



Food and Agriculture Organization of the United Nations Organisation des Nations Unies pour l'alimentation et l'agriculture

Продовольственная и сельскохозяйственная организация Объединенных Наций Organización de las Naciones Unidas para la Alimentación y la Agricultura منظمة الأغذية والزراعة للأمم المتحدة

COMMITTEE ON COMMODITY PROBLEMS

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STATEMENT BY THE DIRECTOR-GENERAL

Your Excellency Mr. Lassaad Lachaal, Minister for Agriculture of Tunisia, Chairperson of the FAO Regional Conference for Africa and chair of yesterday's meeting of the Third Ministerial Meeting on Governance and International Commodity Markets,

Mr. Eric Robinson, Chair of the CCP

Honourable Ministers, Ambassadors and Permanent Representatives,

Distinguished delegates and guests,

Colleagues from FAO and other organizations,

Excellencies,

Ladies and Gentlemen,

Welcome to FAO for the 70th session of the Committee on Commodity Problems (CCP). Your participation in this session of the CCP is much appreciated.

When this Committee met in 2012, FAO was embarking on a strategic thinking process. At that time, my vision for transforming the Organization was presented to you.

The results of your deliberations were brought to the attention of Council and Conference. They were taken into consideration in the review of the Strategic Framework and the elaboration of our Medium Term Plan (MTP) and Programme of Work and Budget (PWB).

I am happy to report that the FAO Conference gave its consensus approval of the reviewed Framework, the MTP and the PWB at its 2013 Session.

Today, our focus and action are sharpened around five strategic objectives:

First, contribute to the eradication of hunger, food insecurity and malnutrition;

Second, make agriculture, forestry and fisheries more productive and more sustainable;

Third, reduce rural poverty;

Fourth, enable inclusive and efficient agricultural and food systems;

And fifth, increase the resilience of livelihoods to threats and crises.



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The other important feature of the reviewed Strategic Framework is our focus on results at all levels – global, regional and national.

Work under the area of responsibility of CCP contributes to all these objectives, largely thanks to the guidance you provided during the last session.

Excellencies, Distinguished delegates, Ladies and Gentlemen,

You have a full agenda before you, covering a wide range of issues of critical importance to commodity markets and trade.

You will review the short- and medium-term outlooks for agricultural commodity markets. Timely and credible market information is key for market transparency and informed decisions.

You will receive an update on the WTO trade negotiations and examine various policy aspects related to agricultural trade and food security. This includes the issues of food stocks and import surges.

You will also discuss FAO's work program in commodity markets and trade under the reviewed Strategic Framework.

Food prices have recently retreated from their historical peaks. They have been falling since March 2014 and are at their lowest mark since September 2010 – four years ago.

This should be good news if the fall in prices is transmitted to poor consumers and translated into positive food security outcomes.

However, we need to make sure this does not hurt smallholder producers and family farmers. This is critical for eradicating food insecurity and malnutrition in a sustainable way.

At the regional level, food markets remain vulnerable to shocks.

The recent Ebola outbreak is an example. Disruptions in cross border trade and marketing activities have resulted in sharp food price increases, affecting the food security of large numbers of people.

Worldwide, billions of people depend on food imports and are exposed to developments on international markets.

In 2013, the food import bill of low-income food-deficit countries, which are the most vulnerable to shocks, stood at about US\$ 130 billion dollars.

Trade policies should be conductive to fostering global food security.

Developing countries face specific challenges that need to be addressed effectively. They need policy space to achieve their food security goals.

In my recent visit to India, Prime Minister Modi expressed his concern on the consequences that international trade agreements may have for national efforts to fight hunger and food insecurity.

My answer was that trade policies should be customized to ensure food security.

Food security governance is a crucial emerging issue that needs close attention and needs to be a priority.

Yesterday we organized the third Ministerial Meeting related to food prices. This year's theme was on "Governance and international commodity markets".

It was a fruitful debate, as those who were present can attest, and relevant to the work of this Committee. The Chair of the meeting will report to you on its outcome.

Relevant to this is your ongoing work on reform of the CCP to improve its functioning and to strengthen its position at the center of the global debate on commodity markets and trade.

In the context of the post-2015 development agenda, let us remember and reaffirm that sustainable development cannot co-exist with hunger and malnutrition.

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In its report to the UN General Assembly, the Open Working Group on Sustainable Development Goals proposed the following as Goal 2: "End hunger, achieve food security and improved nutrition, and promote sustainable agriculture".

Two targets of direct relevance to the mandate of the CCP are considered in this goal.

Target 2.b. "correct and prevent trade restrictions and distortions in world agricultural markets"; and

Target 2.c. "adopt measures to ensure the proper functioning of food commodity markets and their derivatives, and facilitate timely access to market information, including on food reserves, in order to help limit extreme food price volatility".

Mr. Chairman, Excellencies, Ladies and Gentlemen,

The CCP has a critical mandate to fulfil.

It is the only truly global forum for discussing problems facing agricultural commodity producers, exporters and importers, and for identifying proper solutions to them.

Let me finish by saying that in FAO, we are committed to raising the profile of CCP and to making it an authoritative body on all issues involving agricultural commodity markets and trade.

We count on your support in this regard.

We need to draw upon your experience and knowledge.

We need your capacity to identify problems and foresight to overcome them.

Thus, your discussions here are of unique importance.

I look forward to receiving the results of your deliberations.

I wish you a successful and constructive meeting.

Thank you for your kind attention.