

## **Food insecurity on the rise in Myanmar**

Bangkok, 23 May 2008 – **The already severe food security situation in cyclone-hit Myanmar is further worsening due to food shortages and high food prices, FAO said today.**

Out of 2.4 million affected people, hundreds of thousands in the remote areas of the Ayeyarwaddy Delta still do not have sufficient food to eat.

With regular access to food disrupted after cyclone Nargis hit the delta, sharply rising food prices in the other parts of the country are posing a risk to national food security.

However, based upon initial observations carried out by FAO staff, there still seems to be plenty of food available in markets outside the delta.

“The damage caused by cyclone Nargis has deteriorated food security in Myanmar. Attention is now focused on the livelihood of the 2.4 million people living in the delta where humanitarian needs – including agricultural rehabilitation – remain top priority”, said He Changchui, FAO’s chief in the Asia-Pacific region.

### **Soaring food prices**

In Yangon and surrounding south western townships, a 50 kg bag of rice – half broken rice, not of the best quality – which cost 10 000 Kyats (Ks) before the cyclone, is now selling at Ks 20 000.

The price of cooking oil has tripled since the cyclone struck the country; and a liter bottle of drinking water is now selling for Ks 400, up 60 percent compared to one month earlier.

One egg now costs Ks 150. Before the storm, the price was Ks 100.

Poor people in Myanmar spend on average 60 to 70 percent of their household budget on food, and they can not afford to buy the same quantities of food at the present high prices.

### **Race against the clock**

“Urgent assistance is needed to help Myanmar’s devastated agricultural sector in the heavily-hit Ayeyarwady Delta recover”, He Changchui stressed.

Only a few weeks remain until the rice planting season begins. “There is a very narrow window of opportunity to provide seeds and other inputs to farmers so that next season’s rice harvest, which helps to feed millions of people, will not be lost,” he said.

Around 50 percent of cattle and buffalos in 10 surveyed townships perished during the storms. These livestock are essential to small rice farmers as draught animals for ploughing the paddy fields. Their manure is the only source of nitrogen fertilizers used by farmers.

FAO has already sourced rice seeds for procurement from inside Myanmar. Paddy fields intruded by sea water will need to be provided with salt-tolerant rice varieties, in addition to water pumps for flushing out the sea water. Land tillers are needed to repair embankments and prepare the paddy fields for planting.

“The large majority of the people in the delta are poor. They live from rice and fish – and also largely feed the rest of the country”, said Leon Gouws, the FAO representative a.i. in Myanmar.

### **Cost estimates and resource mobilization**

The government estimates the costs of rehabilitation at \$243 million for agriculture and \$25 million for livestock. Additional resources are needed for the fishery sector for which the losses are difficult to estimate at this stage.

As part of the UN Flash appeal, FAO has estimated initial needs for agriculture, livestock and fishery totaling \$10 million.

Actual requirements are much higher, and will be detailed and reflected in the revision of the UN Flash Appeal expected by early June.

FAO is funding part of the early damage and needs assessment from own resources (US\$638 000), and has received funding of \$500 000 from an Italian emergency contribution.

Another US\$16 million is under active consideration by donors, e.g. the European Commission, the UK Department for International Development, the UN Central Emergency Response Fund, Spain and Italy.

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