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The **Food Aid Committee** considered the *food situation in developing countries* and noted with concern the sharp rise in world grain and oilseed prices in recent months, linked to the expectation of a further decline in carry-over stocks in exporting countries. The steep rise in ocean freight rates was also contributing to a significant increase in the food import bills of developing countries. The Committee considered major *food emergencies* and responses in Africa and Asia, particularly in the Horn of Africa, Sudan (including Darfur), and southern Africa (especially Zimbabwe). Increased instability in eastern Chad had complicated operations to assist some 300,000 displaced Chadians and refugees from Darfur. WFP noted that it was responding to the food needs of 83 million beneficiaries in 2006.

Members of the Committee agreed to reconsider at its June 2007 meeting the issue of the renegotiation of the Food Aid Convention. Meanwhile, the Committee agreed in principle that the Convention, due to expire on 30 June 2007, should be extended for at least one year, subject to confirmation at the Committee's next session.

Following the discussion at the Committee's January Session on the collective effort of members in support of strengthened assessments of emergency needs, the Committee considered progress being made towards the Convention's objective to improve food security and the ability of the international community to respond to emergencies, as well as the FAC's other emergency-related provisions.

The Committee reviewed donor operations in the year ending June 2006, noting that provisional data showed that some 8.5m. tons* had been shipped, well in excess of minimum obligations although somewhat less than the previous year's 8.9m. In addition to purchasing the commodities, all donors paid for transport and other costs, on average accounting for around 40% of the total cost of supplying food aid, estimated at around \$2.5 billion dollars in 2005/06. Based on initial forecasts of needs and operations by members, food aid shipments in the current year (to June 2007) were likely to approach the 2005/06 total, but higher commodity and freight costs would strain available budgets.

The Committee appointed Dr Hedwig Wögerbauer, (Director, Federal Ministry of Agriculture, Forestry, Environment and Water Management, Austria) as the Committee's Vice-Chairman for 2006/07.

* wheat equivalent

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