

FAO AT WORK 2008–2009

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**HUNGER
AND CRISIS**





WORKING TOWARDS IMPROVED RESPONSE TO FOOD SECURITY CRISES

If proof were needed that the soaring food prices of 2007-2008 were devastating for the poorest of the poor, then one need look no further than the food riots that upset dozens of countries in that period and the sharp rise in global hunger.

In 2009, an additional 105 million people were hungry as the economic slump reduced wages, employment and remittances sent home to poor families. For the first time in the history of humanity more than a billion people suffer from hunger. It seems that hunger is just collateral damage to the malfunctioning of stock markets and banks.

A slowdown in foreign direct investment and declining exports of primary commodities are expected to further increase unemployment and hardship in developing countries. >





- Without better preparedness against future shocks this backsliding will occur again and again. How then can we improve our response to food security crises?

Let us start by discussing those closest to the edge of hunger, poor people with no assets to sell or savings to cope with the higher price of food or loss of remittances, and whose extended families are just as poor and unable to help. In an ideal world such vulnerable people would be saved from the worst by a “social safety net”, a public programme to help the neediest. What has gone wrong since 2007?

Perhaps authorities did not know who the most vulnerable were and where they lived. Better food price monitoring could have told governments early where hunger was going to hit hardest. Then food distribution, cash transfers or employment schemes could have been directed towards the most needy. The international community needs time to respond to requests for assistance in these situations, another reason that early warning is important.

Carefully designed social programmes can improve access to food where markets work well. Cash transfers or food stamps can save people from the worst effects of hunger and want. If food markets are not working well, as in remote or conflict zones, food aid may have to be brought in.

THE MOST VULNERABLE OF ALL, CHILDREN AND PREGNANT OR LACTATING WOMEN, NEED SPECIAL ATTENTION.

Studies show that a country that experiences a four-percent slowdown in economic growth will suffer a two-percent increase in child malnutrition. Food programmes should try to maintain or improve dietary diversity or even distribute micronutrient supplements or fortified foods. Older children may need free school meals.

We can look to South America for examples of countries that are making a dent in the rate of undernutrition through the use of such safety nets. In fact, the region as a whole is pledging to eradicate hunger altogether by 2025. That pledge, first made at the Ibero-American Summit of Heads of State and Government in Montevideo, Uruguay in 2006 has been reiterated at subsequent gatherings of Latin American and Caribbean leaders.

Safety nets are necessary but the real “safety net” in life is to earn a good return on your daily toil and accumulate assets as protection against an emergency. Since 70 percent of the world’s hungry live in rural areas, profits from farming will need to play a crucial role as they attempt to build up their assets: farm equipment, livestock, land, even gold. ➤



Which brings us to the long-term response to food crises - pro-poor agricultural growth. In order for agriculture to reduce poverty substantially, smallholder farming must be competitive and sustainable - easier said than done. The poverty-reducing effects of growth also depend on a buoyant rural economy in complementary activities such as food processing and transport to pump wages into people's pockets.

Access to land, water, knowledge and training critically determines the ability of households to participate in agricultural markets, earn a living through farming, compete as entrepreneurs in the rural non-farm economy and find employment in skilled occupations.

Connecting smallholders to dynamic new markets for high-value products has real potential for reducing poverty more rapidly. But it will require investing in market infrastructure and upgrading farmers' technical capacity to meet demanding product standards.

Research and development are needed to improve farm productivity. Better technologies for managing soil, water and livestock, and more sustainable and resilient agricultural systems - including varieties more resistant to pests, diseases and drought - are especially important for subsistence farmers.

Natural resource management will become ever more important as global warming and population pressure on natural resources worsen. We have to scale up our support for better management of the environment.

Giving the poor a greater voice in decision making and making institutions more accountable to them through decentralization, are central components of a pro-poor growth strategy.

In 1980, agriculture received 17 percent of total Official Development Assistance given to poor countries by rich countries. By 2006, it had declined to a mere 3.8 percent. Developed countries should review their assistance priorities so that agriculture again climbs to 17 percent of the total. Developing countries should invest at least 10 percent of their national budgets in agriculture, a goal committed to by heads of state and government at the Maputo Summit in 2003.

LET'S GET OUR PRIORITIES STRAIGHT AND WORK TOWARDS A COMPREHENSIVE, FAR-SIGHTED AND WELL-FUNDED RESPONSE TO FOOD SECURITY.

Jacques Diouf

Director-General

Food and Agriculture Organization of the United Nations







FAO'S CRISIS RESPONSE

FAO took urgent action to respond to the immediate food emergency of 2007-2008 by launching the Initiative on Soaring Food Prices to help small farmers boost production through better access to seeds, fertilizers, animal feed and other farming tools and supplies. The Organization also quickly joined forces with the African Union's New Partnership for Africa's Development, the World Bank, the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP) to coordinate a strong response to the emergency. >



➤ In April 2008, the United Nations established a High-Level Task Force on the Global Food Security Crisis, chaired by the Secretary-General Ban Ki-moon and vice chaired by FAO Director-General Jacques Diouf, which developed a global strategy and action plan, the Comprehensive Framework for Action. One of the framework's priorities is to strengthen programmes to feed the hungry and expand support to farmers in developing countries. FAO has a leading role in the framework's goals related to increasing smallholder farmers' food production in sustainable ways and is also contributing to the deliberations on policy adjustment and biofuels.

THE ASSISTANCE DIRECTLY BENEFITED NEARLY SEVEN MILLION SMALLHOLDER FARMERS AND THEIR 35 MILLION DEPENDENTS.

In 2008, FAO delivered US\$600 million in short- and long-term assistance, of which US\$350 million was committed to agricultural inputs and technical assistance in over 80 countries. The assistance directly benefited nearly seven million smallholder farmers and their 35 million dependents - the majority women and children. The agency has undertaken over 60 assessment missions in the framework of the High-Level Task Force to gauge the deteriorating food security situation in 65 countries. Of these, 26 were interagency assessment missions, carried out in partnership with the World Bank, WFP and IFAD. Another 37 rapid assessment missions were funded by the European Commission's €1 billion food facility.

FAO also monitors market prices for staple foods, the food insecurity situation and the impact of high food prices through its Global Information and Early Warning System on Food and Agriculture, known by its acronym GIEWS. A new database, the National Basic Food Prices Data and Analysis Tool, was launched in 2009. It compares prices between domestic and international markets, between different markets in the same country, as well as between countries.

Many donors have supported these initiatives including Austria, the European Commission, IFAD, Italy, the Netherlands, Spain, Sweden, Switzerland, the United Kingdom, the United States of America, the UN's Office for the Coordination of Humanitarian Affairs and the World Bank. ■





highlights



CONFERENCE ADDRESSES CLIMATE CHANGE, BIOENERGY AND FOOD SECURITY

Anxiety over the impact of climate change and the biofuel boom on food security and food prices prompted FAO to organize a high-level conference on 3-5 June 2008. People from developing countries are likely to be hit hardest by the effects of climate change, either because they live in regions of severe drought, in flood-prone river valleys or near the coast. With their vulnerable economies, developing countries have a lower capacity to adapt to changing conditions. Linked to mitigation of climate change is the trend towards biofuels, and the impact this might have on food security. The conference was attended by 43 heads of state, 100 government ministers and representatives of civil society organizations and the private sector. The Conference adopted by acclamation a resolution to increase assistance and investment in agriculture for developing countries.

← June 2008



FAO SUPPORTS GLOBAL FIGHT AGAINST WHEAT RUST DISEASES

A virulent race of wheat stem rust presently devastating fields in East Africa reached Iran in 2007 and is expected to spread to the Near East, Central and South Asia. Called Ug99 for the date of its discovery in Uganda, this race puts 80 percent of the world's wheat varieties at risk with a potential to reduce global wheat production by 60 million tonnes. FAO launched the Wheat Rust Disease Global Programme to combat this threat. The programme complements global research efforts to develop resistant varieties for wheat rusts and directly supports affected and at-risk countries in emergency prevention, contingency planning, improved registration and seed multiplication of resistant varieties and in training for wheat farmers.

← July 2008

INTERNATIONAL GUIDELINES ON DEEP-SEA FISHERIES ADOPTED

After two years of preparation and negotiation, FAO member countries adopted international guidelines aimed at limiting the impact of fishing on fragile deep-sea fish species and habitats. These guidelines represent one of the few practical instruments of this nature, and are a breakthrough in that they address both environmental and fisheries management concerns in an integrated manner. Many deepwater fish species have low resilience to intensive fishing and recovery can take years. The new guidelines provide measures to identify and protect vulnerable ecosystems and provide guidance on the sustainable use of marine living resources in deep-sea areas.

September 2008 →



> highlights



**TELEFOOD GALA
RAISES A RECORD US\$3 MILLION**

The twelfth annual TeleFood gala on Spanish television, *¡Mira quién baila!* (Look who's dancing!), raised a record sum of more than US\$3 million for microprojects to help poor communities. Some 19 million TV viewers contributed to the cause. Organized in partnership with Spain's TVE channel, the gala featured more than 40 of the country's popular arts, sports and cultural personalities. FAO's TeleFood campaign aims to raise awareness of the world's poor and hungry through television broadcasts.

🕒 November 2008



**CONFERENCE
APPROVES PLAN FOR RENEWAL**

An FAO Extraordinary Conference approved a three-year Immediate Plan of Action for the agency's renewal. The plan will sharpen FAO's focus on its core objectives of reducing global hunger and poverty and addressing emerging challenges such as the food crises, climate change, bioenergy and the impact of the financial crisis on agriculture. It is based on the findings of an independent external evaluation completed in 2007 that recommended "reform with growth". The plan will enhance governance, improve the delivery of results, promote culture change and boost performance through streamlined management.

🕒 November 2008



**DIRECTOR-GENERAL CALLS FOR STRENGTHENING
OF COMMITTEE ON WORLD FOOD SECURITY**

FAO Director-General Jacques Diouf called for a strengthening of the Committee on World Food Security in an FAO Extraordinary Conference session. Dr Diouf suggested that a stronger committee would boost international food security by preventing food crises and helping develop national, regional and international policies. It could also analyze future risks and facilitate debate on principles governing the international agricultural system. Dr Diouf stressed that as a UN forum, the committee should be a coherent system in the governance of world food security.

🕒 November 2008

**EXTRAORDINARY CONFERENCE
AGREES TO EXPERT FOOD SECURITY PANEL**

An FAO Extraordinary Conference welcomed a proposal made by Director-General Jacques Diouf to establish a High-Level Panel of Experts on Food Security. The global panel of 400 to 500 experts will enhance the work of the Committee on World Food Security by providing science-based analysis and highlighting needs and future risks. The partnership between the two groups would strengthen the committee's credibility and effectiveness, making it more widely recognized and operational.

🕒 November 2008

> highlights



FAO LAUNCHES INTERNATIONAL YEAR OF NATURAL FIBRES

Following on the heels of the International Year of the Potato, FAO has put the spotlight on another important natural product - fibres. The goal of the International Year of Natural Fibres 2009 is to emphasize the importance of natural fibres to the economies of developing countries and to help sustain the incomes of farmers in this sector. Some 30 million tonnes of natural fibres are farmed from animals and plants around the world each year. From cotton, flax and hemp to wool, alpaca, silk and cashmere, natural fibres can account for up to 50 percent of a developing country's exports. Proceeds from these exports help stabilize income and ensure food security in vulnerable countries. The year will raise awareness of the sector through conferences, exhibits and fashion shows worldwide.

🕒 January 2009

HAZARDOUS PESTICIDE ADDED TO TRADE WATCH LIST

More than 120 countries party to the Rotterdam Convention agreed to add the pesticide tributyltin to a global trade watch list. The pesticide is used in antifouling paints for ship hulls and is toxic to fish, molluscs and other aquatic organisms. The watch list - which currently contains 39 hazardous substances - falls under the Rotterdam Convention on the Prior Informed Consent Procedure for certain Hazardous Chemicals and Pesticides in International Trade. The Prior Informed Consent or PIC procedure promotes transparency and information sharing about potential risks to human health and the environment. Furthermore, it empowers developing countries so they can decide which potentially hazardous chemicals they want to receive and to exclude those they cannot manage safely.



November 2008

PAN-AFRICAN CONFERENCE PUSHES IRRIGATION, HYDROPOWER

A Conference on Water for Energy and Agriculture in Africa held in Sirte, Libyan Arab Jamahiriya, saw ministers and delegates from 53 African countries committing to the development of water resources to end hunger and poverty on the continent. Organized by FAO, the African Union, the Libyan Arab Jamahiriya and several development organizations, the conference concluded with the adoption of a declaration reaffirming African governments' commitment to agricultural development and calling for urgent and increased investment in water to meet the continent's growing food and energy demands. It drew up a detailed portfolio of about 1 000 projects and investment programmes in water control for agriculture and energy in the 53 countries, with a total budget of US\$65 billion over 20 years.

December 2008 ➔



> highlights



MAJOR STUDY PROVES PLANTED FORESTS HELP COMBAT GLOBAL WARMING

In a major new study, FAO's Forestry Department found that planted forests help combat the effects of global warming by reducing major loss of forest area and absorbing up to 1.5 gigatonnes of carbon each year. The study, which surveyed 61 countries, also noted that in 2005 planted forests had the potential to supply two-thirds of global industrial wood production. Expansion of planted forests can only increase their importance to wood supply. With 13 million hectares of global forest cover lost each year, responsible forest planting can offer solutions for poverty alleviation, food security, livelihoods, conservation, protecting soil and water, rehabilitating degraded lands and providing a renewable source of bioenergy and construction material.

🕒 February 2009



FIRST 'FOOTBALL AGAINST HUNGER' WEEKEND HELD

March 20 to 22 marked the first ever Europe-wide football against hunger weekend. Over 200 professional football clubs and millions of football fans helped raise funds for anti-hunger community microprojects worldwide. The weekend, which included major matches in European premier leagues, was part of FAO's Professional Football against Hunger campaign. Launched in October 2008 in partnership with the Association of European Professional Football Leagues, the campaign harnesses the popularity of football to heighten awareness of the plight of the world's one billion hungry people. The *Confédération africaine de football* also partnered with FAO in 2008 to help mobilize resources in the fight against global hunger.

🕒 March 2009



NEW GUIDELINES FOR LIVESTOCK EMERGENCIES

A newly developed set of Livestock Emergency Guidelines and Standards, known by its acronym LEGS, was released to try to improve the success rate of interventions that support the livelihoods of livestock owners hit by natural or man-made disasters. The initiative includes international guidelines, decision-support tools and standards for the design, implementation and assessment of livestock. It will assist specialists in livestock and humanitarian assistance involved in responding to emergencies to identify the most appropriate livestock interventions in collaboration with local communities and service providers.

🕒 May 2009

FAO COUNCIL APPROVES WORLD SUMMIT ON FOOD SECURITY

In response to the growing number of hungry people in the world, which has now reached one billion, the FAO Council decided to hold a World Summit of Heads of State and Government on Food Security at FAO headquarters in November 2009. The Summit objectives include the eradication of hunger from the Earth by 2025, a more coherent and efficient system of governance of world food security, and greater investments in the agricultural sector in particular an increase of its share in Official Development Assistance.

🕒 June 2009



FAO in figures

MEMBERS

An intergovernmental organization, FAO has 192 member countries plus one member organization, the European Community.

GOVERNANCE

Every two years, representatives of all members meet at the FAO conference to review work carried out and to approve a new budget. The Conference elects a smaller group of 49 member countries, known as the Council, to serve three-year rotating terms to govern the Organization's activities. The Conference also elects a Director-General to a six-year term. The current Director-General, Dr Jacques Diouf, of Senegal, began his third term in January 2006.

DEPARTMENTS

FAO is composed of eight departments: Agriculture and Consumer Protection; Economic and Social Development; Fisheries and Aquaculture; Forestry; Human, Financial and Physical Resources; Knowledge and Communication; Natural Resources Management and Environment; and Technical Cooperation.

OFFICES

Besides its headquarters in Rome, FAO is present in over 130 countries. The decentralized network includes five regional offices, 10 subregional offices, one multidisciplinary team,

73 fully fledged country offices (excluding those hosted in regional and subregional offices), nine offices with outposted technical officers/FAO Representatives, and a number of offices covered through multiple accreditation. In addition, the Organization maintains five liaison offices and four information offices in developed countries.

STAFF

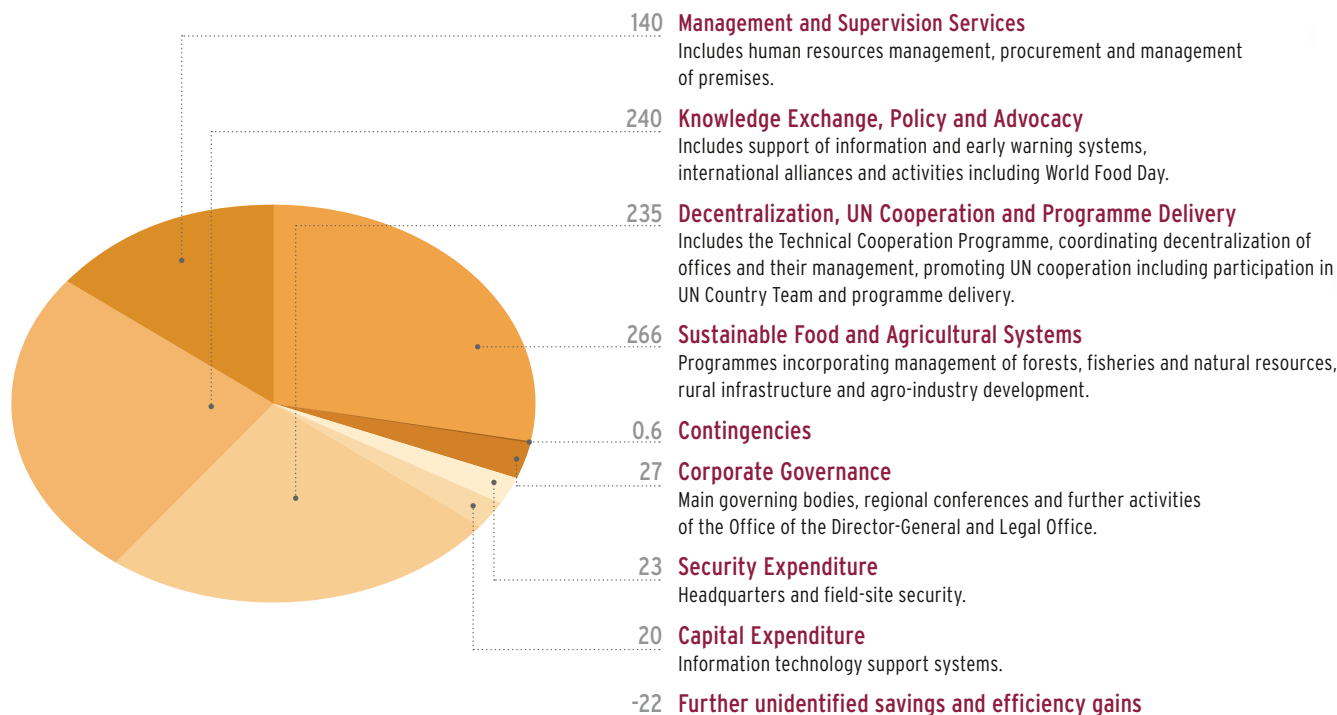
As of 1 April 2009, FAO employed 1 641 professional staff and 1 894 support staff. Two thirds are based at headquarters in Rome, while the remainder work in offices worldwide.

FIELD PROGRAMME

In 2008, FAO-assisted projects used US\$548.6 million from donor agencies and governments for agricultural and rural development projects and emergencies. Some 61.8 per cent of Field Programme finances were taken from national trust funds. During the same year, FAO itself contributed 8.9 per cent (or US\$53.3 million), provided by the Regular Programme budget through its Technical Cooperation Programme and its national and regional programmes for food security.

REGULAR PROGRAMME

The FAO budget for the biennium 2008-2009 is US\$929.8 million at the Euro/US dollar exchange rate fixed by the FAO Conference. It is divided as follows (numbers are in US\$ millions and have been rounded):



- 140 Management and Supervision Services**
Includes human resources management, procurement and management of premises.
- 240 Knowledge Exchange, Policy and Advocacy**
Includes support of information and early warning systems, international alliances and activities including World Food Day.
- 235 Decentralization, UN Cooperation and Programme Delivery**
Includes the Technical Cooperation Programme, coordinating decentralization of offices and their management, promoting UN cooperation including participation in UN Country Team and programme delivery.
- 266 Sustainable Food and Agricultural Systems**
Programmes incorporating management of forests, fisheries and natural resources, rural infrastructure and agro-industry development.
- 0.6 Contingencies**
- 27 Corporate Governance**
Main governing bodies, regional conferences and further activities of the Office of the Director-General and Legal Office.
- 23 Security Expenditure**
Headquarters and field-site security.
- 20 Capital Expenditure**
Information technology support systems.
- 22 Further unidentified savings and efficiency gains**





**FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS**

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