



West and Central Africa

Markets situation for 2022 first semester (August–2022)

Highlights

- FAO projections indicate that world cereal production in 2022 should be around 2.792 million tonnes in June 7 million more than in May 2022 but which represents a decrease of 0.6% compared to 2021. (2.797 million tons). This decrease concerns maize in the European Union but also in Argentina and Iraq, where the area planted is lower than initially expected and where drier than usual weather is reducing yield prospects.
- A 0.9% year-on-year increase in global cereal production in 2021 was recorded and largely attributable to increased maize production. World maize prices fell in June 2022 due to a seasonal increase in supplies after a slowdown in external markets. However, maize prices in the international market were above the average levels of June 2021 and the five-year average due to the increase in freight costs and the conflict in the Black Sea.
- Market operations are disrupted in the region due to the low availability of local cereals due to a lean season marked by the earlier depletion of stocks and increased market dependence. This situation is mainly linked to the poor performance of the previous crop year and insecurity, particularly in the Sahelian countries, and the various flow restrictions. Burkina Faso and Mali recorded record increases in millet prices of +57% and +85% in June 2022 compared to the same period of the previous year. Compound consequences of COVID 19 related restrictions, the crisis in Ukraine, export bans and barriers to fertilizers trade continues to disrupt supply chains, particularly for manufactured and imported products, fertilizers and hydrocarbons.
- In West Africa and the Sahel, only 46% of fertilizer needs were covered as of April 30, 2022. The countries most affected in the very short term are Burkina Faso, Ghana, and Mali. The price of urea in May 2022 compared to the average of the last 5 years increased respectively by +87%, +188% and +106% for the same countries. The fertilizer shortage could lead to a drop in production of 10 to 20 million tonnes, equivalent to almost 20% of the 2021-2022 cereal production in the region.



Agricultural production and world stocks

As a reminder, a 0.9% year-on-year increase in world cereal production in 2021 was recorded and largely attributable to the increase in corn production. The use of cereals increased by 1.1% in 2021-2022, driven by food consumption and other uses, as well as their use in animal feed. In addition, cereal stocks at the end of the 2022 seasons are above their opening levels, but below the record levels reached in 2018-2019. International grain trade in 2021-2022 is below its record level reached in 2020-2021, due to a decline in international corn trade and disruptions caused by the crisis in Ukraine.

FAO projections indicate that world cereal production in 2022 should be around 2,792 million tonnes in June 7 million more than in May 2022 but which represents a decrease of 0.6% compared to 2021 (2,797 million tons). This increase is mainly due to an upward revision of 6.4 million tonnes in the forecast for coarse grains production, which is expected to reach 1 501 million tonnes worldwide in 2022, or only 0.5% in below the 2021 figure. It should be noted that the strong outlook for this month is due to reports that China (Mainland) and India have planted large areas of maize. In addition, although the outlook is still for a likely 30% decline from the average of the past five years, Ukraine's maize production forecast has also been raised, with official data indicating that area sown to maize is expected to be larger than previously anticipated. In addition, stocks were revised upwards in June and stood at 854 million tonnes, i.e., 7.6 million tonnes more compared to the previous month but a contraction of 0.6% year-on-year of the expected fall in barley stocks is due to China, where animal consumption is increasing, and Australia, where production prospects are declining. After an upward revision of 7.7 million tonnes this month. World cereal trade in 2022-2023 should stand at 468 million, an increase of 4.8 million compared to the previous month but which is also the lowest level recorded in the last three campaigns and a decline of 11.4 million tonnes (2.4%) over 2021-22 volume.



Source: FAO

World cereal utilization was raised by 9.2 million tonnes to 2,797 million tonnes in 2022-23, but down 0.1% from 2021-22 mainly due to lower animal consumption but also due to increased supply tightness in India, the result of declining production and rising exports, is expected to lead to a reduction in industrial wheat use in the country in 2022-2023.

World prices for staples foods

World rice prices increased slightly in June 2022 due to the strong rebound in prices in Pakistan stimulated by Chinese demand and a significant reduction in exportable surpluses. In India, despite the fall of the rupee currency against the US dollar, export prices remained stable in a less dynamic market. In Vietnam, prices have remained relatively rigid as Vietnamese rice struggles to gain a foothold in the West African market, where import demand shows signs of slowing in search of cheap offers (Inter Rice). Rice prices on the international market are slightly below June 2021 levels but above the five-year average.

World maize prices fell in June 2022 due to a seasonal increase in supplies after a slowdown in external markets. However, maize prices in the international market were above the average levels of June 2021 and the five-year average due to the increase in freight costs and the conflict in the Black Sea.

World wheat prices fell slightly in June 2022 also due to the seasonal increase in supply from harvests, improved weather conditions after bad weather in some northern hemisphere producing areas and continued efforts to unlock Ukraine's maritime exports in addition to good Russian production prospects. Wheat prices remain, however, well above their June 2021 average levels and the five-year average.

As for the assumptions for the next semester:

- Despite the good outlook for world rice production for 2022/23, forecast at a record level of 514.8 million tonnes (Rice Outlook, USDA) and a 3% increase in international trade, prices are expected to rise. This is due to lower carryover stocks for the third consecutive year, rising demand, the Black Sea conflict and higher input costs.
- Despite the recent seasonal declines, the upward trend in world corn prices should continue. Several factors would affect the performance of the international maize market, primarily the outlook for production declines for 2022/23 due to declines in acreage linked to high energy and fertilizer costs (AMIS). Trade is also expected to contract by around 3%. In addition, freight costs, weather conditions and the conflict in the Black Sea remain as many risks as possible for world trade.

- Wheat prices on the international market would increase due to the extension of the conflict in the Black Sea, possible variants of COVID-19 and the higher cost of production (World Bank and AMIS). Also, world wheat production estimated at 771.6 million tonnes in 2022/23 is projected down 1.8 million tonnes and projected world trade is also down slightly (USDA).

FAO Food Price Index drops for third consecutive month in June

The FAO Food Price Index fell 2.3% in June from May 2022 but remains 23.1% higher from June 2021.

This decline is explained by the drop in international prices for vegetable oils, cereals, and sugar. On the other hand, the prices of dairy products and meat firmed up:

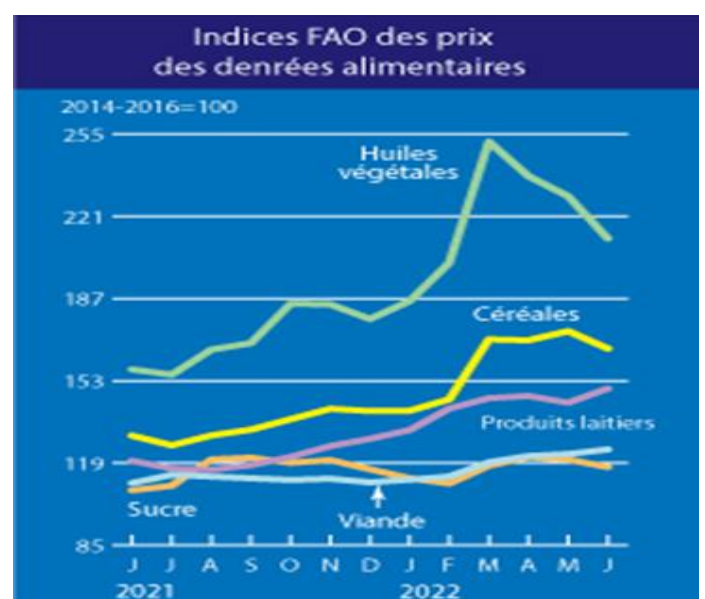
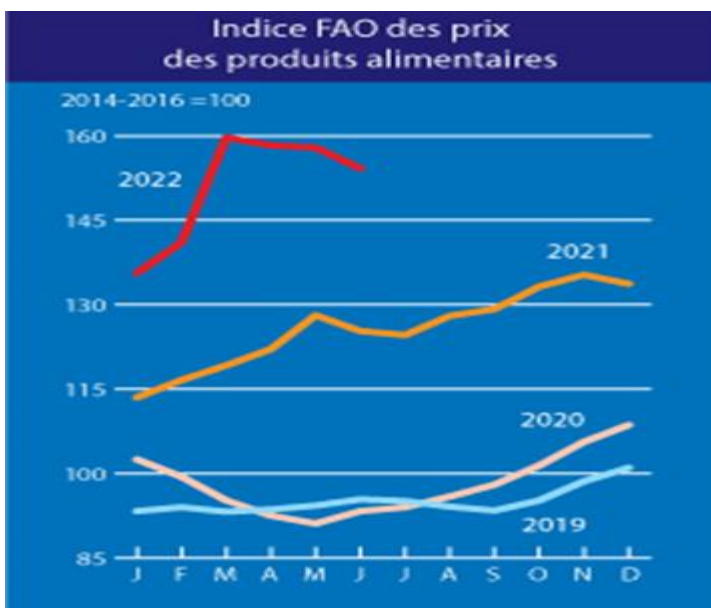
- In June, the FAO Vegetable Oil Price Index fell by 7.6% compared to May 2022, due to lower prices for palm, sunflower, soybean, and rapeseed oils. Indeed, it should be noted that international palm oil prices contracted for the third consecutive month in June, in a context of the seasonal increase in volumes from the main producing countries which coincided with prospects for strengthening of Indonesia's export supply, in a context of large national stocks. At the same time, world prices for sunflower and soybean oils have fallen, due to sluggish global import demand in the face of rising costs in recent months. Regarding rapeseed oil, parallel to the decrease in demand, there has been a drop in international prices with the imminent arrival of new crops.

The FAO cereal price index fell by 4.1% compared to May 2022, despite the rise in rice prices, but remains 27.6% higher compared to its level in June 2021. This drop is due the fact that:

- international wheat prices fell 5.7% in June after reaching a near record in May but remain 48.5%

higher than in 2021. The decline in June is explained by the increase in supplies seasons with new harvests in the northern hemisphere, improved growing conditions in some major producing countries (particularly Canada), more favourable production prospects in the Russian Federation, and a slowdown in world demand in the import.

- international coarse grain prices fell 4.1% in June but remained 18.4% above their values recorded a year ago. Downward pressure from seasonal supplies in Argentina and Brazil, where harvested maize volumes increased rapidly, and more favourable growing conditions in the United States of America drove the 3.5 % of world maize prices in June. Concerns over the demand-side outlook amid signs of slowing economic growth added downside pressure. Among coarse grains, sorghum and barley saw their prices decline by 4.1% and 6.1% respectively in June, in parallel with the fall in prices of maize and wheat.
- On the other hand, the strong demand for indica and basmati rice, against a background of reduced availability of basmati, continued to push up rice prices in June.
- A 2.6% drop in the FAO Sugar Price Index was recorded in June compared to May 2022. This is the second consecutive monthly decline in this index, which reached its lowest level since February. It is important to note that the slowdown in global economic growth weighed on international demand and prices for this raw material in June. Moreover, for supply, the favorable outlook for world supplies continued to drive down prices. Also, the depreciation of the Brazilian real against the US dollar and the drop in ethanol prices also prompted producers to increase sugar production,



which contributed to higher supply and lower prices in June. However, the uncertainties about the results of the current campaign in Brazil prevented a more significant drop in prices.

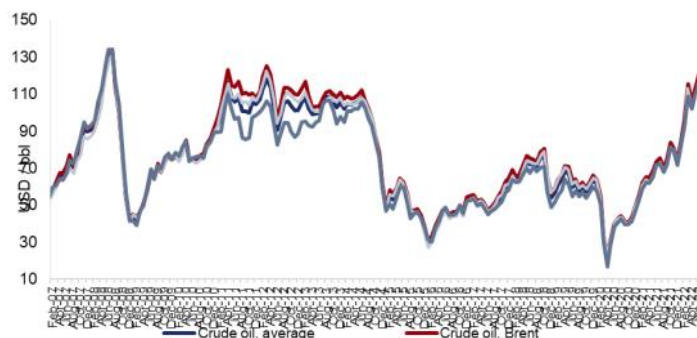
- The FAO Meat Price Index was up 1.7% from May 2022 and is 12.7% higher than June 2021. It should be noted that world prices for all types of meat appreciated, especially poultry, which a sharp rise took to an all-time high due to tight supply in the context of the crisis in Ukraine and the spread of avian flu in the hemisphere north. Cattle meat prices rose after China lifted restrictions on imports from Brazil. Meanwhile, pork prices have recovered slightly with increased purchases by several major importers, despite still sluggish imports from China. International sheep meat prices also rebounded in response to lower export volumes from New Zealand, despite weak demand in northern Asia.
- The FAO Dairy Price Index increased by 4.1% in June compared to May 2022 and remains 24.9% higher compared to June 2021. All dairy products saw their international prices increase. Cheese prices rose the most, driven by a surge in global import demand in the spot market in line with market concerns about supplies later in the year, the heat wave at the start of the summer having weighed on an already low milk production in Europe. Global milk powder prices increased on the back of strong import demand, continued tight global supply and low inventory levels. International butter prices have picked up as market uncertainty over milk deliveries in the coming months has boosted imports as well as domestic demand in Europe.

Impact de la crise ukrainienne sur l'approvisionnement des marchés dans la région

The crisis in Ukraine and Russia continues to disrupt international markets. A clear disruption of supply chains resulting in low availability of chemical fertilizers, wheat, oil, gas and vegetable oil. In the previous bulletin, the dependence of West and Central African countries on imports of wheat and fertilizers from Russia and Ukraine was highlighted. For cereals, especially wheat, the countries that are the biggest importers of Russian wheat are Mauritania (80%), Cameroon and Benin (68%), Senegal (52%) and Togo (45%).

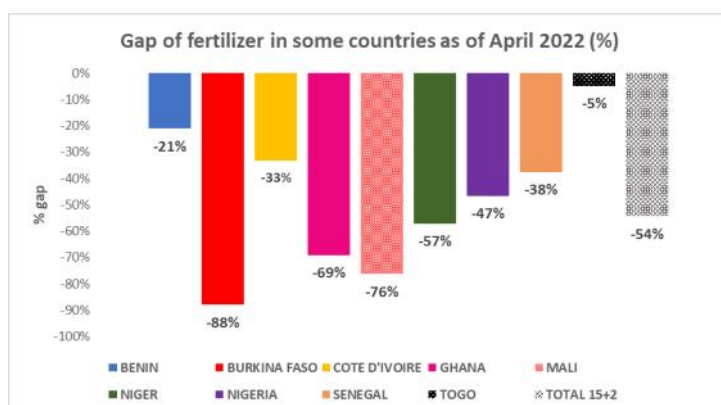
Crude oil prices increased in June due to higher demand from refiners and several supply disruptions. Strong crude demand from refiners amid limited crude supply availability and geopolitical developments in Eastern Europe pushed spot prices higher ([OPEC](#)).

Prices remain well above June 2021 levels and five-year average levels (WB and EIA). The above is due to the Black Sea conflict and the prospect of a strong recovery in demand after Chinese authorities began to gradually ease COVID-19 related containment measures. The price of fuel at the pump continues to increase in the region by an average of 10 to 20%.



Source: World Bank

In West Africa and the Sahel, only 46% of fertilizer needs were covered as of April 30, 2022. Fertilizer needs are not fully covered, as declared available stocks are well below estimated needs in all countries. The deficit varies between -5% (Togo) and -88% (Burkina Faso). In the very short term, the countries which are preparing to be the most affected by the shortage of fertilizers are **Burkina Faso, Ghana and Mali** (ECOWAS, FAO, WFP).

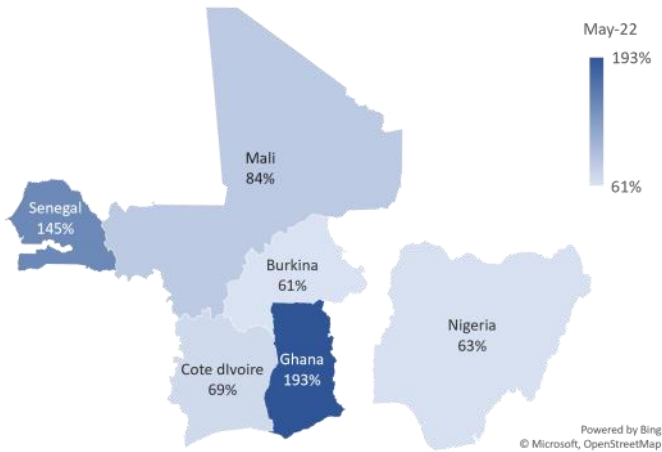


Source: ECOWAS, FAO, WFP assessment on the impact of the crisis in Ukraine-April 2022

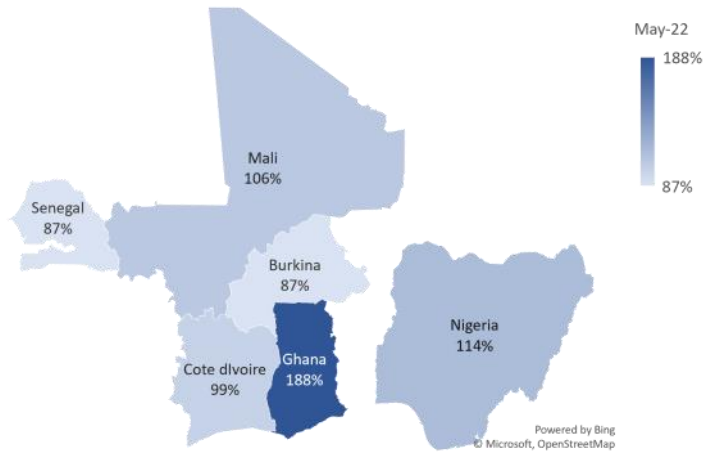
The shortage of fertilizers could lead to a drop in production of 10 to 20 million tonnes, equivalent to nearly 20% of cereal production 2021-2022. These deficits are linked to several pre-existing factors but will be aggravated by the conflict-induced fertilizer shortage in Ukraine.

In Ghana, after providing farmers with fertilizer for the 2020 and 2021 farming seasons, the government of Ghana owes fertilizer suppliers an estimated debt of 436 million Ghana cedis, according to Peacefmonline.com. The increase of +9 and +19% respectively. Compared to last year at the same period, the increase in the price of of

Annual urea price variation (May 2021 - 2022)



Urea price compared to 5 years average (May 2022)



peasants expressed their concern about the decrease in their agricultural activities due to the insufficient availability of fertilizers for their agricultural operations.

Nigeria, which is one of the major fertilizer producers in the region, is being impacted by this crisis. The scarcity of muriate of potash (MOP) has affected the blending of NPK fertilizers in various blending plants across the country, which has led to an increase in the price of NPK in the market. NPK prices have continued to rise since the start of the year, and there is no likelihood of a reduction. In April, for example, NPK fertilizer prices increased by more than 20%, due to several factors, including the unavailability of raw materials for blending; the current crisis in Eastern Europe which is hampering the import of MOP from Russia; increase in the cost of transport; unstable forex etc. This situation considerably reduces the level of access for low-income farmers.



Source: World Bank and GOI

Agricultural machinery runs mostly on diesel. The increase in the price of fuel will impact the cost of production and therefore the price of food products.

The increase in the cost of transport is reflected in the price of food since the cost of transport represents on average 15 to 20% of the total cost of food in the region (ECOWAS, FAO, WFP).

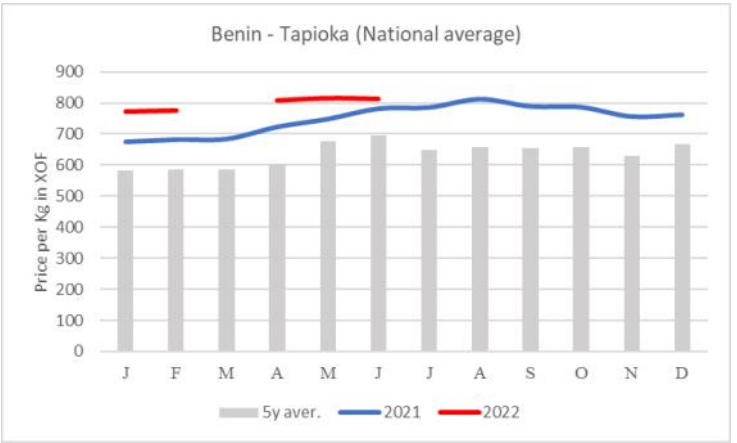
The crisis in Ukraine is also impacting the ability of humanitarian and development actors to respond to the food crisis. For example, humanitarian agencies, including WFP, face increased operational costs and the risk of

reduced funding as resources are focused on direct response to the crisis in Ukraine.

Market situation in Western and Central region

Benin

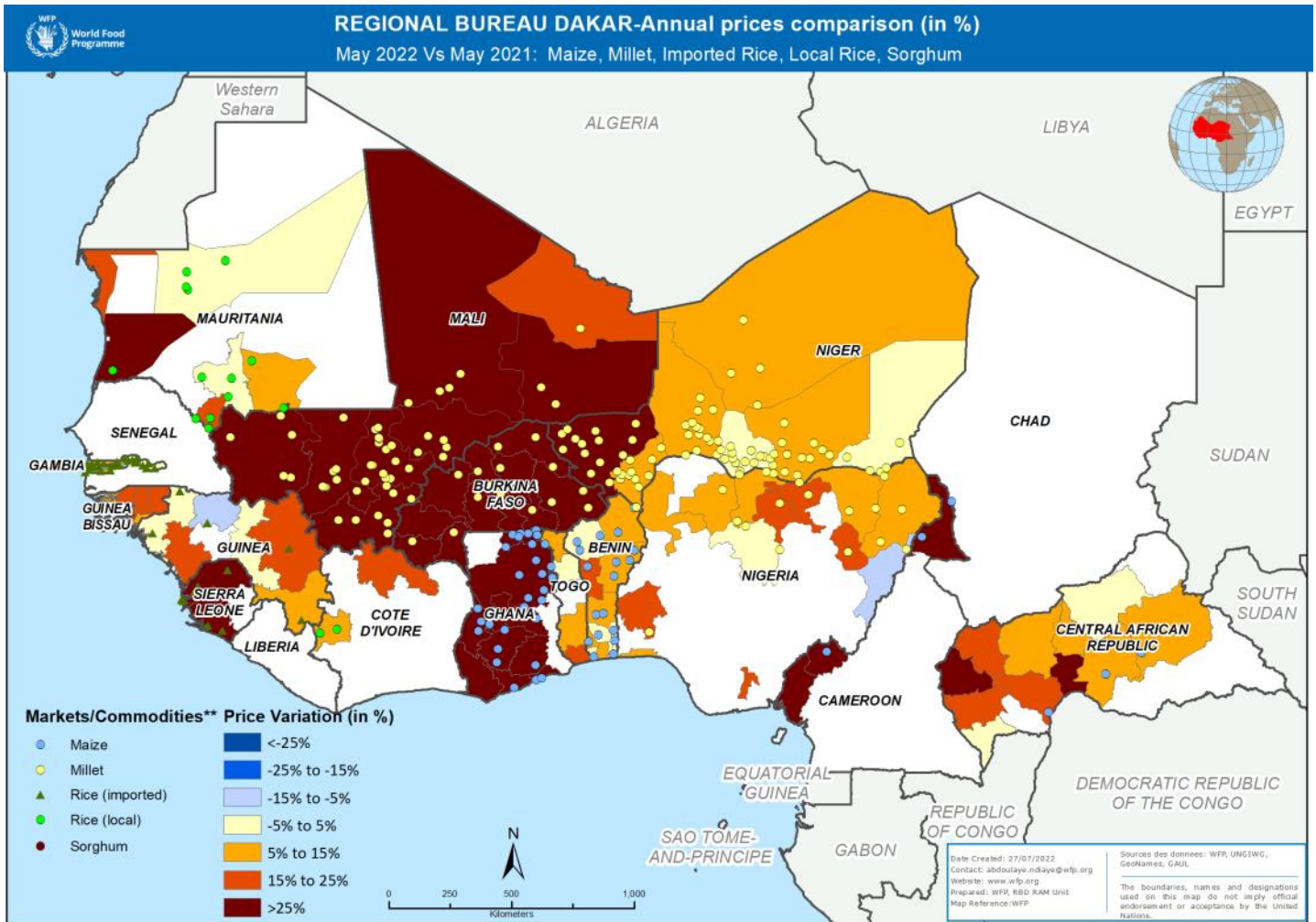
Benin, like almost all West African countries, continues to bear the full brunt of rising food prices. Added to this situation are the related effects of the Ukrainian crisis, which led to an increase in the price of fertilizers, which is a factor in the increase in the price of locally produced food. Thus, during the second quarter of 2022, the prices of staple foods such as cereals and tubers are up slightly compared to the first quarter. Sorghum, maize and millet experienced respective increases of +22, +31 and +33% compared to the average of the last five years. In addition, 17% and 44% increases in yam and cowpea prices were observed compared to the five-year average. The prices of cassava products such as gari and tapioka are also up by +21 and +24% respectively. However, in annual variation, the price of gari is down +2% compared to last year.



Source: WFP

On the side of manufactured and imported products, an increase of 25% was observed on the price of wheat and 4% on that of rice. Compared to last year at the same period, the increase in the price of wheat flour was +25% and that of rice +4%. Chilli and fresh tomatoes, which are cash products, mainly exported to neighboring countries

Map 2: Change in cereal prices in West Africa in June 2022 compared to June 2021



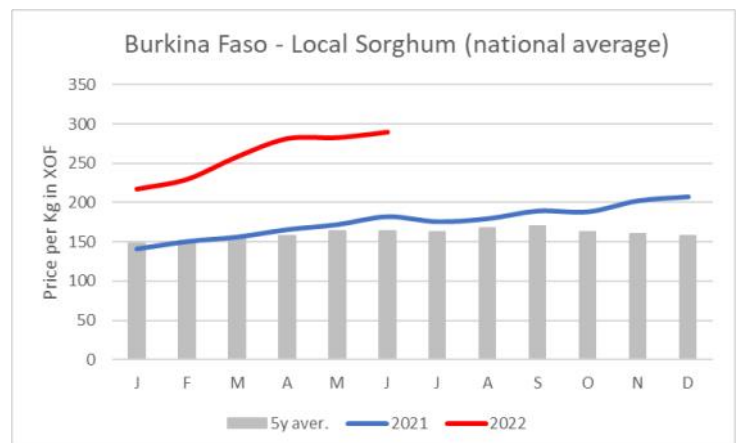
Benin, also experienced a price increase of +9 and +19% respectively. Compared to last year at the same period, the increase in the price of tomatoes was +15% at the national level.

As for trade, almost all the country's markets are in crisis. This increase in product prices at market level is more significant for gari in Natitingou with an increase of +117% compared to the five-year average and +73% compared to last year at the same period. Similarly, during the second quarter of 2022, wheat flour increased by +74% in Ouegbo (Atlantic), tapioka by +48% in Sinindé (Borgou), cowpea by +57% in Dassa-Zoumé (Collines), millet by +40% in Abomey (Zou) and vegetable oil by +39% in Pehunco (Atakora).

Burkina Faso

The inflationary situation experienced by Burkina Faso since 2021 continues to escalate with strong pressure on food prices, especially those produced locally. With a diet exclusively made up of cereals and legumes, the general rise in prices observed since the beginning of last year and the meteoric increase in insecurity in certain provinces, further widen the poverty gap and increase the number of food

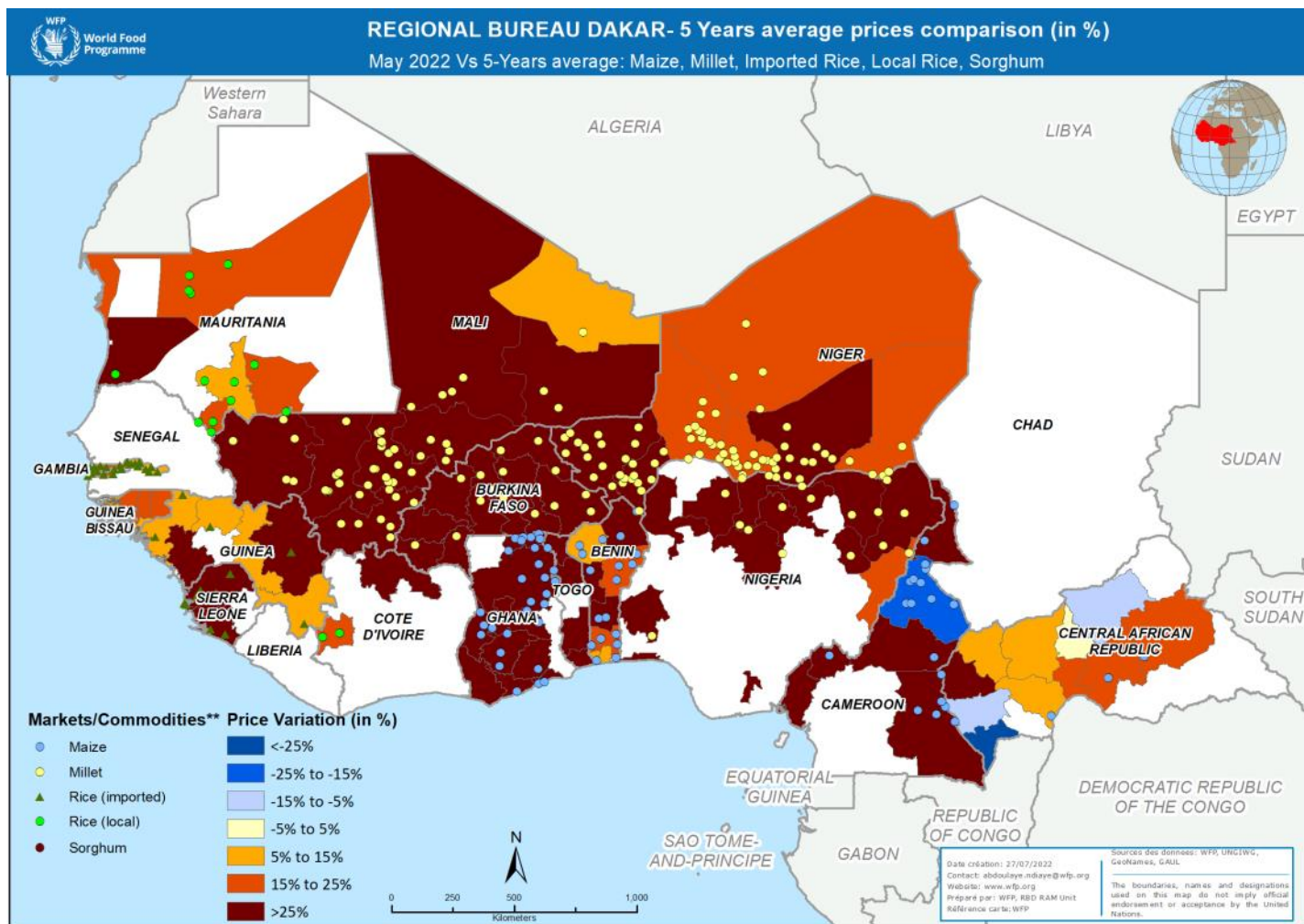
insecure person in the country. From April to June 2022, the prices of the main products consumed such as millet, maize, sorghum, and cowpea are up by +57, +65, +66 and +58% respectively compared to the last five years. Compared to last year at the same period, the average price increase for the same products is +44, +46, +61 and +47% respectively.



Source: WFP

Compared to the first quarter of 2022, the increase in food prices over the past three months is even greater. WFP projections show that in some localities in the country,

Map 3: Variation in cereal prices in West Africa in June 2022 compared to the five-year average



prices could still reach a 30% increase for the third quarter of the year. This situation could be explained by the onset of the lean season and the related effects of the Ukrainian crisis.

Other products such as imported rice, local rice, and peanuts also experienced increases of less than 15% during this same period.

At the national level, all markets are in crisis. But the most significant price increase (exceeding 60% on average) was observed in the markets of Bathié (+72% for cowpea), Guelwongon Pouytenga and Ougadougou (+61, +63 and +64% for millet) and Zabré (+79% for sorghum).

Cabo Verde

The increase in the prices of basic foodstuffs (cereals and tubers) is more than worrying in Cape Verde. Like almost all islands, the available resources are not conducive to large-scale agricultural production. The country imports almost +80% of the food consumed by households, in addition to the increase in inflation and the related effects of the Ukrainian crisis on imported products and hydrocarbons. This particularly difficult situation that the country is going through is increasingly poverty in the archipelago and

placing many households in severe food insecurity.

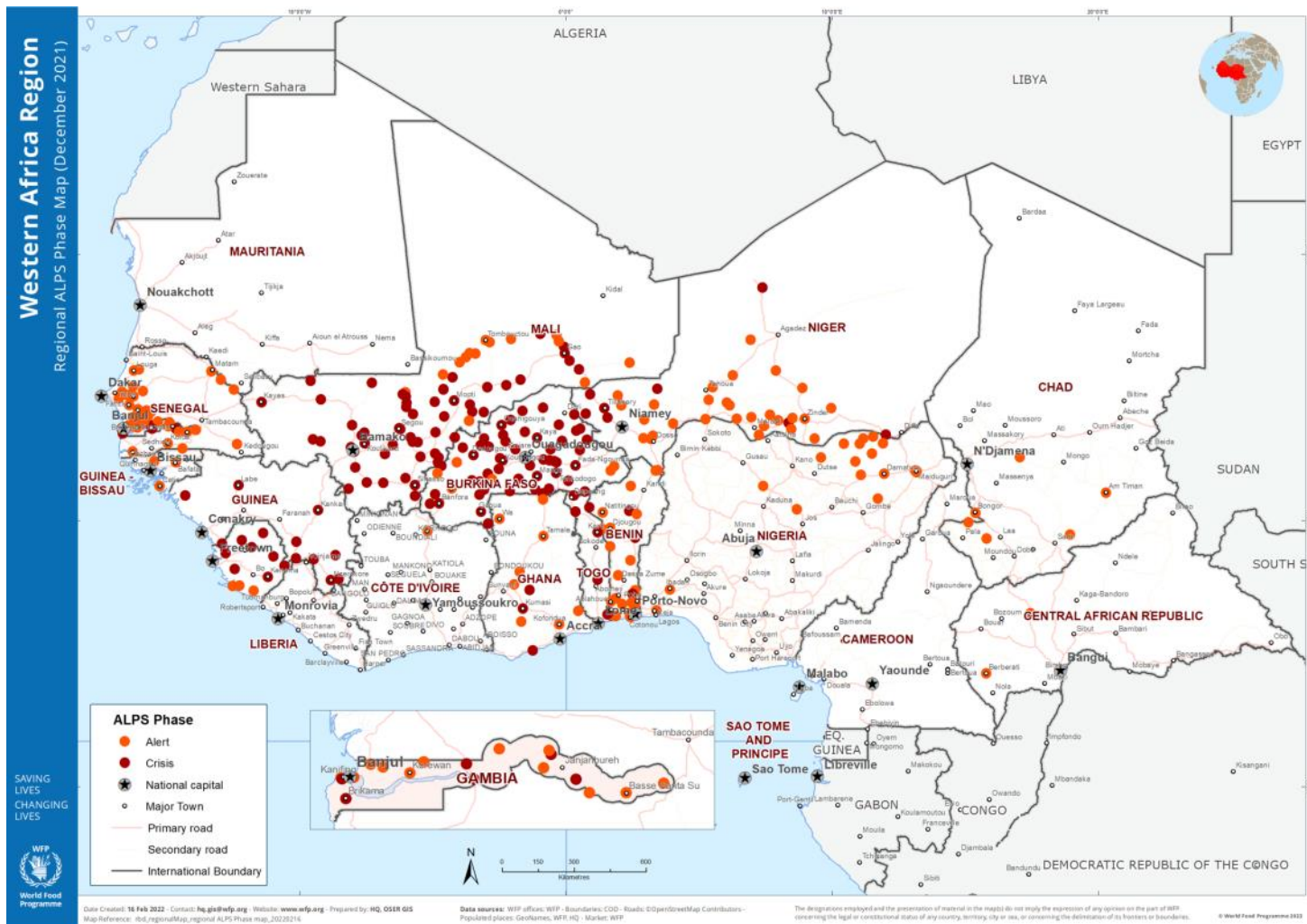
From March to June, the prices of the main staples such as maize, rice, wheat flour and cooking oil have experienced significant increases compared to those of the year 2021 of the same period. This increase in product prices is as follows: 18% for maize, 28% for wheat flour and 84% for cooking.

All the country's markets are in crisis with significant price increases. WFP projections show a deterioration in the market situation with price increases that could reach the 50% mark.

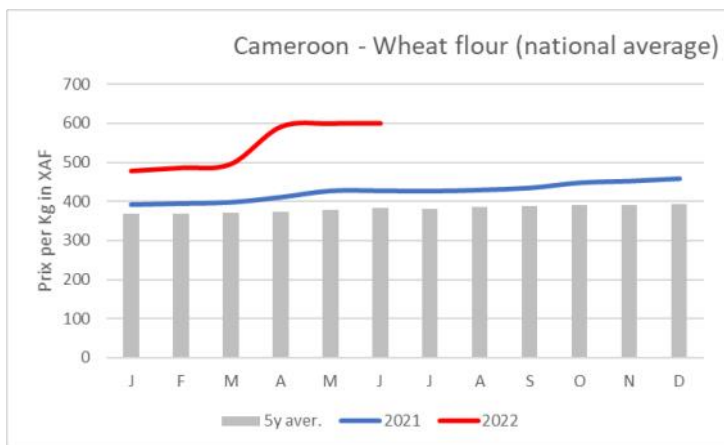
Cameroon

In Cameroon, several factors continue to influence soaring food prices. Among these factors, there is the residual effect of COVID-19 on freight costs, climate change which has greatly disrupted the agricultural calendar as well as the ongoing conflicts in the Far North, North-West, and South-West regions of the country. This trend worsened in the second quarter of 2022 and could be more so in the coming months through the Ukrainian crisis which is manifesting itself in the shopping basket. It has a considerable impact on certain basic products, most of which are imported. These

Map 4 price spikes based on WFP's Alert for Price Spikes (ALPS) indicator (June 2022)



are particularly rice, wheat, and refined vegetable oil, which are experiencing shortages, thus impacting market availability.



Source: WFP

Thus, compared to the average of the last five years, the prices of these imported products have experienced very significant increases of +45% for wheat and +31% for imported rice. Compared to last year of the same period, prices increased by +10 and +32% respectively for imported rice and wheat. For vegetable oil, the available data show that between December 2021 and June 2022, the price per

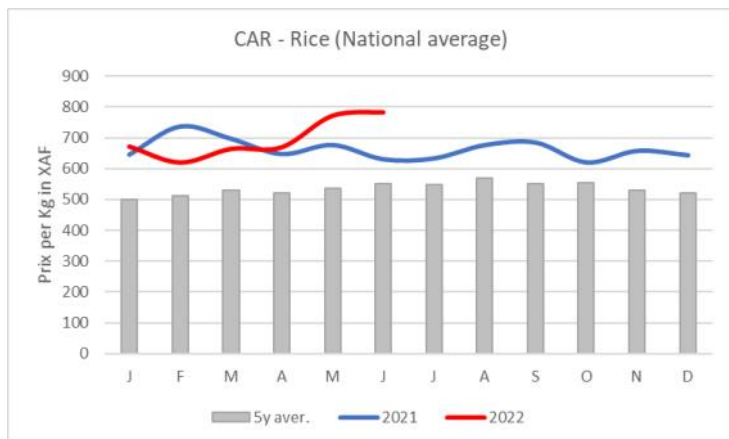
liter rose from 1200 XAF to 1700 XAF, an increase of +42%.

For local products, prices have also risen sharply compared to the five-year average and compared to the same period last year. The most significant price increase is observed for local rice (+115%), followed by cowpea (+89%), cassava (+42%), white maize (+23%) and banana plantain (+19%). On the other hand, the price of the macabo, heavily consumed by households, suffered a slight drop of -1%.

This increase in food prices affects almost all markets, especially those located in crisis areas such as Kaele (Far North) and Buea (South-West), but also Yaoundé the capital.

CAR

With a still fragile security situation due to the increase in abuses and attacks against the population, the continuous degradation of the roads, seriously disrupts the supply circuits and the proper functioning of the markets. A continual rise in food prices is observed throughout the territory compared to the five-year average for the same period and for imported food products such as rice.



Source: WFP

During the second quarter of 2022, rice and groundnut prices increased by +33 and +32% respectively; while the price of maize rose by +1% compared to the average of the last five years. Compared to the first quarter of the year, prices are slightly up for rice and groundnuts; on the other hand, for corn, prices are down 7%. Compared to the same period last year, the prices of rice, maize and groundnuts have increased by 4, 15 and 31%.

At the national level, the markets of Ndélé, Birao, Obo and Yaloké are in crisis with a variation in prices for the same products (rice, peanuts, and corn) ranging from 7 to 47%. This increase in market prices could be due to disruptions in supply chains, restrictions on the sale of cereal products and oil by Cameroon and the impacts of the crisis in Ukraine such as the high costs of world prices for agricultural raw materials and hydrocarbons are the main factors causing the price increase (FEWS NET, June 2022).

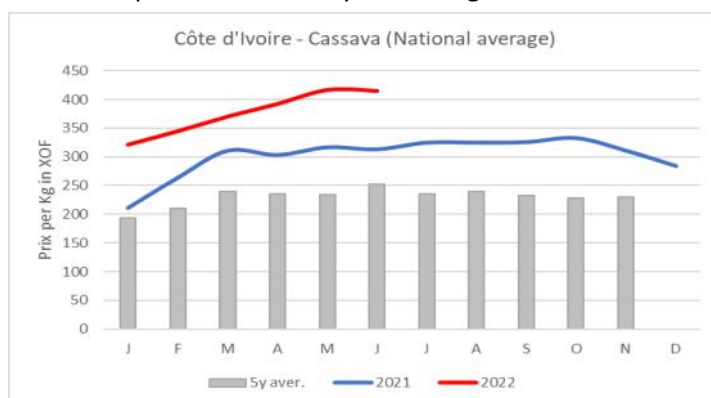
Chad

Cereals are poorly available on the markets in the second quarter compared to the first, due to the depletion of farmers' stocks. Cereal prices increased by 6 to 17% in the Sahelian zone and by 9 to 19% in the Sudanian zone. The causes: drop in the supply of cereals, increase in the cost of transport following the rise in the price of fuel, conflicts in certain neighboring countries which have disrupted the supply of certain markets. The cost of the food basket has increased with the general rise in food prices (34% in the Sudanian zone and 24% in the Sahelian zone). The poor state of pasture affects the overweight of livestock in the Sahelian zone, as opposed to the Sudanian zone where pasture is available with the current rainy season. Average livestock prices in the Sahelian zone are higher than those for 2021 and the average prices for the last 5 years during the same period. The quarterly average prices in the Sudanian zone are lower than the average prices in 2021

during the same period. Livestock/cereals terms of trade have depreciated following the increase in cereal prices and the loss of livestock in the Sahelian zone.

Côte d'Ivoire

As everywhere in Africa, the repercussions of the Ukrainian crisis on foodstuffs, fertilizers, fuel and other by-products continue to increase the prices of basic necessities. The increase in the prices of fertilizers and other food consumption products will further weaken low-income households. Thus, during the second quarter of 2022, the prices of the main basic products consumed in the country recorded increases ranging from +11 to +68%. Cassava and its by-products such as atiéké recorded the highest average price increase of around 68% compared to the five-year average. Compared to last year at the same period, prices have increased by +33% on average. On the other hand, for yam, a -4% drop was observed compared to last year and +11% compared to the five-year average.



Source: WFP

As for cereals heavily consumed in the country such as imported rice and corn, their prices have risen by +19 and +23% on average compared to the last five years, while local rice has recorded an increase of +12% over the same period. As for pulses, cowpea recorded an increase of +23% (+16% compared to last year at the same period), while for groundnuts, a price drop of -7% (-11% decrease compared to the annual average) was observed on average compared to the five-year average.

For palm oil heavily consumed in the country, statistics show that the price of a liter bottle rose from 1300 FCFA to 1700 FCFA between December 2021 and May 2022.

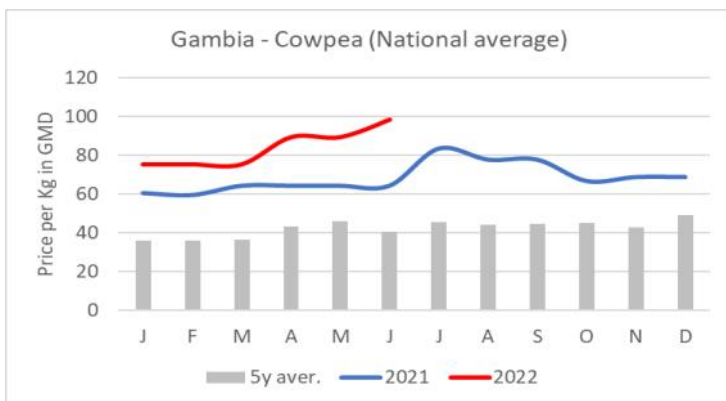
Among the markets analyzed, three are in crisis in the Mountains and Savannah region: Man, Boundali and Korhogo. Cassava prices in Korhogo have increased by +64% on average over the past five years and by +84% compared to last year. While for Boundali, the price of cassava has

increased by 36% compared to the five-year average. The prices of imported rice are also rising sharply on these same markets by around 25 and 28% respectively.

Gambia

Since last year, breaks in supply chains have been the main factor in the persistent rise in the rate of inflation (+8% in June 2022 according to the World Bank), mainly food inflation. Steadily rising food prices will continue to burden vulnerable families, reducing their chances of escaping poverty and further increasing the number of severely food insecure people.

Like most Sahelian countries, the diet of Gambians is mainly composed of cereals, legumes, vegetable oil and sugar. Thus, in the second quarter of 2022, the prices of these main basic foodstuffs rose very significantly compared to the five-year average and to the year 2021 at the same period. Among these main foodstuffs, cowpea suffered the highest average price increase of +111%, followed by groundnuts (+32) and, to a lesser extent, corn (10% with 19% increase compared to last year at the same time). Millet, which is also strongly present in dietary habits, saw its price fall by -1% compared to the five-year average (with an increase of 5% in annual variation).



Source: WFP

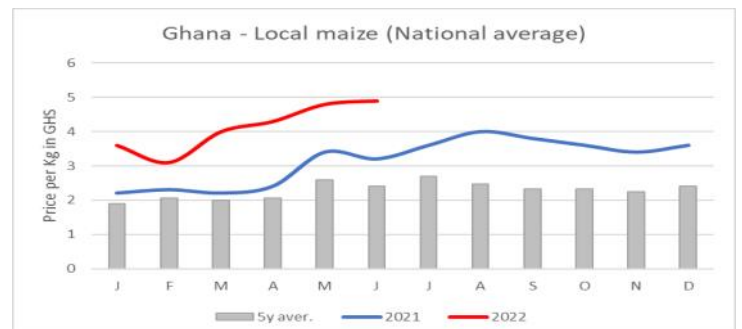
On the import side, the prices of vegetable oil highly consumed in the country increased by +51%, those of sugar by +33% and imported rice by +21%. Similarly, the prices of hydrocarbons have increased significantly by +30% at the national level compared to last year at the same period. Most high-traffic markets are in crisis. This is the case of the Banjul, Sérékunda, Bansang, Birkama and Farafénni markets where oil prices rose from 85 to 125 GMD/litre between January and May 2022. This rise in the price of mainly imported products is in partly due to the related effects of the COVID health crisis but also of the Ukrainian crisis which exerts strong pressure on hydrocarbons and other products

(oils, sugars, etc.).

Ghana

In Ghana, the continued increase in inflation (16.7% in February 2022, according to the World Bank), the depreciation of the currency (the Cedi), the effects of the Ukrainian crisis on cereals, oil and fertilizers are increasingly influencing soaring national food prices. Ghana's annual inflation rate accelerated for the 13th consecutive month to 29.8% in June 2022 from 27.6% in May, the highest inflation rate since January 2004. This very concern that the country has been experiencing for almost three years and the climate change that is affecting local agricultural production, strongly contribute to increasing poverty and household food insecurity.

At the national level, cereals (maize, millet, sorghum, and rice), roots and tubers (yams and cassava) and legumes constitute the basis of household food. Thus, in the second quarter of 2022, the country recorded sharp price increases which vary between +36 and +106% on average compared to the last five years. Among the products mentioned, sorghum, millet and cowpea recorded the most significant price increases of around +101, +102 and +106% respectively; followed by maize (+87% with 60% compared to last year at the same period), yam (+47%), local rice (+42%), cassava (+36%), gari (+27%) and plantain (+21%). On a monthly basis, we observe increases of +50% between March and June 2022 for almost all the products mentioned below. Strong demand from Sahelian countries and transport costs are among the reasons for the atypical levels of local grain prices.



Source: WFP

According to the national statistics agency, the country will bear the full brunt of the rise in world prices for wheat, which is mainly an imported commodity. Since the beginning of the year, the price per kilogram of wheat flour has increased threefold, from 3.213 to 9.850 GHS, i.e., a double increase since the start of the Ukrainian crisis. As for imported rice, it also recorded a price increase of +28% compared to the five-year average.

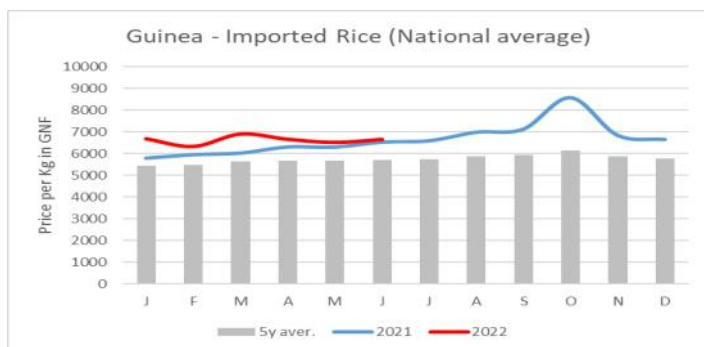
Compared to the last five years, almost all the major markets in the country are in crisis, with average prices exceeding +100% increase for cereals. The largest increases are recorded in the Accra and Tema markets in the Greater Accra region, where average maize price increases are between 125 and 135% over the past five years, followed by the Kumasi market (Ashanti) with millet prices increasing by +99% and that of Techiman (Brong Ahafo) 95% for sorghum.

WFP projections show that this situation of soaring food prices could continue until the end of the third quarter of the year.

Guinea

Compared to May 2022, the prices of products such as cassava and fonio have increased by +12% and +15% respectively. The prices of imported rice and local rice remain stable.

Over one year, the price of maize increased by +27%, that of cassava increased by 17.6%. Compared to the average of the last five years, the price of imported rice has risen by 17%, that of fonio by 40%. The price of maize also recorded an increase of +30% compared to the five-year average.



Source: WFP

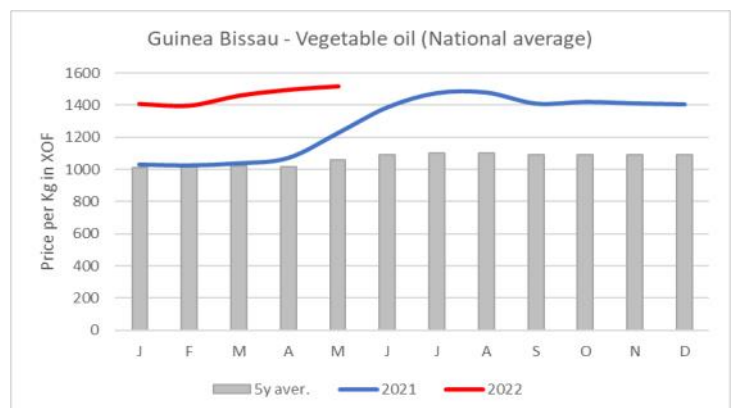
The increase in the price of basic food products is explained by a decrease in their availability due to a disruption of supply chains due to the poor condition of the roads and their deterioration following the heavy rains recorded during this period.

It is also explained by a drop in stocks of food products. Indeed, according to the market functionality index, 40% of traders in Guinea expect a lack of stock of cereal products and 36% of them expect a lack of stock of non-cereal food products. Among traders who expect a shortage of grain products, 57% predict a shortage of sorghum, 39% for wheat, 32% a shortage of maize and 29% for rice. As far as non-cereal food products are concerned, the concern is in relation to products such as oils and fats (33% of traders),

milk and dairy products (29% of traders) and legumes (27% of tradespeople).

Guinea Bissau

Due to the rise in oil and food prices resulting from the crisis in Ukraine, inflation is expected to strengthen, reaching 4.1% in the second quarter of 2022. The variability of the price of cashew in the market which represents a basic sector for the country's economy, the persistence of political instability as well as the insolvency of public enterprises also pose major risks to Guinea Bissau's growth forecasts. With a diet mainly composed of imported products such as rice, oil, and sugar; the current trends for these products on the international market due to the effects of the Ukrainian crisis are greatly destabilizing the household basket in Guinea.



Source: WFP

In the second quarter of 2022, there was a general increase in these imported products compared to the average of the last five years and compared to last year at the same period. This increase in the price of imported products is as follows: +42% for vegetable oil (of which 35% in annual variation), +19% for wheat flour (+17% in annual variation), +12% for sugar (+18% in annual variation) and +8% for imported rice (+13% in annual variation).

The price of palm oil, which represents the economy's second cash crop, also recorded a price increase of 12% compared to the average of the last five years and 7% compared to last year at the end of the year. same period.

For local products, only sorghum and groundnuts recorded price increases of 4 and 13% respectively compared to the average of the last five years. For the rest of the products, respective price reductions of 15% were observed on average (maize); 12% (millet and cowpea) and 1.5% (local rice). On the other hand, it is important to note that month-on-month, cowpea prices increased by 40% between April and May 2022.

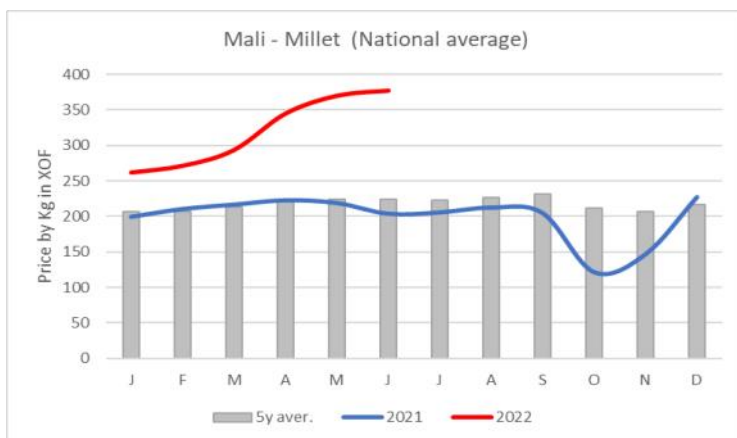
Of the country's three main markets, two are in crisis.

These are the Kirintim markets in the Bafata and Bissau regions. Compared to the five-year average, in Kirintim, the prices of imported rice and sugar increased by 15% and 19% respectively; while in Bissau, those of vegetable oil recorded an increase of 48% with the liter which rose from 1,000 CFA francs to 1,500 CFA francs between January and May.

Mali

In June 2022, Malian markets continue to record strong price variations for basic foodstuffs. Despite the export restriction measures taken by the government at the end of 2021 to mitigate the risk of food price inflation, prices continue to rise. The low production recorded during the previous season (-15%) was due exclusively to the poor distribution of rainfall and the reduction in sown agricultural area due to conflicts and population displacements.

The first half of 2022 is proving to be particular for Mali with a complicated economic situation due to the combination of several phenomena, in particular the economic and financial sanctions of ECOWAS and WAEMU from January 9 to July 3, 2022, which have greatly disrupted supply chains in addition to the crisis in Ukraine and the residual effects of COVID-19.



Source: WFP

Since the harvest period, demand was strong, which is why the usual seasonal price drops at harvest almost did not occur. It increased in April 2022 for cereal products, in particular millet, sorghum and corn with the Ramadan period. This created an average variation of +13% in prices compared to March 2022. Millet became a rare commodity in the markets in June 2022. The price of millet exceeds the price of imported and local rice in many of locality. For example, in Bamako, Kayes, and Timbuktu the average price of millet was respectively 412 XOF, 448 XOF and 443 XOF

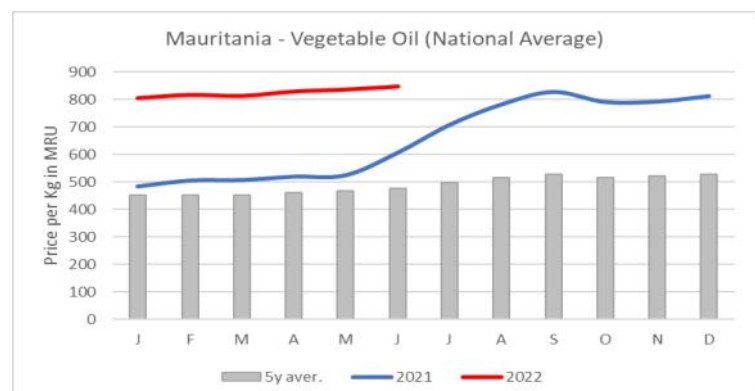
against 380 XOF, 400 XOF and 396 XOF for imported rice. In annual variation, the price of the cereal increased on average by +50% and +60% compared to the five-year average.

Millet, sorghum, and corn have soared in price with annual variations compared to June 2021 of +85%, +84% and +62% respectively. This same trend is observed in terms of variation compared to the average of the last 5 years of +80% for sorghum, +83% for maize, and +69% for millet.

Mauritania

Mauritania faces a high cost of living. The headline inflation rate in April 2022 (8.20%) reached a record level not recorded since April 2006 (8.30%). The food inflation rate is 13.40% in April 2022 against 4.20% for the same period last year, i.e., a variation of +69%. The increase in the overall inflation rate is closely linked to the price level of food products. This high cost is beginning to impact the shopping basket with reduced purchasing power, which limits access to the market. The price of fuel in Mauritania, which had been stable for more than a decade, recorded a recent sharp increase. Thus, the liter of diesel went from 38.46 to 49.96 MRU, that of gasoline from 43.68 to 56.64 MRU in line with trends in world prices and the reduction of state subsidies.

The markets of Barkeol, Mbagne, Nouhadhibou, Ould Yenge, Twilt and Ndiago are in crisis. The main products concerned are cowpea, vegetable oil and sugar. The price of vegetable oil has been rising steadily since June 2021. This situation has worsened with the disruption of supply chains due to the decrease in supply at the international level with the Russian-Ukrainian conflict.



Source: WFP

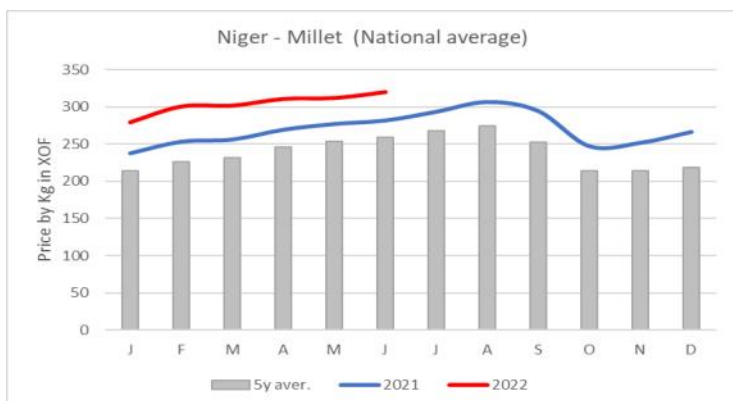
Year-on-year, the price of vegetable oil and wheat increased by +40% and +38% in June 2022. However, prices were already very high at the end of the first half of 2021. The variations are more pronounced compared to the average of the last five years of the same with +78% for

vegetable oil and +49% for wheat.

Niger

At the start of the second quarter of 2022, the average price of staple foods remains high in most markets in Niger. Among the markets monitored, around 35% are in crisis (ALPS) mainly for the most consumed cereals (Millet, Maize, Rice, and Sorghum).

Prices remain higher than last year at the same period and compared to the five-year average. This variation observed during the second quarter is due to a multitude of factors, including macroeconomic instability, reduced availability due to below-average harvests during the previous seasonal harvest and strong demand during the month of Ramadan. In June 2022, the annual price variation fluctuates between +12 and +14%. This increase was more pronounced compared to the average of the last five years of +24%, +25% and +29% respectively for millet, sorghum, and maize. Despite the different situations observed on the Nigerien markets, the government continues to support economic operators to minimize the negative effects on the population. The price level is above that observed during the lean season (August).



Source: WFP

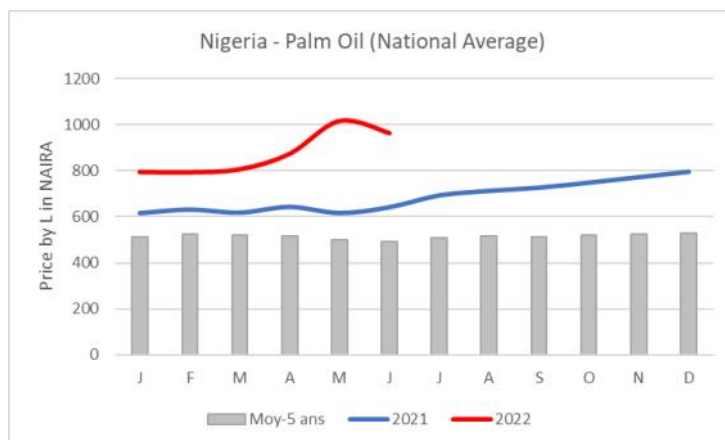
Nigeria

Nigerian markets are being hit hard by the atypical variation in food prices. 77% of the markets monitored by the WFP are in a crisis (ALPS). The most affected products are milk, palm oil, corn, and meat.

The consumer price index reached its highest score since 1995 due mainly to the variation in the price of foodstuffs and fuel.

For cereals such as rice and millet, there is a slight drop in prices compared to June 2021 of -10% and -11% but remains high compared to the five-year average. The

national average price of palm oil increased by +50% in one year from 492 Naira in June 2021 to 946 Naira in June 2022. But it practically doubled compared to the five-year average with an increase of +96 %. Milk has also become a rare commodity in the states of Borno and Yobe, in May 2022 the price of a 20G sachet soared by +252% and +195% compared to the same period last year.



Source: WFP

The price of fuel, especially diesel, is posting records in the first half of 2022. Between February and March 2022, the price of diesel increased by +38% and between March and April, it rose by + 25%. Year-on-year compared to June 2022, the average diesel price increased by +189% against +232% compared to the five-year average. The price of diesel increased by an average of 130% during the first half of 2022 compared to that of 2021. This situation is explained by the cost of oil abroad with the current international crisis and the continuous depreciation of the naira on the market. In addition to rising prices, there were also shortages during March and April, further disrupting supplies and raising transportation costs. Although Nigeria is an oil producing country, the majority of its production is processed abroad. This situation has led to an increase in the price of transport affecting the supply of goods and basic products.

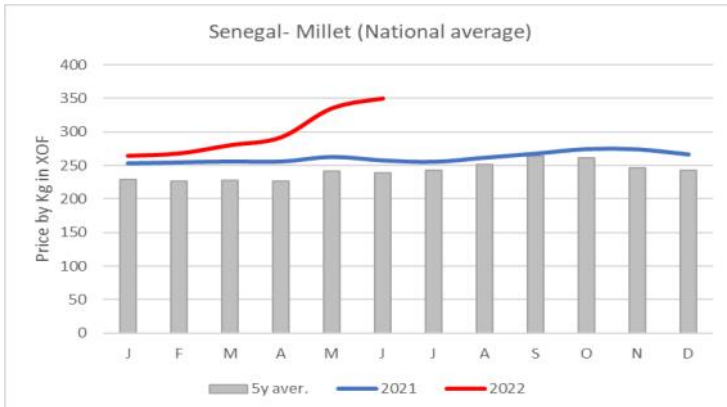
Senegal

In Senegal, the disruption of cross-border flows continues to be severely disrupted with the sanctions taken by ECOWAS against Mali. Mali being the main importer from Senegal and the country through which products from Burkina Faso and Côte d'Ivoire transit through Mali. Cattle from Mauritania and Mali are scarce on Senegalese markets, especially as the Tabaski festival approaches. These actions have an impact on the standard of living and the enrichment of life in Senegal, thus creating pressure on the household basket due to a low level of market supply.

Senegal's annual inflation rate accelerated to 7.4% in May

2022, a record rate since at least 2006, from 7% in April. The cost of food recorded the largest increase (12%).

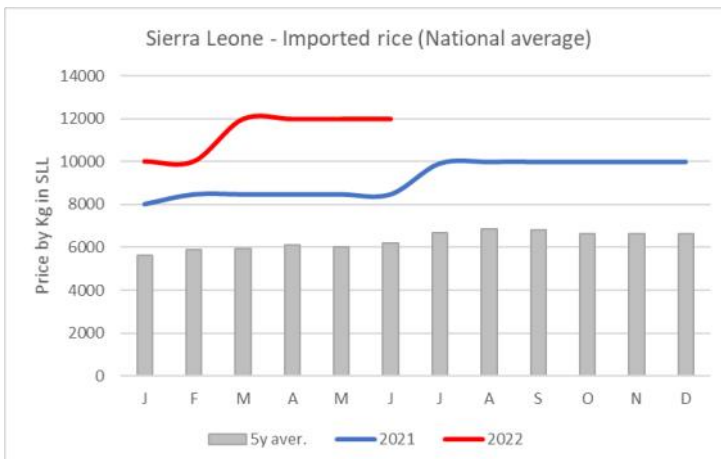
The average monthly retail price per kilogram of dry cereals for the month of June 2022 is displayed as follows: 350 XOF (millet), 409 XOF (sorghum), 378 XOF (maize). Monthly variations indicate increases for all products: millet (+4%), sorghum (+6%), maize (+7%). Compared to their levels in June 2021, medium to strong increases are noted for millet (+36%), sorghum (+53%) and (+64%) for corn. These prices are also higher than the five-year averages with the following increase rates: millet (+47%), sorghum (+53%), maize (+68%).



Source: WFP

Sierra Leone

The main domestic macroeconomic risks are the persistence of high public debt and the payment of domestic arrears, slower-than-expected revenue, and rapid growth in monetary aggregates, including associated inflationary risks and weaknesses in the financial sector.



Source: WFP

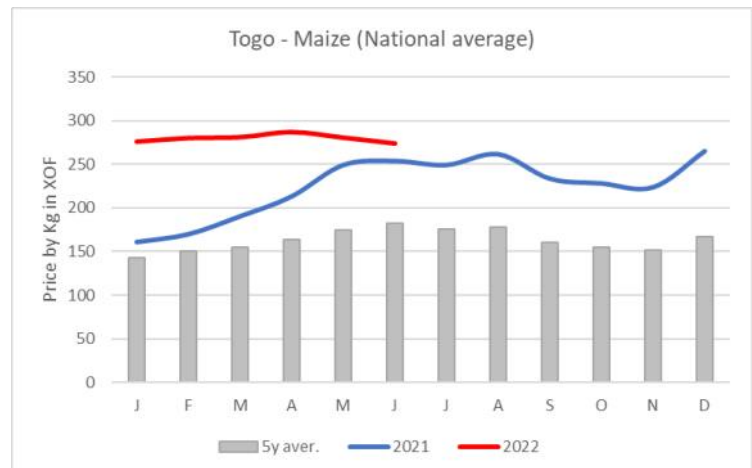
In June 2022, all the markets monitored by the WFP are in crisis (ALPS), the products concerned are meat, oil and rice. Prices continue to be alarming for the second quarter of 2022. In annual variation, the national average price increased respectively by +42%, +63%, +96% for imported

rice, vegetable oil and meat from beef. This increase is even more pronounced in line with the average of the last five years with respective increases for the same products of +94%, +114% and +177%.

Togo

In June 2022, the Kara, Cinkassé and Korbongou markets are in crisis (ALPS) for products such as Gari and sorghum. The national average price of maize has an average of 280 XOF during the first six months of 2022 with an average variation of +70% compared to the five-year average.

Although prices seem stable but still higher than last year. Nevertheless, the price of beef is recording dazzling variations of nearly +96% compared to June 2021 and +177% compared to the five-year average. This price fluctuation is due to the disruption of cross-border trade. On the other hand, the price of imported rice remains stable compared to the previous situation.



Source: WFP

Sources:

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