Arab Development Symposium I: 
Food and Water Security in the Arab World

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Introduction: Recognizing the importance of policy debate and knowledge sharing in the field of development, the Arab Fund for Economic and Social Development and the World Bank (Middle East and North Africa Region) agreed in March 2010 to hold joint high-level development seminars around issues pertaining to the Arab World. These were to be known as the Arab Development Symposia (ADS) and would be held on a regular basis, every 18 months or so, at the Arab Fund premises in Kuwait.

The goal was to provide an opportunity for policymakers, practitioners and academicians to share ideas and experiences on topics which are high on the Arab development agenda. As such, the ADS series complement other fora for research and knowledge sharing and dissemination such as the Economic Research Forum (ERF) and the Research Initiative for Arab Development (RIAD).

The first ADS symposium examined the topic of “Food and Water Security in the Arab World” and was held in Kuwait City in March 2011. This Quick Note provides an overview of the proceedings and the findings that came out of this event.

Overview: The Symposium highlighted the critical issues facing the Arab region in the area of food and water security: agricultural production and productivity, land use, water demand management, efficiency of the supply chain, storage capacity, price volatility, nutritional composition of food consumption, and climate resiliency. Some of these issues are outside the control of policymakers; others are squarely within their responsibilities.

Food Prices and Food Security: The sharp rise in food prices has triggered grave concerns about food
security, malnutrition and increased poverty throughout the world. And it is increasingly being recognized that, due to a confluence of factors, international food commodity prices are likely to exhibit a rising and more volatile medium-term trend. This trend is of particular concern for Arab countries because of their rapidly growing populations and urbanization; limited water and arable land resources—land per capita is projected to reach 0.12 ha by 2050, a fall of 63% from its 1990s level; and significant dependence on international food commodity markets, particularly for cereals where the region ranks on the top list of importers.

Projections of the Arab region’s food balance indicate that dependence on cereal imports will increase by almost 64% over the next twenty years. Going forward, Arab countries and their development partners need to deploy joint efforts to offset vulnerability to future food price shocks in the region by focusing on investment in three key areas: (i) strengthening safety nets; (ii) enhancing food supply; and (iii) reducing exposure to international commodity market volatility.

There are a number of factors behind the high agricultural prices in 2011, some are similar to those in 2007/2008 such as high energy prices, depreciation of the US$ against most currencies, and high levels of financial investment in agricultural commodities. Others include adversities such as extreme weather and trade policies such as Russia’s ban on exports in late 2010.

Over the longer term, energy prices and total factor productivity are additional key drivers likely to shape world food price levels. Crude oil prices will not only exert upward pressure due to increased costs of agricultural inputs, production and transport, but also through increased demand for bio-fuel feedstock.

**Challenges Ahead:** The interest of the Arab region’s in the issue of food security is not new. Many countries in the region have developed programs to achieve “self-sufficiency” in staple food commodities. Food security has, however, encountered many constraints and obstacles, the most important of which are water scarcity, poor management of natural resources, and low investment in agricultural research with poor applications of modern technologies in agriculture.

Despite the fact that Arab countries have made considerable progress in developing agricultural production, the results are still modest, particularly on impacting the growing demand for food. The high rate of population growth, especially in low-income Arab countries creates a major challenge to secure food in a sustainable manner.²

Regarding self-sufficiency in the Arab World it is best addressed in terms of trade-offs between food availability in the market and access to it. The trade-off has to do with spending valuable water, land, and capital to grow crops that are typically low value (wheat) versus using these resources to produce higher value crops and/or invest in much needed social sectors such as education, health and jobs. Furthermore, most MENA governments are subsidizing wheat production in most years to encourage farmers to produce wheat for food security reasons. This is obviously not the most efficient use of resources.

² See The Economist (22 February 2014 issue) for a discussion of recent actions taken by GCC countries to address the food security issue: “Food security in the Gulf—How to keep stomachs full”.

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