried out on improving food aid needs assessments. The organisations had collaborated closely with a view to improving food emergency needs assessments and would soon publish new Crop and Food Security Assessment Guidelines. According to preliminary data from FAC donors, total food aid shipments in the year ended June 2007 had amounted to 7.4m. tons, down from 8.3m. in 2005/06. Estimates provided at the meeting suggested that shipments would likely decline to around 6m. tons in 2007/08, with the further sharp increases in prices of grain and other foods, and record transportation costs, straining donors' budgets. Nevertheless, food aid deliveries were expected to exceed the combined tonnage commitment under the Convention.

Members were greatly saddened by the unexpected death of Mr Fritz Brand (Switzerland) who had so ably chaired the Committee in 2000/01 and 2005/06 and had played such an active role in its work.

The Committee elected Mr Masato Takaoka (Japan) as Vice-Chairman for 2007/08.

International Grains Forum

The International Grains Forum, entitled "Securing food supplies in a tighter global market", attracted a large number of participants. Eminent speakers set out their views on the current world grain situation and longer-term prospects, against the background of current tight supplies and the rapid increase in demand, particularly for biofuels. The event was co-organised by the Ministry of Foreign Affairs, the Ministry of Agriculture, Forestry and Fisheries and the International Grains Council. Speakers included Dr Mark Keenum, US Under Secretary of Agriculture, Xu Xiaoqing, Deputy Director, Department of Rural Economy, Development Research Center of the State Council of China, and Akio Shibata, Director, Marubeni Research Institute, Japan. In the afternoon, a panel discussed the topic "Asia: will supplies keep pace with demand?".

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