<u>Global food import bill rising despite</u> <u>robust output in 2017 - UN</u>

9 November 2017 — The cost of importing food is rising in 2017, driven by increased international demand for most food stuffs, as well as higher freight charges, the United Nations agriculture agency said Thursday.

While food commodity prices have been generally stable, the cost of importing food is forecast to <u>rise six per cent</u> in 2017 to \$1.413 trillion, making it the second highest bill on record, according to the latest <u>Food Outlook</u> published by the UN Food and Agriculture Organization (<u>FAO</u>), expressing concern about the economic and social impact of this trend on poor countries.

The food import bills are set to increase by double-digit rates for least-developed countries (LDCs) and low-income food-deficit countries.

In the livestock and dairy sectors, the meat import bill is set to reach a record \$176 billion this year, up 22 per cent from 2016, and the FAO Butter Price Index has risen 41 per cent so far in 2017.

The prices of a popular high-quality variety of wheat, 'US Hard Red Spring,' with enough protein content to make noodles and pasta, was 40 per cent higher in July 2017 than a year ago.

Aromatic rice varieties have risen eight times faster than the FAO All Rice Index, which is up four per cent on the year.

However, the higher import costs come at a time when inventories are robust, harvest forecasts are strong and food commodity markets remain well supplied.

Export of tropical fruits is promising for poverty relief and rural development as almost all production takes place in developing countries.

Export volumes of mango, pineapple, avocado and papayas are on course to achieve a total combined value of \$10 billion this year, according to the Food Outlook.

Currently 95 per cent of output is consumed locally, but rising incomes and changing consumer preferences will likely boost export volumes, especially if freer trade and better market access stimulates further technological gains in distribution.

In sub-Saharan Africa, production of cassava – one of the fastest-expanding staple crops at the global level and the third most important source of calories in the tropics, after rice and maize – may reach a record high this year of 156 million metric tonnes.