



**United Nations
World Food
Programme**

Latin America & the Caribbean

***FOOD & FINANCIAL CRISES IN LATIN
AMERICA AND THE CARIBBEAN***

***WEATHERING THE
STORM***

*First Regular Session of the Executive Board
9 to 11 February 2009*





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FOOD & FINANCIAL CRISES IN LATIN AMERICA AND THE CARIBBEAN WEATHERING THE STORM

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NATIONAL FOOD PRICES NOT FOLLOWING INTERNATIONAL PRICE DECREASES

WAGES DO NOT KEEP UP WITH INFLATION NEITHER COVER BASIC FOOD BASKET

GLOBAL RECESSION, UNEMPLOYMENT, AND REMITTANCES

SOUTHERN CONE DROUGHT POTENTIALLY TO AFFECT FOOD AVAILABILITY IN 2009

SOCIAL EXPENDITURES NEEDED TO AVOID CHRONIC UNDERNUTRITION

EMERGENCY HUBS **SAVING LIVES AND PROTECT LIVELIHOODS IN EMERGENCIES**

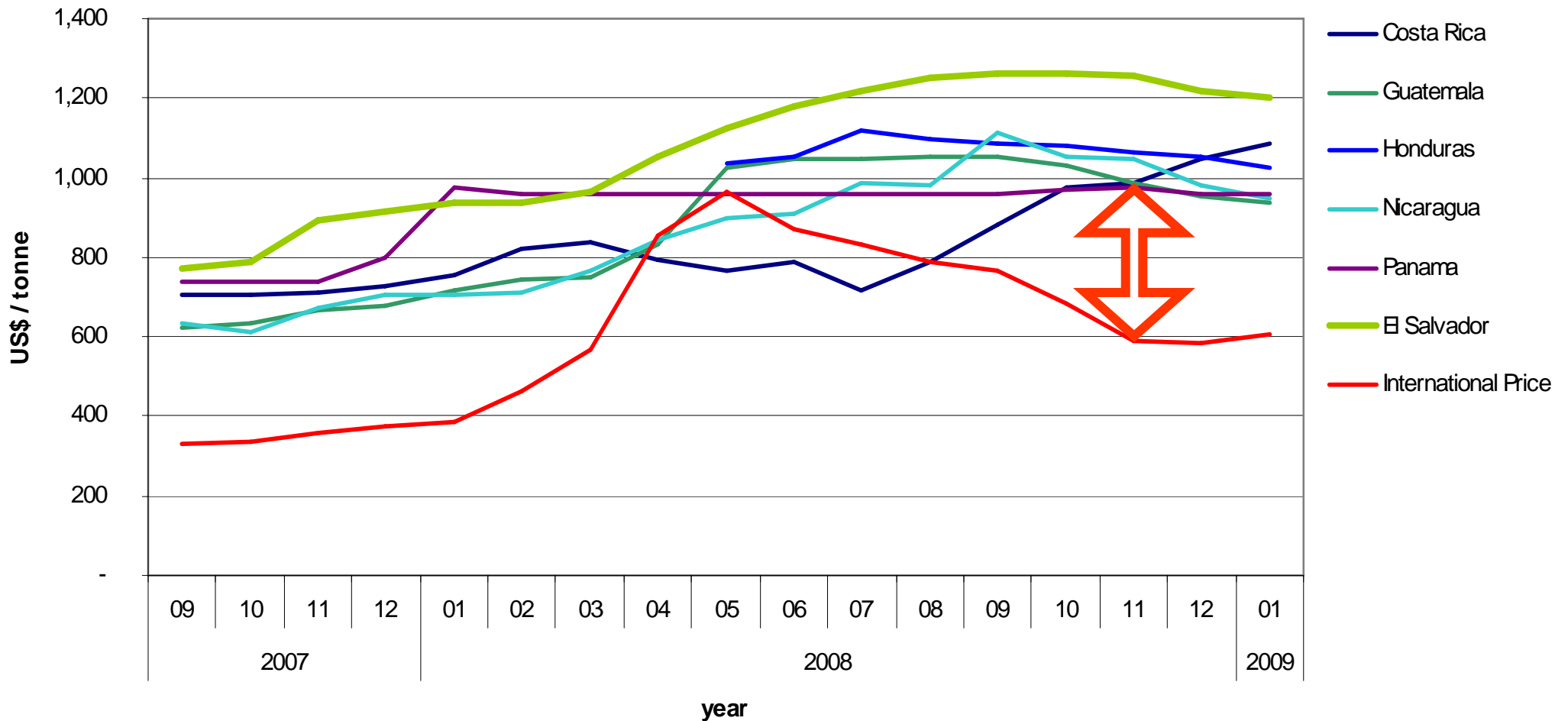
COOPERATION AGREEMENTS **STRENGTHENING COUNTRY CAPACITY AGAINST HUNGER**

WHAT WFP LAC NEEDS TO HELP TACKLE THE CRISES



NATIONAL FOOD PRICES DO NOT YET FOLLOW CURRENT INTERNATIONAL PRICE DECREASES

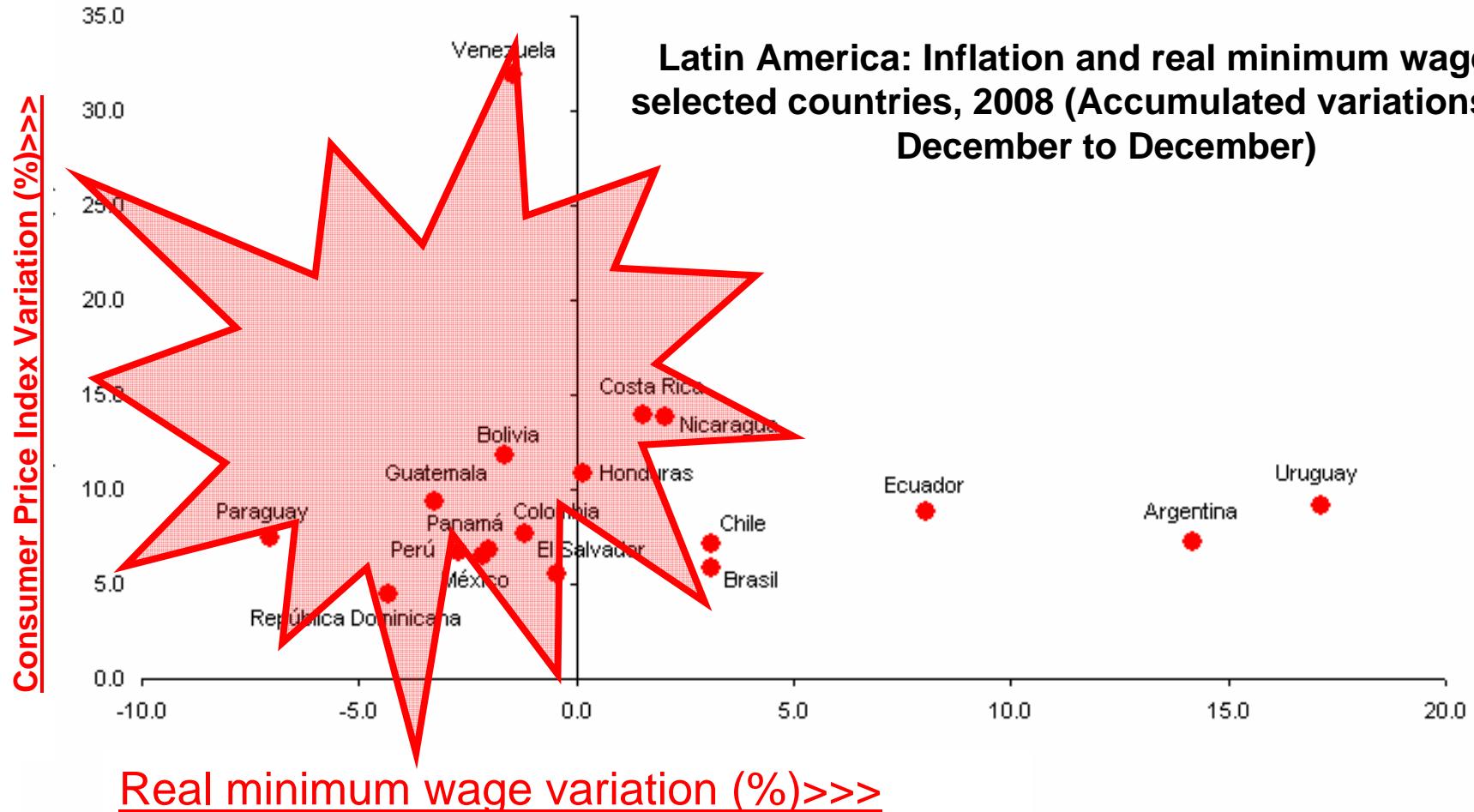
Central America (5 countries): Variation in the national wholesale prices of rice compared with the variation in the international price of rice, between September 2007 and January 2009





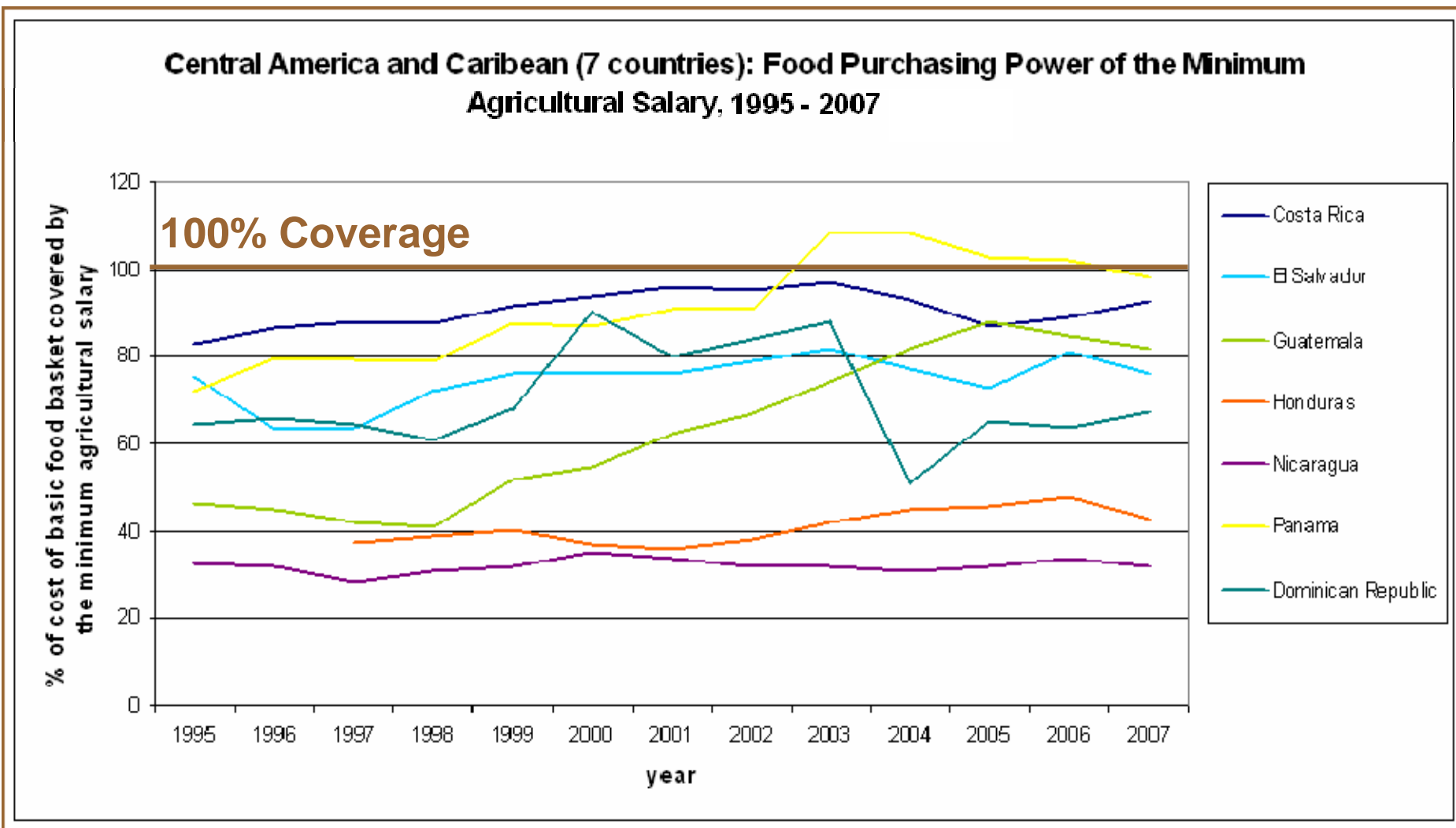
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MINIMUM WAGES HAVE NOT KEPT UP WITH INFLATION



Source: ILO 2008-2009

MINIMUM WAGES COVER ONLY PARTLY THE COSTS OF THE BASIC FOOD BASKET



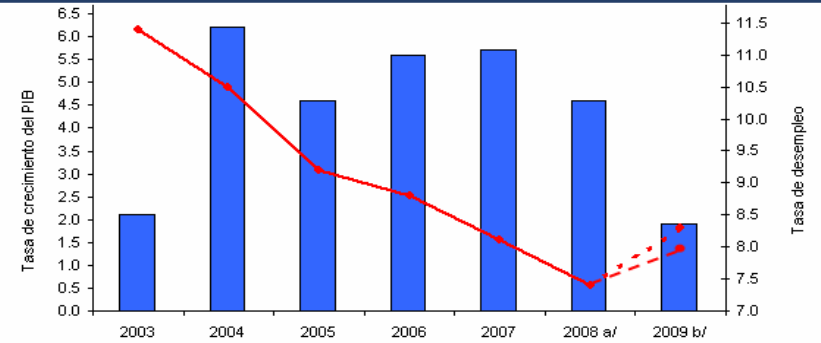
Source: INCAP 1995-2007



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(INTERNAL &) EXTERNAL UNEMPLOYMENT ON THE RISE TO AFFECT REMITTANCES

Latin America and the Caribbean: **GDP growth and unemployment rate**, observed data and estimations 2003-2009 (percentages)

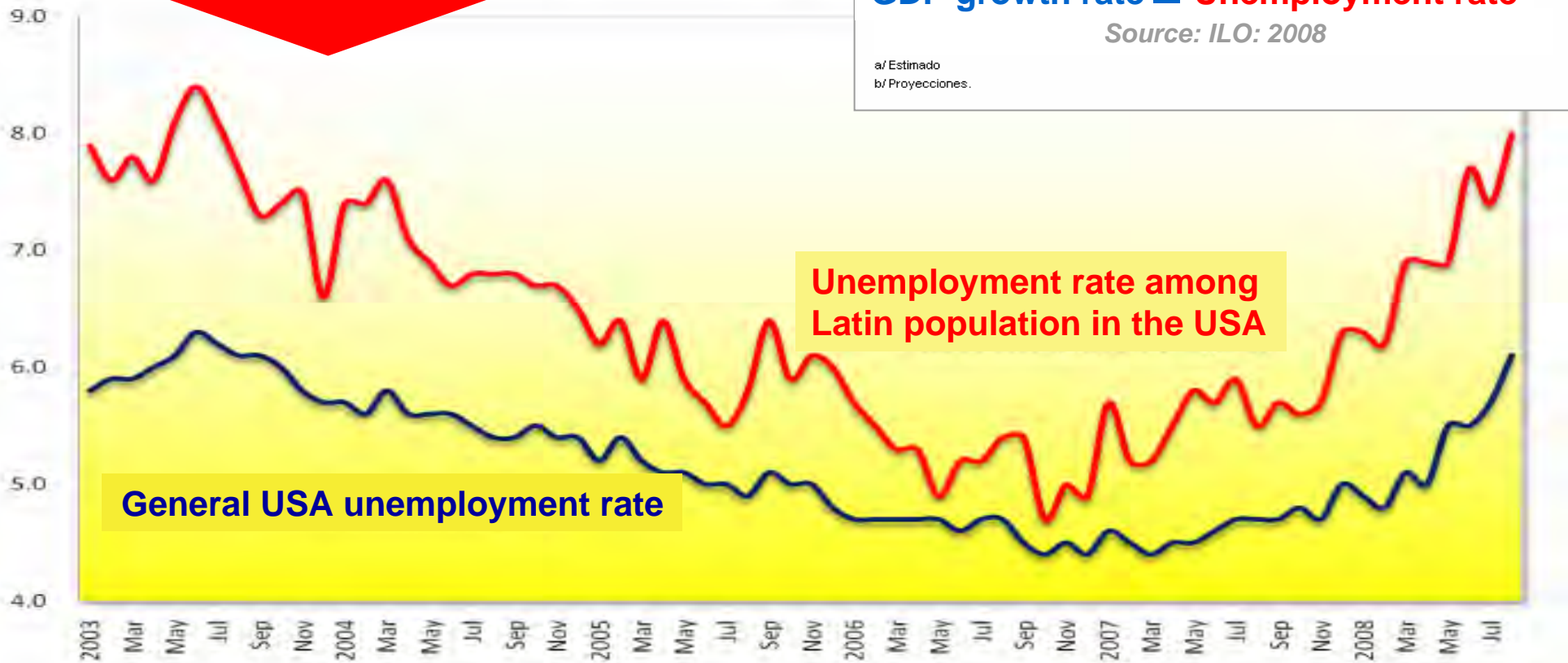


GDP growth rate ■ **Unemployment rate** —

Source: ILO: 2008

a/ Estimado
b/ Proyecciones.

Unemployment among population of Latin American origin in the USA



General USA unemployment rate

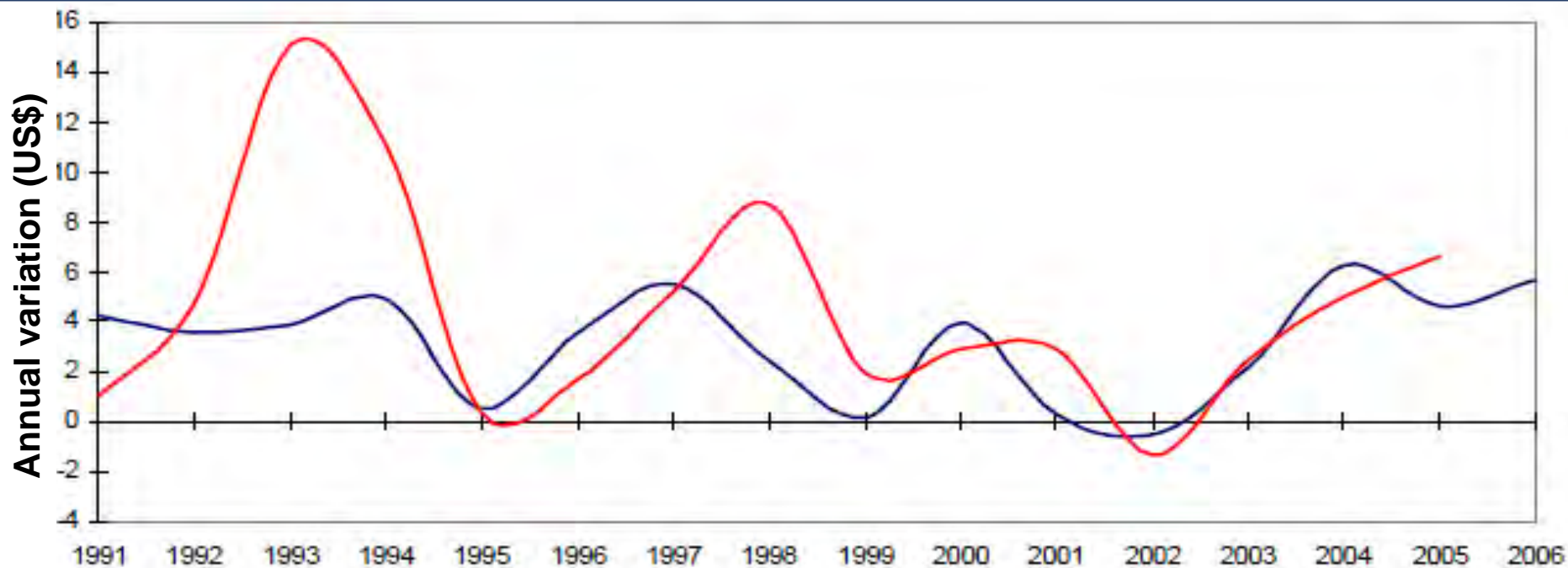
Unemployment rate among Latin population in the USA

Source: IADB



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SOCIAL EXPENDITURE MUST INCREASE TO AVOID CHRONIC UNDERNUTRITION (PRO-CYCLICAL PATTERN IN SOCIAL EXPENDITURES)



— Annual variation of GDP — Annual variation of Public Social Expenditure

Source: ECLAC

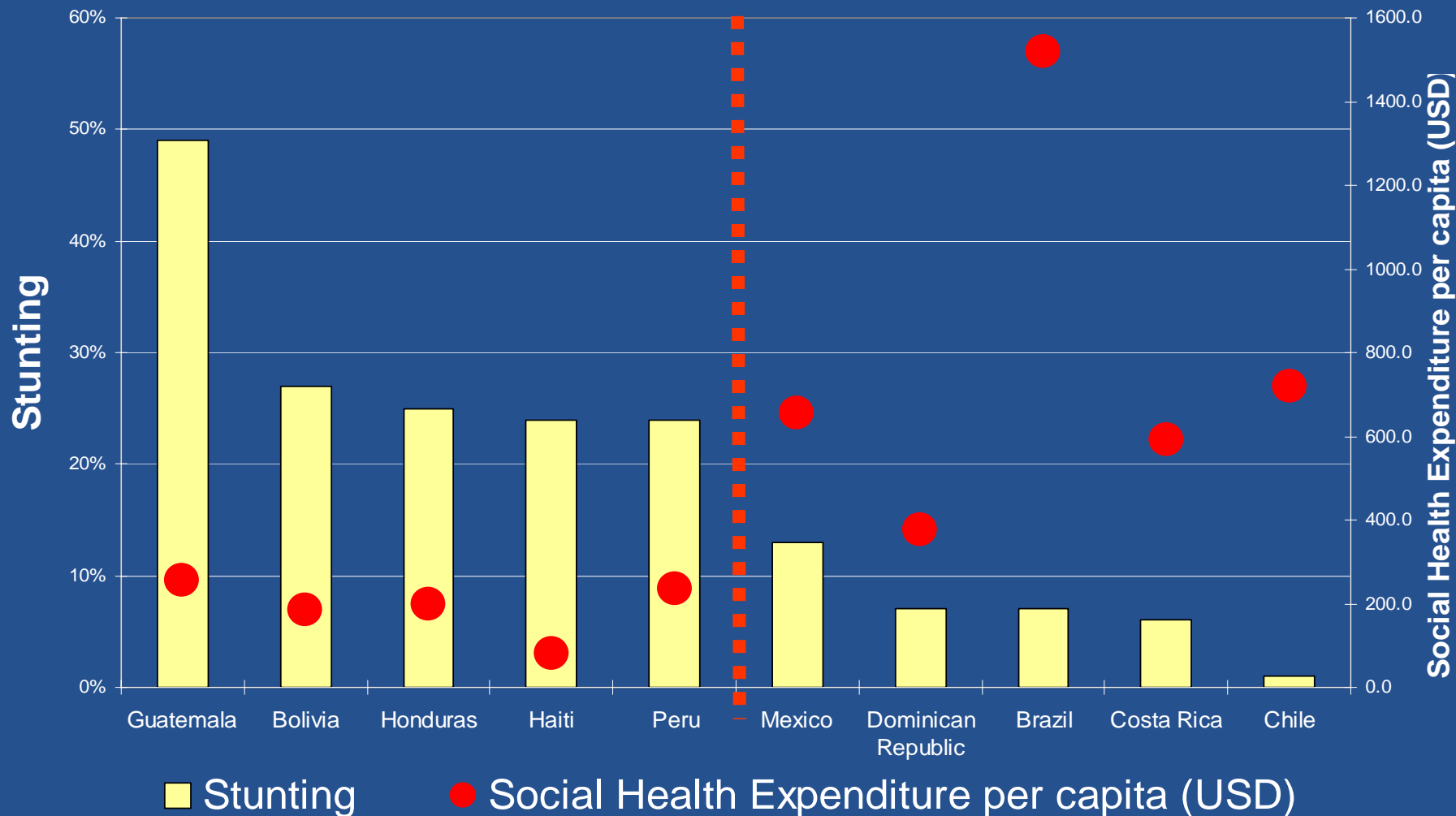
GDP GROWTH RATE PROJECTIONS FOR LATIN AMERICA AND THE CARIBBEAN (%) 2008-2009							
Reference		IMF		World Bank		ECLAC	
2006	2007	2008 (Nov. 2008)	2009 (Nov. 2008)	2008 (Nov. 2008)	2009 (Nov. 2008)	2008 (Dec. 2008)	2009 (Dec. 2008)
5.8	5.7	4.5	2.5	4.4	2.1	4.6	1.9

Source: ILO, IMF, World Bank and ECLAC.



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SOCIAL EXPENDITURE MUST INCREASE TO AVOID CHRONIC UNDERNUTRITION (STUNTING & SOCIAL HEALTH EXPENDITURE)



Source: Elaborated by WFP with available data at 2008: UNDP 2007-2008; UNICEF, 2008; Brazilian Ministry of Health 2006



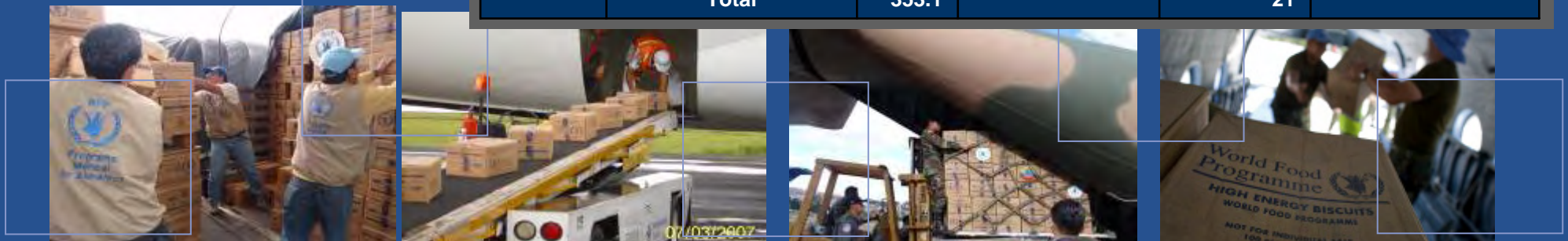
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EMERGENCY HUBS SAVING LIVES AND PROTECTING LIVELIHOODS IN EMERGENCIES



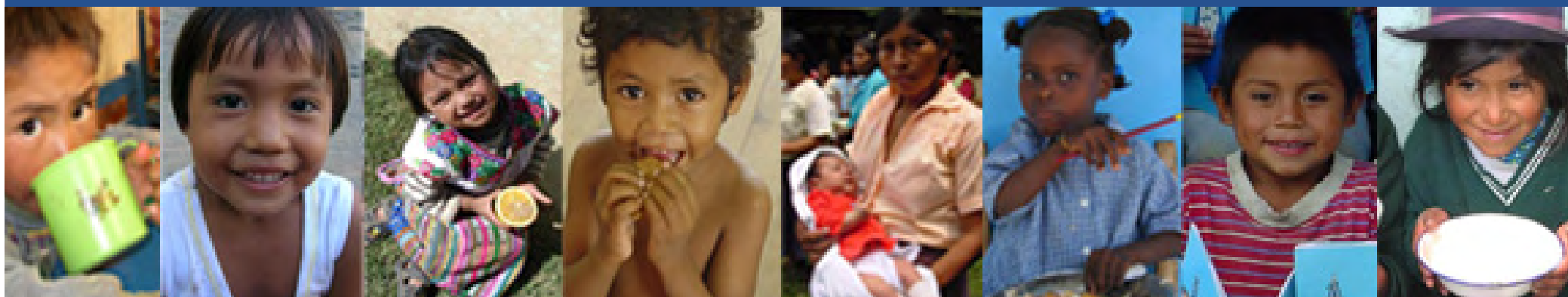
EMERGENCY HUBS RESPONSE SINCE 2005

Date	Affected country	Net MT	Item	No. of dispatches	HUB
Jan '05	Guyana	33.56	Food /Non-food	3	Ecuador CELAH
Aug '05	Cuba	41.17	Food	3	Ecuador CELAH
Oct '05	Guatemala	13.2	Fortified food	1	Ecuador CELAH
Oct '05	El Salvador	13.8	Fortified food	1	Ecuador CELAH
Mar '07	Bolivia	11.49	HEB	2	Ecuador CELAH
Aug '07	Peru	101.48	HEB	2	Ecuador CELAH
Aug '07	Belize	30	HEB	1	El Salvador CRRH
Nov '07	Dominican Republic	2.06	HEB	1	Ecuador CELAH
Nov '07	Mexico	100	HEB	1	El Salvador CRRH
Feb '08	Bolivia	14.99	HEB	2	Ecuador CELAH
Sep '08	Cuba	18.85	Canned food	1	Ecuador CELAH
Oct '08	Cuba	42.5	HEB	3	El Salvador CRRH
Oct '08	Haiti	30	HEB	1	El Salvador CRRH
Total		353.1		21	



**COOPERATION AGREEMENTS: STRENGTHENING THE CAPACITIES
 OF COUNTRIES TO REDUCE HUNGER**
**GOVERNMENT PROGRAMS BENEFICIARIES ESTIMATED PER
 COUNTRY (2008)**

Country	School children	Children under 5 yrs, pregnant and lactating women	Other population groups	TOTAL
Ecuador	1,364,713	1,440,729	39,150	2,844,592
Peru	n/a	1,580,000	500,000	2,080,000
Colombia	n/a	n/a	n/a	n/a
Honduras	1,250,463	6,000	n/a	1,256,463
Bolivia	220,000	n/a	717,105	937,105
El Salvador	875,890	n/a	n/a	875,890
TOTAL	3,711,066	3,026,729	1,256,255	7,994,050



COUNTRY	Needs 2009 US\$ million
BOLIVIA	4,100,000
COLOMBIA	35,100,000
CUBA	2,200,000
ECUADOR	7,000,000
EL SALVADOR	5,200,000
GUATEMALA	24,500,000
HAITI	85,800,000
HONDURAS	9,200,000
LAC DEV 10411.0	2,500,000
LAC DEV 10421.0	2,300,000
LAC PRRO 10444.0	24,500,000
NICARAGUA	15,100,000
PERU	700,000
TOTAL USD	193,700,000

WHAT WFP LAC NEEDS, TO HELP TACKLE THE CRISES



Source: WFP Blue Book 2008



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Gracias!



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