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Food and Agriculture
Organization of the
United Nations



World Food
Programme

ASSESSMENT OF THE RISKS AND IMPACT OF THE RUSSIAN-UKRAINIAN AGRICULTURAL PRODUCTION IN THE ECOWAS REGION

Key Findings



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Preface



Sékou SANGARE : Commissioner for Agriculture, Environment and Water Resources ECOWAS

Dear Sub-Regional Coordinator

I would like to thank FAO and WFP for their availability and professionalism, which served as a basis to produce, together with the countries, the report of this study on the effects of the Russian-Ukrainian war on West Africa and Sahel countries.

The time to produce the report was very short, but the commitment of both the international consultant and the joint FAO/WFP country teams, as well as the constant support of the FAO Sub-Regional Office for West Africa and the WFP Regional Office for West and Central Africa, as well as the support of IFDC/USAID, made it possible to achieve this result.

I would like to thank you very much for your efforts.

The results of the studies and surveys were presented at the technical meeting of experts on May 17, 2022, that served to prepare the Special Ministerial Technical Committee on Agriculture (SMTC-Agriculture) on May 19, 2022, under the authority of Dr. OWUSU AFRIYIE AKOTO, Hon. Minister of Food and Agriculture of Ghana (current Chairman of the ECOWAS SMTC-Agriculture). The meeting provided an opportunity for exchanges with the Ministers of member countries or their representatives, as well as with the Professional Agricultural Organizations, the private sector represented by the Executive Board and members of the West African Fertilizer Association (WAFA), Regional Development Banks (EBID and BOAD), and Technical and Financial Partners of the agriculture and food sector. The operational measures to implement the ministerial orientations were defined on June 2 by a Ministerial Sub-Committee chaired by H.E. the Minister of Food and Agriculture of Ghana.

The discussions led to the launch of a regional major initiative to address the issue of supplying farmers with agricultural inputs including fertilizers; to facilitate trade by reducing barriers to the movement of food commodities and agricultural inputs; and to see fertilizer as a strategic product without borders, accessible to all

farmers in all countries in the region without any exception.

The conclusions and recommendations of the Ministerial meeting, based on the contents of this report, have already been translated into a Decision Note that will be submitted to the next Council of Ministers on 29 –30 June 2022 and also during the Heads of State Summit on July 3, 2022.

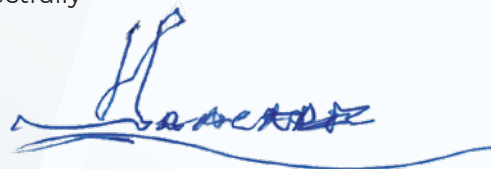
The conclusions and recommendations of the Ministerial meeting, informed by the contents of this report, have already been translated into a Decision Support Note/Memorandum submitted for endorsement to the next Statutory Council of Ministers on 29-30 June 2022 and also to the ECOWAS Heads of State Summit on 3 July 2022. The decisions to be taken will promote, among others:

- Regional preference for industrial fertilizer producers and suppliers established in member states with sufficient fertilizer production capacity to meet both quality and quantity of fertilizer demand;
- Establishment of grouped purchases of fertilizers by negotiating together the costs of purchase at the factory and transport;
- Government assistance to the agricultural inputs chain;
- The willingness of regional banks to collaborate closely, including with commercial banks, and to establish appropriate financing arrangements ;
- Continued investment in developing the countries' existing resources;
- The removal of all barriers to the free movement of fertilizers and seeds
- Farmers' availability and access to inputs in production areas;
- the support of all international Technical and Financial Partners including FAO, WFP, AFD, AfDB, BADEA, AFREX-IMBANK, World Bank, etc.

From the above, ECOWAS confirms and endorses the conclusions of this report.

Finally, I would like to conclude by wishing everyone a good reading of this report while renewing my thanks to all stakeholders for their quality contributions to these interim results. I invite them to implement the decisions and commitments made for collective sovereignty for food and nutrition in West Africa.

Respectfully



Sékou SANGARE
Commissioner for Agriculture, Environment
and Water Resources, ECOWAS

Acronyms and Abbreviations

AFD AfDB AFREXIMBANK	Agence Française de Développement African Development Bank African Export-Import Bank
BADEA BCEAO BDC	Arab Bank for Economic Development in Africa Central Bank of West African States Bureau de Change
CIF CILSS CVE	Cost, Insurance and Freight Permanent Interstates Committee for Drought Control in the Sahel Cabo Verde Escudo
DAP	Diammonium phosphate
ECA	United Nation Economic Commission for Africa
FCFA ECOWAS FAO	Franc of the African Financial Community Economic Community of West African States Food and Agriculture Organisation
GDP GHS GNF	Gross Domestic Product Ghanaian Cedi Guinean Franc
IDP IMF	Internally Displaced Persons International Monetary Fund
LRD	Liberian Dollar
Kg	Kilogramme
MAP	Monoammonium Phosphate
NGN NPK	Nigerian Naira Nitrogen, Phosphorus and Potassium
SLL	Sierra-Leone Leone
TSP	Triple Super Phosphate
UEMOA USAID USD	West African Economic and Monetary Union United States Agency for International Development United States Dollar
WFP	World Food Programme
XOF	Code of the CFA franc

I - Background and rationale



For over a decade, food and nutrition crises have been hitting many West African countries with increasing frequency and scope. These crises were both structural and cyclical and illustrate the significant deterioration in the living conditions and livelihoods of households, and often in the nutrition of populations.

This food crisis, which is particularly aggravated in the Sahel, has exploded in recent years under the combined effect of the physical insecurity of citizens caused by terrorism, banditry, inter-community conflicts as well as climate change and the Covid 19 pandemic. As a result, this situation has caused significant displacements with about 5 million internally displaced persons (IDPs) in the region, including 1.8 million in Burkina, 300,000 in Niger, more than 2 million in Nigeria and 400,000 in Mali along with the closure of several markets, health centers and schools. The continuing crisis affects livelihoods and disrupts trade flows and the mobility of people – including pastoral transhumance and a significant portion of the population in the Sahel is no longer able to cultivate and abandon their fields and villages.

ECOWAS countries are faced with fragile economic situations, rapid demographic growth, accelerated urbanization and governance challenges. The ECOWAS countries are not very resilient to both endogenous and exogenous shocks. Climate change and pandemics, such as Ebola and Covid-19, have had disastrous consequences, the effects of which are still perceptible. Travel and trade restriction measures enforced by countries due to the corona virus pandemic have severely affected economies and livelihoods in the countries. According to an ECOWAS study (covid-19 impact, 2021), Covid-related restrictions have resulted in a sustained increase in the price of basic food combined with a reduction in the tax base of states. This reduction in the tax base has led to a large budget deficit of -6.4% in 2021. According to the same study, extreme poverty has increased by 3%, reaching 34% of the population. It is therefore in this difficult context of increasing costs of international transport logistics, energy and border closure restrictions, all of which have induced generalized

price increases on the markets, that the Russo-Ukrainian conflict broke out.

Russia and Ukraine are two major world suppliers of nitrogen and potassium fertilizers respectively, and that they contribute to the supply of compound fertilizer production units installed or suppliers of complex fertilizers in West Africa and the Sahel. Annual fertilizer consumption is estimated at between 3.5 and 4 million fertilizers. By the end of November 2021, CIF fertilizer prices had already increased more than threefold. This situation has seriously disrupted the supply of fertilizer for the current 2021/2022 agricultural season, and it is expected that more than 1,500,000 tons of fertilizer

will not be supplied to farmers, particularly to the detriment of food crops.

A prolongation of the conflict could exacerbate the region's problems even further, with disastrous economic, food systems and political consequences.

Within this context, a sub-regional working group was established to lead on an analysis of the effects of the crisis in Ukraine on the socio-economic, food and nutritional situation in the ECOWAS region. The working group included representatives from FAO, WFP, ECOWAS, CILSS and UEMOA to supervise the work of technical experts of the concerned institutions.

II- Objectives

This assessment aims to provide evidence on the risks associated with the Russo-Ukrainian conflict in each of the 15 ECOWAS countries but also at the sub-regional level. On this basis, the specific objectives of the study are to:

- Assess the risks associated with the Russian-Ukrainian conflict on agricultural produc

tion, trade and prices of agricultural products and the humanitarian risks that could arise in the 15 West African countries.

- Identify and propose measures to mitigate the emerging food crisis in the region in order to better strengthen the resilience of the sub-region's agri-food systems.



III- Rapid Assessment Methodology

The assessment covered the 15 ECOWAS countries, namely: Benin, Burkina, Cabo Verde, Côte d'Ivoire, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Gambia, Niger, Nigeria, Senegal, Sierra Leone and Togo. It used a combination of approaches to meet the objectives, including an extensive literature review and secondary data analysis.

The study targeted stakeholders from the public and professional sectors as well as the private sector and the community. In each country, FAO and WFP focal points collected both quantitative and qualitative data from April 25 to May 10, 2022, through direct semi-structured interviews. Data was collected using specific tools, including interview guides

and data collection forms, from the ministries in charge of agriculture, trade, and finance for the public sector. The quantitative data were related to agricultural production, trade, prices of imported agri-food and fertilizer products, the cost of hydrocarbons, and information on humanitarian risks (projected from the June 2022 lean season data). The qualitative component of the questionnaire targeted private sector actors and civil society organizations to gather their experiences with the difficulties experienced in their respective sectors because of the crisis and their recommendations for addressing the situation. A triangulation was made between these different sources of data to better understand the potential risks of the Russian-Ukrainian crisis on the region.

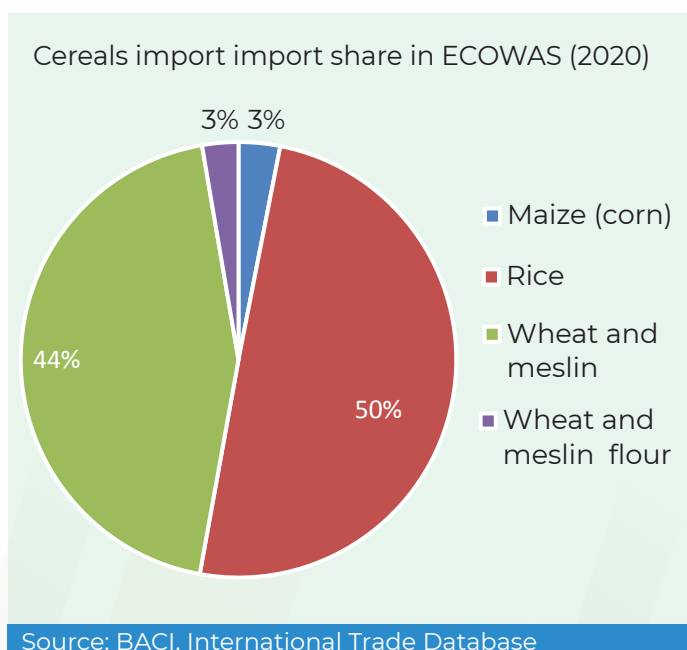
IV- The key findings of the study

This study showed that the dependence of ECOWAS countries on conflict countries makes them even more vulnerable to external fluctuations and threatens the socio-political environment.

The rise of chemical fertilizers' prices for which Russia and Ukraine are the main sources of imports for several countries in the region is a threat for the next agricultural season.

Dependency for cereal import is not significant at ECOWAS level but may deeply affect some countries

Graph 1: Cereals import in ECOWAS

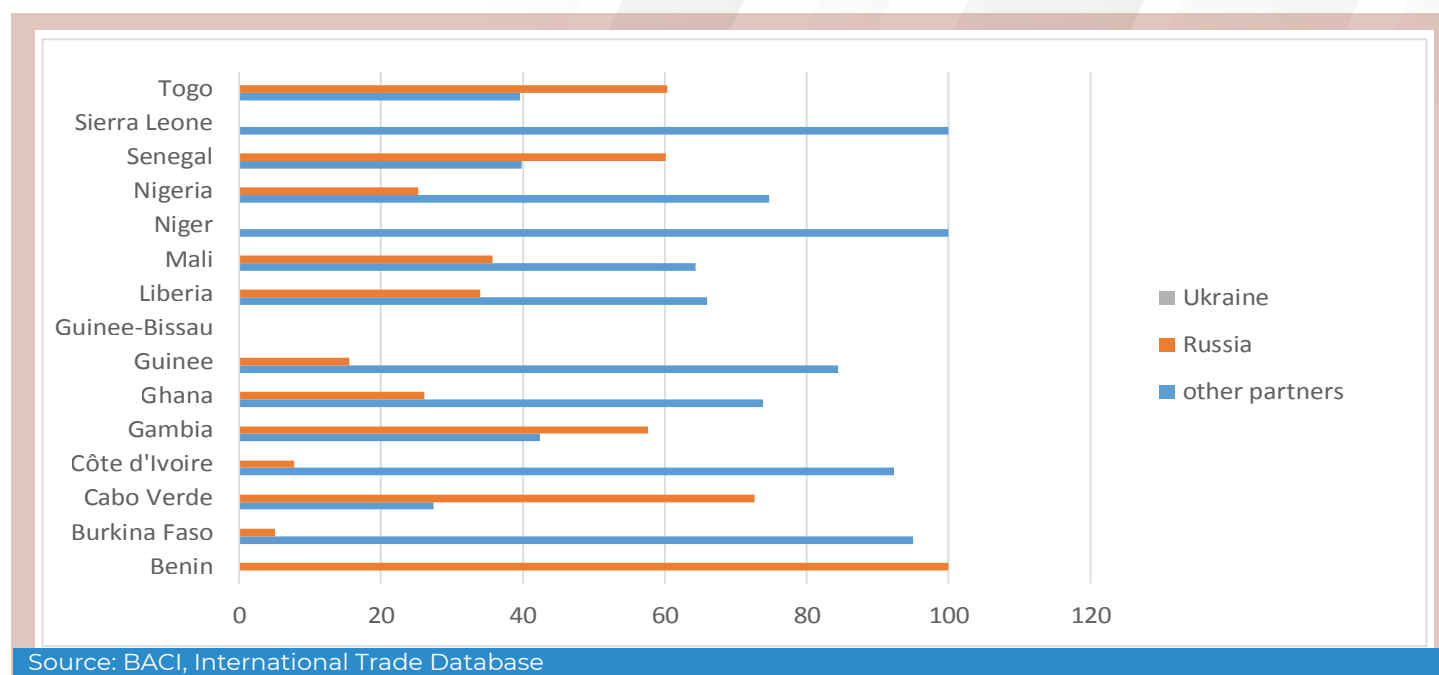


Main cereals imported in ECOWAS

Rice and wheat are the main cereals imported, representing respectively 50% and 44% share of imported cereals in the ECOWAS sub-region. All cereals combined, at the ECOWAS level, cereal imports from Russia and Ukraine were around 12% in 2020.

Although at the regional level the dependence for wheat is not significant, if we look at the national level, many countries will be seriously affected by the crisis in Ukraine. Countries such as Benin, Cabo Verde, Gambia, Senegal and Togo are heavily dependent on trade with Russia and Ukraine for more than 50% of their import share (see graph 2 below).

Graph 2 : Wheat and Meslin import share

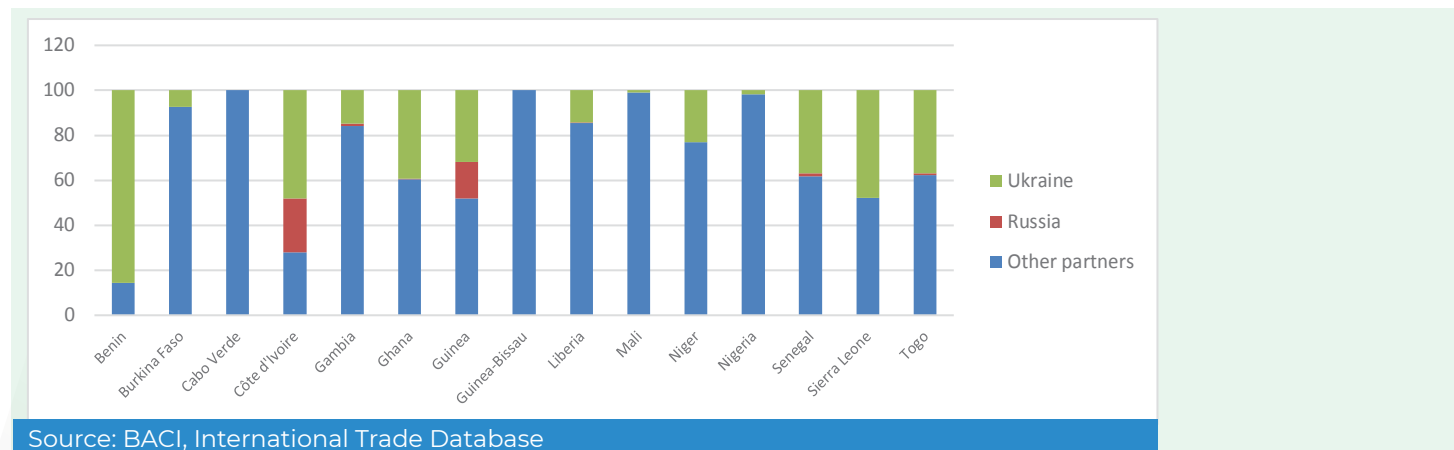


Vegetable oil

With regard to vegetable oils, the data collected have highlighted the predominance of one oil over the others in the sub-region. Palm oil is the largest vegetable oil imported, accounting for more than 85% of the sector's share. The other oils taken together account for only 15% of total vegetable oil imports. However, it is worth noting that the volume of other vegetable oils is increasing over the years, rising from less than 10% over the period 2015-2018 to 15% in 2020. The increasing volume of imported oils are mainly for: sunflower oil (3%), soybean flower oil

(2%) and olive oil (2%). It should be noted that sunflower oil comes largely from Ukraine. When we focus on sunflower and we deep dive the analysis, the disaggregation by country for sunflower oil imports shows that some countries will be affected more than the others by the crisis because of their trade relationship with Ukraine. Countries such as Benin, Côte d'Ivoire, Guinea and Sierra Leone, import more than 46% of their sunflower oil mainly from Ukraine. These countries could eventually be forced to change the source of their sunflower oil supply.

Graph 3: Sunflower seed, safflower or cotton-seed oil and their fractions; whether refined, but not chemically modified: Import Share 2020

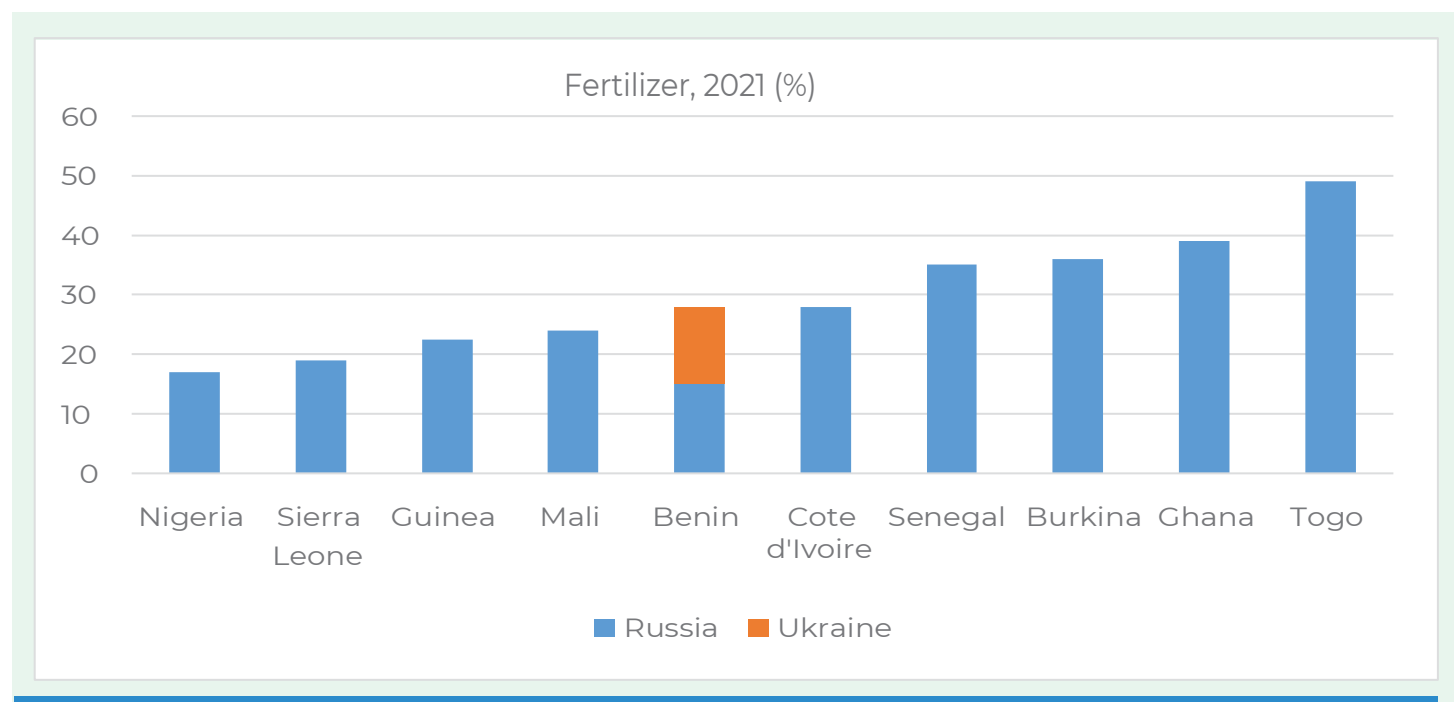


Fertilizer

Although ECOWAS countries use less fertilizer than countries in other continents (America, Europe or Asia), they are still dependent on fertilizer imports in general and specifically on imports from Russia and Ukraine. Russia has supplied more than 50 percent of potash to Côte d'Ivoire, Mali, Niger, Senegal and Sierra Leone.

It is projected that the region will face a deficit of fertilizer between 1.2 and 1.5 million tons, or between 10 and 20 million tons of grain equivalent. In other words, the region could experience a loss of cereal production of around 20 million, or more than a quarter of the production recorded in 2021 (73 million tons).

Graph 4: Dependence on fertilizer imports from Ukraine and Russia



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

Increased risk of fertilizer shortages

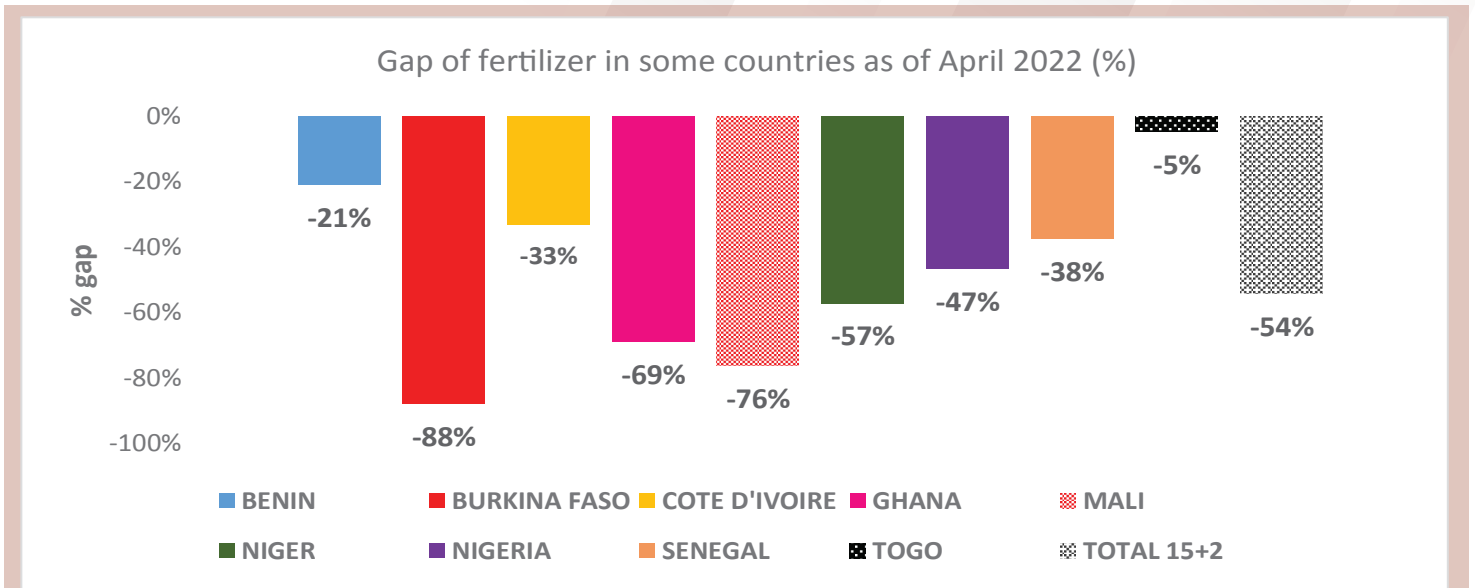
The assessment of fertilizer availability in the sub-region is based on requests collected from countries and on the situation of the international market of fertilizer. The main proposals for the valuation of the production capacities and availability of supply of existing fertilizers were made by the ENGRAIS/USAID Project. The data provided shows that, in West Africa and the Sahel, only 46% of fertilizer needs were covered as of April 30, 2022. In the very short term, the countries that are about to be the most affected by the shortage of fertilizer include Burkina Faso, Ghana, and Mali. As for the other countries, they will face a shortage of fertilizer during the next agricultural campaign if nothing is done or if the crisis persists.

The graph 5 below shows the gap between the demand for fertilizers in the 2022 agricultural campaign and current availability (as of April

2022). The results show that fertilizer needs are not fully covered, as the reported available stocks are far below the estimated needs in all countries. The deficit varies between -5% (Benin) to -88% (Burkina Faso).



Graph 5: Fertilizer deficit per country

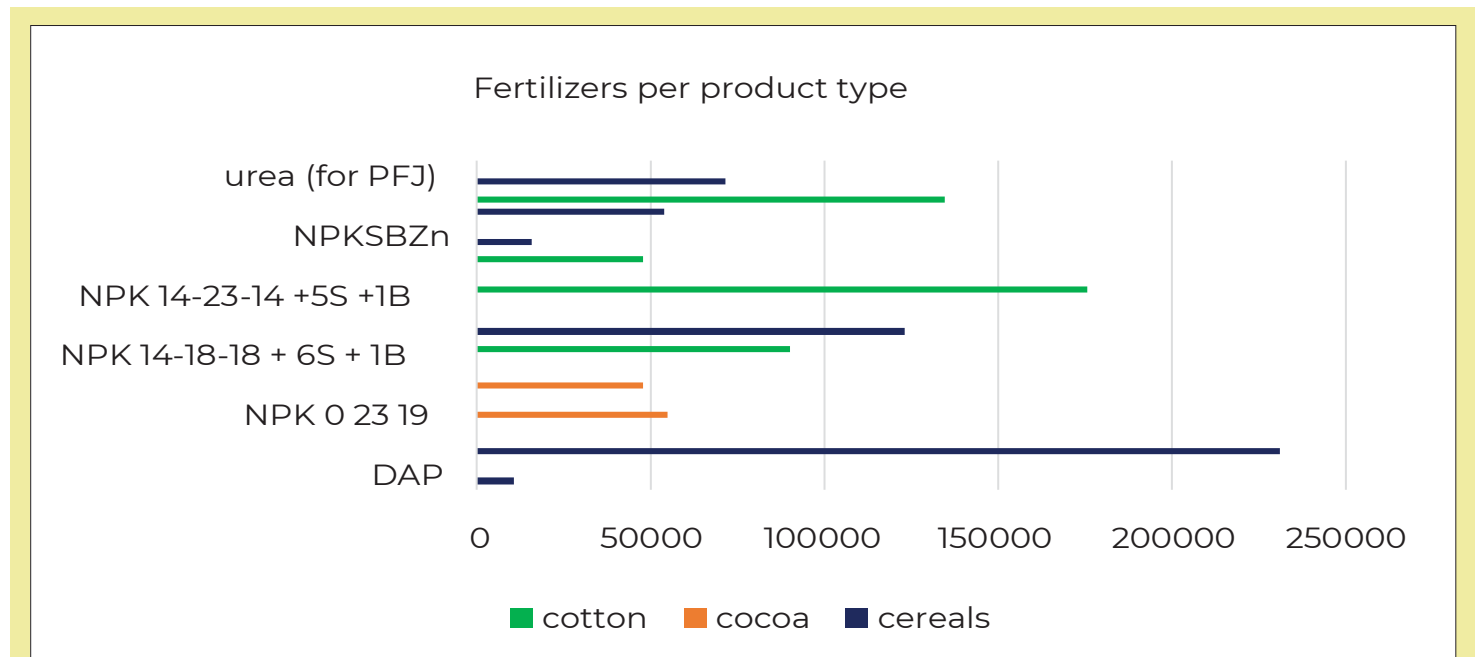


Source: ECOWAS FAO WFP assessment on the impact of the crisis in Ukraine-April 2022

Some fertilizers are more requested than others. The graph 6 below illustrates the importance of fertilizer types used in the subregion. Some agricultural products are dependent on specific types of fertilizer. For example, cereal crops are heavily dependent on NPK fertilizer for PFJ (Planting for Food and Jobs programme), while

cocoa uses mainly NPK 0-23-19. If an adequate supply of these fertilizer categories is not assured, the immediate consequence would be a larger production deficit for the products concerned, since the projections made on the decline in production had not taken into account the unavailability of fertilizers.

Graph 6: Fertilizers used by product type



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

Shortage of certain types of fertilizers have affected greatly their market price. Urea prices are still 2.5 times more expensive than its average

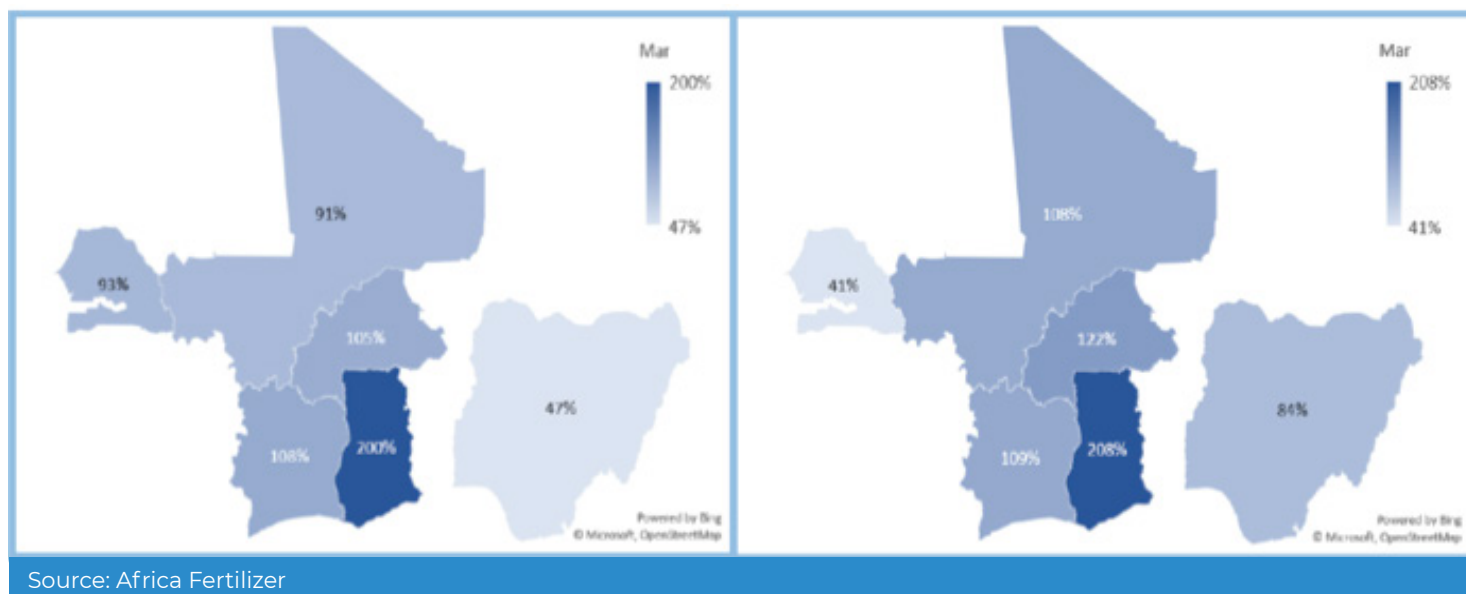
price between 2016 and 2020 (USD 800 per ton against USD 300 over the previous period).

In Burkina Faso, the 50 kg bag of fertilizer varies between 30,000 FCFA and 35,000 FCFA. Burkina Faso farmers have started using Urea from Nigeria, which recently entered the Burkina Faso market at a price of 28,000 FCFA per 50 kg bag. In Ghana, urea is becoming scarce where the use of ammonium sulphate has been considered as a substitute for this fertilizer.

The Ghanaian Ministry of Agriculture has released approved subsidized input prices for the 2022 planting season. The same applies to

the prices of phosphate fertilizers (DAP, MAP, TSP, and NPK) which remain expensive and difficult to find. For example, Côte d'Ivoire, which is the leading cocoa-producing country, has seen a variation in the price of NPK 0-23-19, which has gone from 14,000 FCFA per 50kg bag to 25,000 FCFA (+79). Urea doubled from 15,000 FCFA to 30,000 FCFA. Potash is in short supply because ECOWAS is largely dependent on Russia and Belarus (20 to 50% depending on the country).

Map 1: Annual urea price variation March 2021 vs March 2022 (left) and compared to 5 years average (right)



In some countries, supply constraints have been identified. An example of this is Mali where about 100,000 tons were blocked at the Côte d'Ivoire and Senegal border (Africa Fertilizer, January 2022).

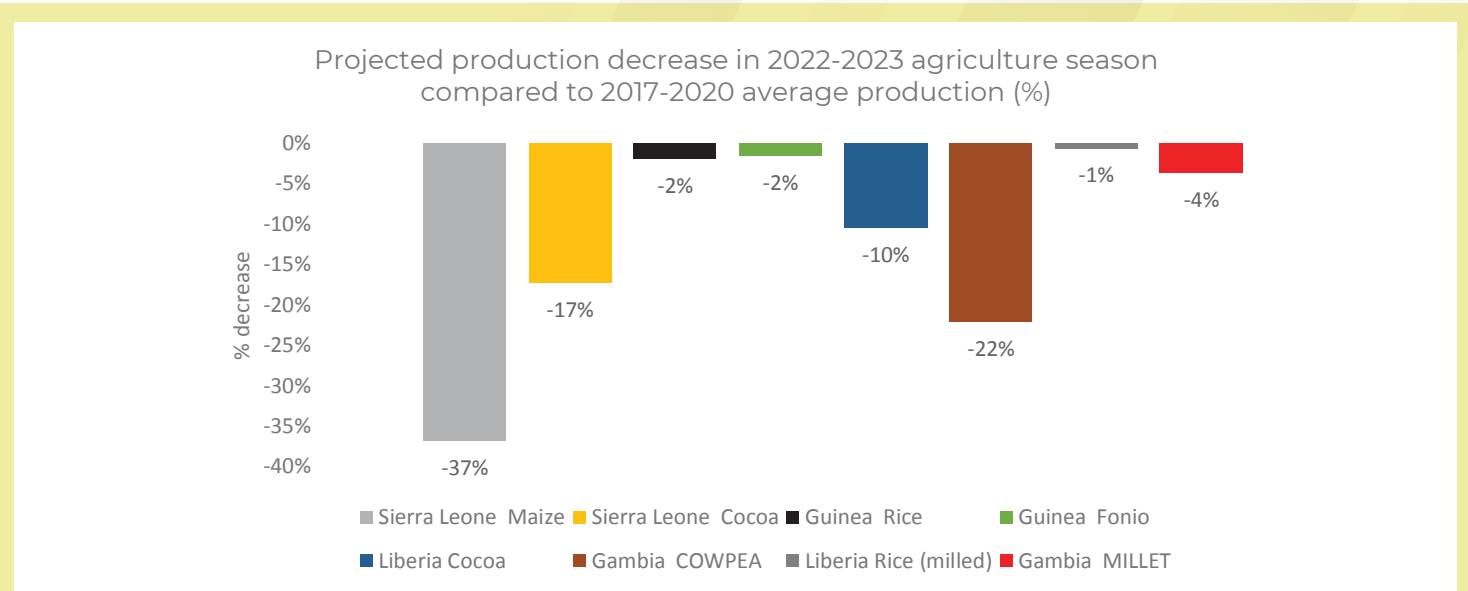
Additionally, fertilizer costs for cotton will also continue to rise, which will affect tax revenues of cotton-exporting countries (Burkina Faso, Côte d'Ivoire, Mali, and Senegal).

If an adequate supply of these fertilizer categories is not assured, the immediate consequence would be a larger production deficit for these products, since the projections made on the decline in production had not considered the unavailability of fertilizers. It is therefore expected that the elevated risk of reduced harvests will further drive-up food prices in our region.

In average 20%, projected decline of agricultural production in 2022 compared to the 2017-2020 average some countries.

Agricultural production has been fluctuating over the past few years. According to ECOWAS, total cereal production (maize, rice, millet, sorghum, fonio and wheat) expected in the Sahel and West African countries for the 2021/2022 agricultural season is around 73.3 million tons. This production is down by 2% compared to last year for all countries. In the Sahel, the cereal production has decreased by 11% compared to the five-year average. Few countries shared their agricultural production projections data during the survey. Based on available data, a comparison of the average production over the 2017-2020 period with the projections for 2022 and 2023 shows a clear production deficit for some commodities.

Graph 7: Comparison of the 2022 and 2023 production projection with the 2017-2020 average



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

The shortage of fertilizer could lead to a production decrease of 10 to 20 million tons equivalent to almost 20% of 2021-2022 cereal production. These

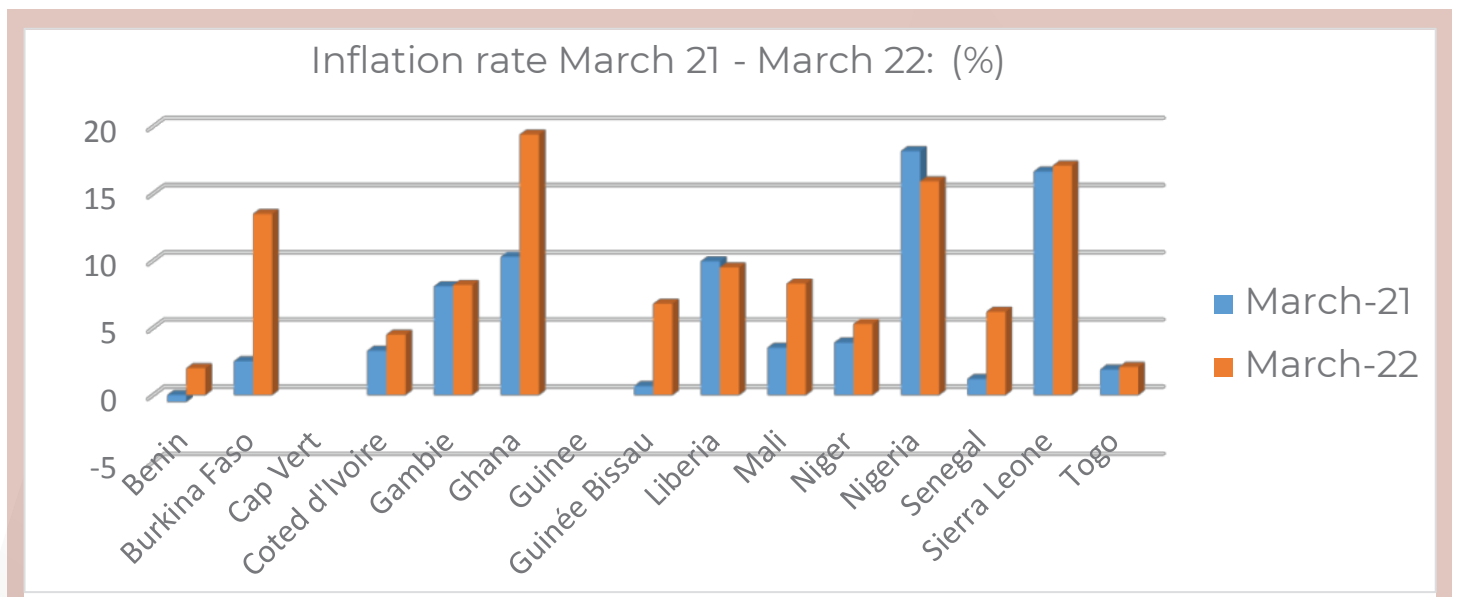
deficits are linked to several pre-existing factors but will be aggravated by the shortage of fertilizers induced by the conflict in Ukraine.

Inflation and currency depreciation

The high inflation in Nigeria and the restricting measures on food exports from Nigeria, Benin, Burkina, and Mali are having a very negative impact on Niger, which has just experienced one of the worst agricultural seasons since 2005. As a result, food prices are extremely high. The FAO Food Price Index climbed 12.6% in March 2022 compared to February 2022 and reached its highest level since its inception in 1990.

This increase is mainly due to the record levels reached by the increase in the sub-indices of all food products, namely vegetable oils, cereals, meat, sugar, and dairy products. Current inflation is closely linked to food inflation with the increase in food prices. Inflation is contributing to the erosion of household purchasing power, deteriorating the terms of trade, and affecting all socio-economic categories.

Graph 8: year-on-year inflation



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

Looking at the evolution of exchange rates of major currencies in the region with the U.S. dollar, compared to the average levels of the previous year, we can see that several currencies have depreciated. The Nigerian Naira (NGN) at the Bureau de Change (BDC) level depreciated further (-14%). Other smaller but significant depreciations at the interbank level included the Sierra Leonean Leone (SLL) (-9%), the CFA francs of BCEAO (XOF) and the Cape Verdean

Escudo (CVE), which are pegged to the Euro (-5%). However, during the same period, the Liberian dollar (LRD) and the Guinean franc (GNF) gained in value.

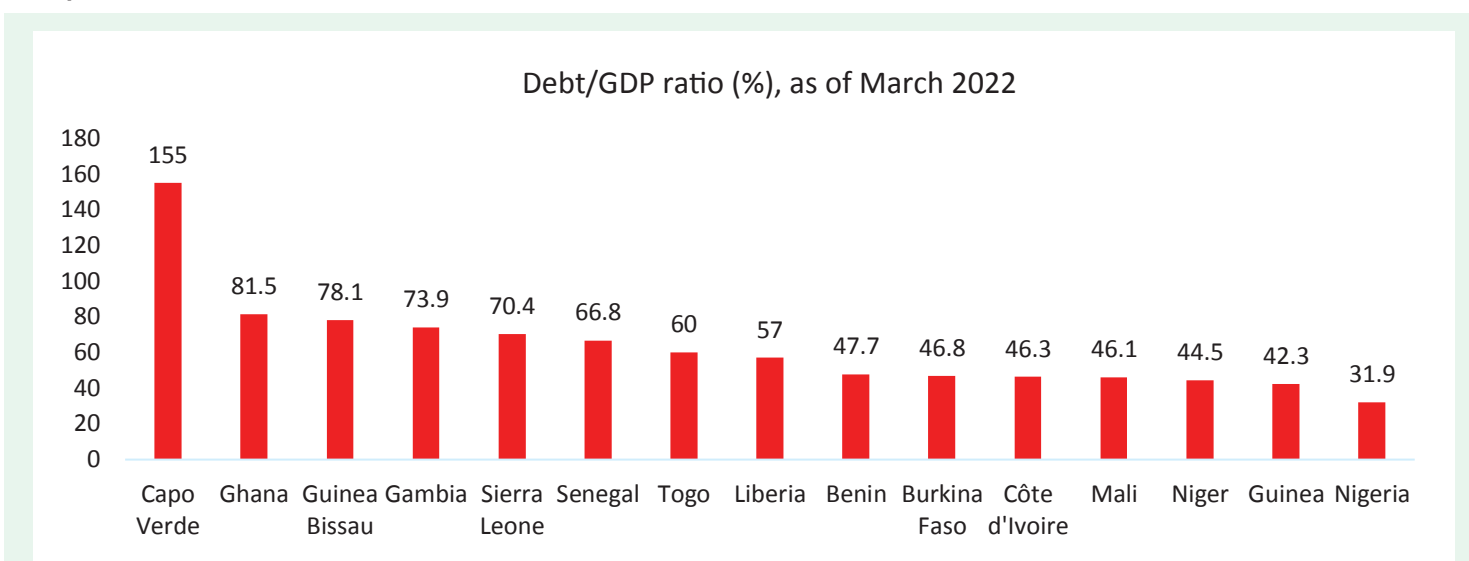
Compared to the average for the previous five years, all other currencies are below their average value, except for the GNF, which appreciated slightly. The largest depreciations were in the SLL, the Ghanaian cedi (GHS), and the NGN (interbank and Bureau De Change rates).

Increased risk of another debt crisis more difficult than in the 70s and 80s for some countries.

At the macroeconomic level, the budget deficit in the subregion widened in 2020, mainly because of spending related to the Covid 19 effects, which led to a shortfall in revenue, a shrinking tax base due to the economic contraction, and the decline in imports and exports. One of the measures implemented by countries to cope with public spending has been the use of debt, which has had economic and political repercussions in the subregion.

The graph below illustrates the level of countries' indebtedness in the region. Countries have had to borrow heavily in order to cope with the consequences of the Covid 19 pandemic. According to the ECA report on "The Future 2021 of ECA" and IMF Data on "Regional Economic Outlook for Sub-Saharan Africa, April 2021", some ECOWAS countries including Cape Verde, Ghana, Gambia, Sierra Leone have even been classified as high debt burden countries.

Graph 9: Debt/GDP ratio as of March 2022



Source: Regional Economic Outlook for Sub-Saharan Africa, April 2021, ECA, The Future 2021 of ECA and IMF Data

In Cabo Verde, Ghana, Guinea Bissau, The Gambia and Sierra Leone, the debt to GDP ratio exceeds the 70% ceiling defined in the UEMOA convergence pact.

Widespread increase in the price of basic foodstuffs

Supply versus demand

The regional cereal supply is particularly low this year compared to last year. West Africa in March 2022 achieved total cereal production (maize, rice, millet, sorghum, fonio and wheat)

of 73 million tones for the 2021-2022 campaign, i.e., a decrease of 2.2% compared to the previous campaign. It varies according to the basins and speculations. Indeed, imported cereals, particularly rice and wheat, are currently the most available com-

pared to local cereals.

In the eastern basin of the Sahel region, agricultural production was relatively low (-4%). However, it was catastrophic in Niger (-39%) compared to the 5-year average, but relatively good in Benin (+6%) and Nigeria (+2%). This basin includes four areas of food insecurity that are disrupting the functioning of the markets: the Liptako-Gourma area (West Niger, North Benin), the central zone of Nigeria, South Niger, and the Lake Chad area.

This makes the eastern basin the one most affected by civil insecurity. The high inflation in Nigeria and the measures restricting the exit of . This makes the Eastern basin the one most affected by civil insecurity. The high inflation in Nigeria and the measures restricting the exit of food from Nigeria, Benin, Burkina, and Mali are having a very negative impact on Niger, which has just had one of the worst agricultural campaigns since 2005. As a result, food prices are extremely high.

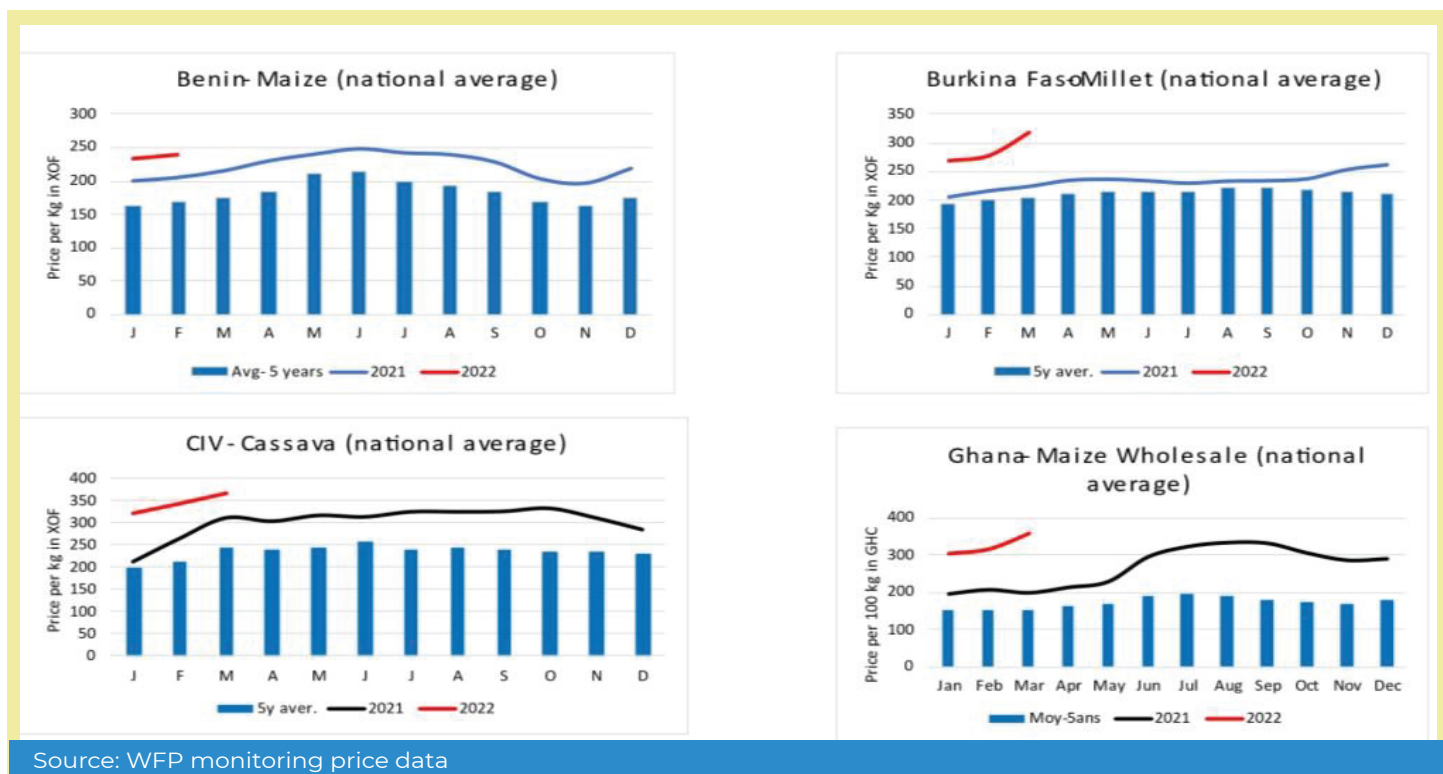
In the Central Basin, local cereal supply is very low because cereal production has fallen by about 15% for Mali and 10% for Burkina Faso compared to the previous season. The measures taken by the coun-

tries (Burkina, Benin, Mali, and Côte d'Ivoire) to restrict grain exports have completely disrupted cross-border flows. This has made it impossible to regulate supply with the usual flows from Ghana and Côte d'Ivoire. Internal flows are also disrupted because of the civil unrest in Mali and Burkina (about 2 million IDPs for these two countries). The embargo on Mali has aggravated the situation. Demand is particularly high, causing some shortage for millet (-26%), sorghum (-24%), and maize (-1%). Demand for maize is in high demand by the brewery and poultry industries, whose numbers are growing rapidly. Ghana (a country in the Basin that has announced good production) is still affected by inflation and the high cost of living.

Local cereal prices have reached new highs in several countries in the subregion, supported by below-average market availability and conflict-related market disruption.

These price increases compared to the five-year average are 30% for maize, 26% for millet, 24% for sorghum and 18% for rice. The largest price increases were observed in Sierra Leone, Liberia, Ghana, Togo, Benin, and Nigeria.

Graph 10: Foodstuffs price evolution in some countries



Source: WFP monitoring price data

The average of the last 5 years' prices is compared to the average prices of each product in 2021 and the 2022 first quarter. Price levels in the first quarter of 2022 are higher than the average of the last five years, but also above last

year's prices. In some countries, for some products, an acceleration of price increases can be observed. The prices of the first quarter exceed by far in some countries the prices recorded during the peak of the lean season.

Grain price

Grain price levels are particularly high this year. Compared to the average of the last 5 years for the same periods, prices are up **33 to 37% during the month of March 2022 against the 23 to 27%** increase observed last November at harvest time (+10 percentage points). Price increases are notable for all cereals.

Local cereals are the most affected, particularly maize, which, despite a quite stable regional production, has been the most affected by the strong household demand for sorghum and millet, the cessation of cross-border flows, the retention of stocks pending intentional purchases, and breweries, poultry farms, and livestock feed manufacturing industries.

The price increases for millet and sorghum are due to the significant drop in regional production because of rainfall problems and civil insecurity, which has prevented some areas from cultivating this year. According to the basins, as mentioned above, the eastern basin is the one most affected by the price increase, followed by the central basin. In the western basin, the increase was more moderate overall. However, if we go down to the country level, the countries with the most spectacular increases are **Nigeria, Sierra Leone (62%), Togo (48%), Liberia, Mali,**

Burkina Faso, Benin and Niger. These are obviously relative price changes compared to their average levels over the past 5 years.

Tuber market situation

Tuber production was generally good for all crops, which, unlike cereals, contributed to ensuring availability on the markets, except for sweet potatoes, which experienced a slight decline compared to the previous season's production.

However, due to the general inflation in production and transport factors in the main tuber-producing countries, namely **Nigeria, le Ghana, la Côte d'Ivoire et le Bénin,** prices remained high mainly for **yam,** which is in demand in **Sahelian countries; cassava,** which is processed into **Gari and Attiéké, and is also in high demand in Sahelian countries.**

The increase in the price for cassava ranges from 30 to 80 percent. Sierra Leone recorded the highest increase (73%). The increase in the price of sweet potato fluctuates between 60% and 80%. The highest price increase is recorded in The Gambia (78%). The price increase for yam ranges from 30% to 60%, with the highest increase observed in Ghana.



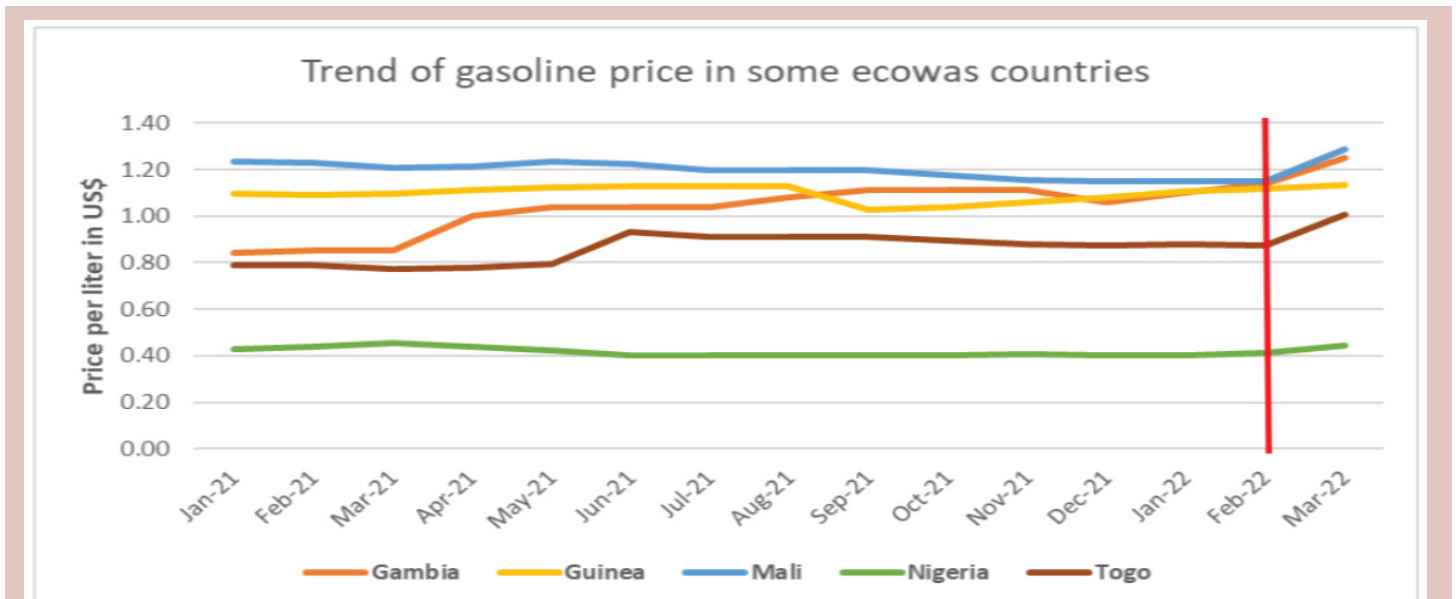
The increase in the price of hydrocarbons

The world is facing an inflationary crisis due to the rising costs of raw materials; fossil fuels, chemical inputs, and logistical transport (see FAO food Price index). Fluctuations in world oil prices are affecting the economies of West African countries and leading to systematic increases in the price of raw materials and food. Already in March, hydrocarbon prices have begun to increase at an accelerated rate, as shown in the graph 11 below in countries such as Mali, Niger, Togo, Nigeria, and Ghana.

The combined impact of rising crude oil and freight is driving up transportation costs in the region. 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.

This effect can be seen in some countries. As example, in Cabo Verde, the cost of transport has increased by 60%.

Graph 11: Trend in gasoline price from January 2021 to March 2022



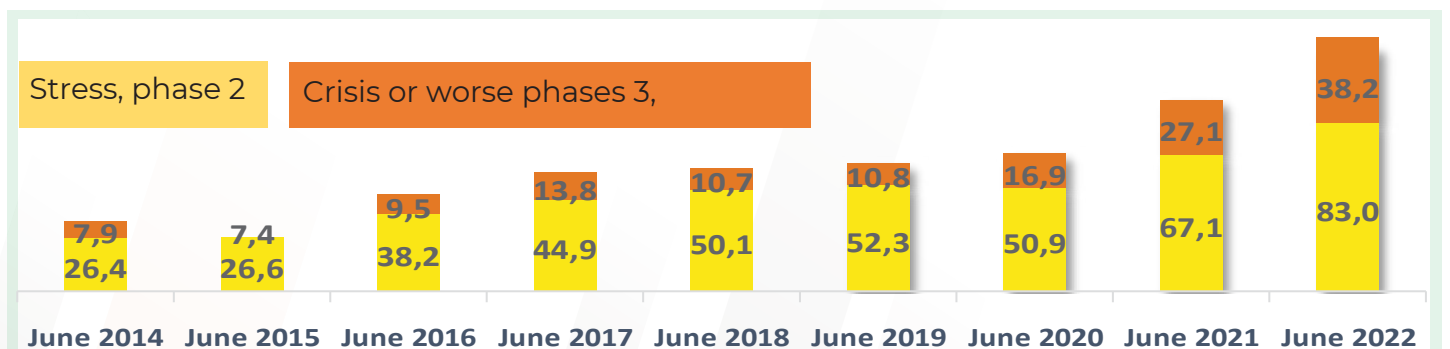
Source: ECOWAS FAO WFP assessment on the impact of the crisis in Ukraine-April 2022

Worsening food insecurity in the sub-region.

The findings of the Cadre Harmonisé on Food Security (March-May 2022) indicate that the food and nutrition situation may worsen during the projected period (June-August 2022) marked by the food gap for countries in the northern part of the region. The number of food insecure areas is increasing and expanding to

new regions, resulting in high food insecurity rates. Compared to the 2021 lean season, severe food insecurity rates (corresponding to the crisis to worst phases) increase from 27.1% to 38.2%, an increase of 70%. It is important to note that these projections have not taken into account the effects of the Ukrainian crisis, which means that, the proportions of food insecurity could be very alarming during the 2022 lean season.

Graph 12: food security trend from 2014 to 2022



Source: Cadre Harmonisé - CILSS and TC-CH data

Important barriers to trade

Road hassle continue to undermine the flow of the regional markets. This jeopardizes the actions taken by regional political authorities building on cross-border trade fluidity for agricultural products to reduce food insecurity. ECOWAS and its partners, in collaboration with stakeholders, are monitoring harassment on the main international corridors. This includes the number of checkpoints (police, customs, gendarmerie, and others) on the routes, the illegal amounts paid by transporters and the time lost by transporters due to these check

points. Even if these checkpoints are very important in a context of insecurity or to control the exit of food products, they may have negative impact on cross-border flows and reduce the exchanges with the rest of the world and weakens the regional integration.

There is an average of **59 checkpoints per corridor of 1152 km**. This corresponds to **4 to 13 checkpoints per 100 km**. **Illicit payments range from US\$205 to US\$1435 per trip**. There is an increase of 7 to 8% between 2021 and 2020. This also results in an estimated time loss of 74 to 291 minutes per trip.

V- Recommendations

Short-term measures

1. Remove the barriers to trade and stop export bans as we should reduce the pressure on markets by increasing supplies of food and fertilizers.
2. Support local food production, facilitating smallholders' access to fertilizers produced and stocked locally.
3. Encouraging low-tech irrigation schemes in dry and rural areas, especially in the Sahel, as well as large-scale irrigation systems to help decrease smallholders' dependency on rains.
4. Promoting the increase of existing production capacities of private sector companies that are producing fertilizers in the region.
5. Re-directing immediately some of the resources to scale up support to the most vulnerable households (food insecure and/or internally displaced people) through the expansion of social protection systems to help mitigate the impacts of rising food and oil prices.
6. Develop a robust group purchase mechanism at the scale of port and road corridors in the

Medium- and long-term measures

1. Initiate changes in dietary habits to reduce imports of foods that are produced far away from our region. This should start as early as school age when children benefit from school meals while at school.
2. Shorten global supply chains by investing in regional and local production, transformation, and agro-processing capacities.
3. Increase investments into the agricultural sector and, at least, reaching the Malabo declaration target.

ECOWAS region, mobilizing large producers in the region to meet the demands of fertilizer blenders and importers.

7. Promote good agricultural practices to improve nutrient use, in particular the adoption of improved seeds by farmers.
8. Expand the use of fertilizer manufacturing plants in Nigeria and Senegal to their full capacity
9. Subsidize and control the price of fertilizer and seed inputs.
10. Increase smallholder farmers' access to fertilizer by improving communication about its availability and encouraging the release of local fertilizer stocks.
11. Redirect available financial resources to address urgent food issues.
12. Obtain the commitment of member states' governments to establish a transparent and efficient financing system to support the private sector in establishing effective fertilizer subsidy systems.

4. Support the private sector in increasing food transformation and production of fertilizers locally and regionally.

6. Promote climate-smart agriculture and the use of organic fertilizers while supporting the development of local and regional value chains.
6. Reinforce national and regional stock food reserves to be more effective in responding to these shocks.

7. Promote regional integration and further leveraging the African Continental Free Trade Area.
8. Consolidate regional and national fertilizer reserve stocks for use in the event of a shock.
9. Build a strategic stock of staple food crops
10. Diversify the food basket with perennial crops
11. Develop the use of organic fertilizer inputs as a supplement where possible.

12. Build systems and capacity for large-scale use of organic inputs.
13. Encourage the development of regional fertilizer manufacturing plants to reduce dependence on imports.
14. Adopt a distribution mechanism of Hydrocarbon products that is effective, to curtail the cases of diversion of the petroleum products and running a regular functional refinery.



Contacts and informations

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