



International Federation of Red Cross and Red Crescent Societies  
Fédération internationale des Sociétés de la Croix-Rouge et du Croissant-Rouge  
Federación Internacional de Sociedades de la Cruz Roja y de la Media Luna Roja  
الاتحاد الدولي لجمعيات الصليب الأحمر والهلال الأحمر

# MEDIA RELEASE

## THE END OF CHEAP FOOD? WORLD'S POOREST IN DANGER AS FOOD PRICES SPIKE

**Colombo, Sri Lanka 20/10/2011** - The world's poorest people are at serious risk from rocketing food prices and volatile global markets, warns a new report by the Red Cross Movement.

A new round of food inflation and severe hikes in the price of basic foodstuffs such as rice, maize, wheat, oil, sugar and salt is plunging many of the world's poorest people, including millions across the Horn of Africa, into deeper poverty and into situations of severe hunger and malnourishment. This is one of the findings of the annual World Disasters Report 2011 launched today in Colombo, Sri Lanka. The worst hit are poor people who typically spend between 50 and 80 per cent of their incomes on food.

*"Food prices are hitting the alarming highs of the 2008 crisis, with the poorest of the poor being hit the hardest,"* said President of the Sri Lanka Red Cross Society Jagath Abeysinghe. *"It's profoundly concerning that we seem to be going backwards in terms of ensuring basic food is available and affordable"* he added.

Speculative commodity trading, rapidly growing populations, climate change and a sharp decrease in domestic agricultural production due to lack of appropriate investment and ineffective governance, are just some of the leading causes fuelling a new round of food inflation concludes the report.

More investment in agriculture is essential, but the reports questions whether this investment should target smallholders and pastoralists or encourage capital-intensive, large-scale farming. There is increasingly widespread agreement that smallholder farming could be the best way forward in Africa.

*"Governments and donors should invest more in agriculture and give a helping hand to farmers,"* says Bob McKerrow, the Head of Delegation of the IFRC in Sri Lanka. *"It's not just food that is becoming expensive, the price of new technologies, seeds, fertilizers and fuel needed to transport food is also going up. We need to boost the agricultural sector as a way of protecting people who find themselves at the mercy of inflation and the global stock markets."*

Meanwhile the Director General of the Sri Lanka Red Cross Society Tissa Abeywickrama also raised the need for adaptability amidst rising food prices. *"It seems the global volatility of food prices is here to stay, and the era of cheap food is over,"* said Abeywickrama urging governments and donors to ensure that the most vulnerable people are better prepared to cope with unstable agricultural markets and volatile food prices.

**For more information, or to set up interviews, please contact:**

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