



COMMITTEE ON WORLD FOOD SECURITY

Thirty-seventh Session

Rome, 17-22 October 2011

STATEMENT BY MR K. F. NWANZE, PRESIDENT OF INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

1. Excellencies, Honorable Delegates, Colleagues, Ladies and Gentlemen, we meet today at a time of famine in the Horn of Africa, at a time when high and volatile food prices threaten the food security of millions of people, at a time when nearly one billion children, women and men go hungry every day.
2. This situation did not happen overnight. It is the result – at least in part – of nearly three decades of declining support for agriculture, both nationally and internationally.
3. It would seem that our goal of universal food and nutrition security is more elusive than ever. But amid the dark clouds, there are rays of hope. Because of co-ordinated efforts, the devastation caused by the famine in the Horn of Africa today was less than we have seen under similar circumstances in the past.
4. And because of commitments to agricultural development made in recent years – from the African Union Maputo Declaration to the G8 L’Aquila summit -- we are developing the framework to ensure that food security crises, such as those witnessed today, will someday become history.

POVERTY IS AT THE HEART OF FOOD INSECURITY

5. When it comes to global food and nutrition security, increasing production is only part of the story. The full story is poverty, which lies at the heart of food and nutrition insecurity.
6. Even in these food insecure times, plenty of food is actually being produced. The challenge is to get it to where it is needed most – to the poor people in urban and rural areas – and to make food production less insecure and more profitable for the majority of poor people, in other words, smallholders and family farmers in developing countries.

This document is printed in limited numbers to minimize the environmental impact of FAO's processes and contribute to climate neutrality. Delegates and observers are kindly requested to bring their copies to meetings and to avoid asking for additional copies. Most CFS meeting documents are available on the Internet at www.fao.org/cfs. Delegates will be given an electronic copy of all documents on registration.

SMALLHOLDERS ARE KEY TO FOOD SECURITY IN THE FUTURE

7. It is no coincidence that one of the three policy round tables will focus on smallholder-sensitive investment. Smallholders hold the key to food security and feeding the world in the years to come.
8. Today, we must reaffirm our commitment to eliminating poverty and hunger through support to smallholders.
9. About 70 per cent of the world's 1.4 billion poorest people live in the rural areas of developing countries. Most depend on small-scale agriculture for their livelihoods. Improve their ability to feed themselves and you also improve their ability to feed others. Improve their ability to generate income and you create new consumers and stronger economies.

FARMING IS A BUSINESS THAT NEEDS LINKS TO MARKETS

10. As we consider how to support smallholders and improve food security, we need to discuss ways to link smallholders and family farmers into better functioning markets.
11. Farming of any scale is an economic activity, a business. To be successful, businesses need clear links along the value chain – from production to processing, marketing, and consumption.
12. We also need to look at ways to improve the quality, processing, storage and marketing of food to reduce food losses and waste.
13. By making value chains more efficient and reducing losses, we can improve food security for everybody, particularly smallholders and poor urban consumers.

MANAGING RISK

14. In order for smallholders and family farmers to become more productive, they need support in managing the many risks they face. For a person living on \$1.25 a day, the ability to take a risk – on planting a new, higher yielding seed, on growing a potentially more lucrative crop – is too often an unaffordable luxury.
15. Poor people have fewer tools to manage risk. This often dampens their entrepreneurial spirit. But when a family no longer fears for its ability to feed itself, it can diversify its crops to sell to the market.
16. When the interest rate on a loan is 10 per cent or even 20 per cent instead of 200 per cent, a farmer can invest in fertilizer or farm equipment. When a farmer has a secure contract with a credible buyer, she will take the time to improve the quality of her produce.
17. To meet the growing needs of a hungry world, agriculture must be a viable and rewarding lifestyle for those who choose it. But increasingly, a life in agriculture will be one of many choices for rural people.
18. This is not a threat to agriculture, but rather a chance to develop a more modern, diversified rural economy.

YOUNG PEOPLE ARE THE FUTURE OF FARMING

19. In all of this, we must place a special emphasis on young people. It is estimated that food production in developing countries will need to double by 2050 to meet demand. We will need the young people of today to be the farmers of tomorrow to help meet this demand.

-
20. Yet today, too many rural communities are losing their young people. Their options for employment, on or off farm, are limited. Incomes are low. Living conditions can be difficult, with no electricity and no easy access to clean water.
21. It is hardly surprising that young people are fleeing these areas to seek work in cities or foreign countries. Some do well, but all too many see their dreams end in bitter disappointment, poverty and more misery.
22. We can stem this exodus by creating vibrant rural economies with a range of employment activities, where young people can build good lives and invest in the communities where they live.
23. Supporting their innovative use of new technologies to mitigate and adapt to the impacts of climate change. It requires sound and broad-reaching financial systems in rural areas, and improved rural community infrastructure and social services. It also requires regulatory and supporting policy frameworks and public/private partnerships.
24. And it requires that smallholder farmers and their membership-based organizations participate in policy-making in all the relevant areas. I cannot overemphasize the importance of sound policies and of broadly inclusive policymaking processes.

ROLE OF THE CFS

25. The new CFS is the only global forum that can bring all these issues to the table with the participation of the full range of stakeholders from governments of nations, to farmers' organisations, NGOs, the private sector, international financial institutions and the Rome-based United Nations agencies. We are working in concert and coherence as never before.
26. As we work together, we are supported by a world class panel of experts under the leadership of Dr Swaminathan.
27. But the success of the CFS is not dependent on the panel of experts or on the three Rome-based agencies. It is highly dependent on its members and its membership.
28. I would like to encourage the delegates who have been working so hard to finalize Voluntary Guidelines on Responsible Governance of Tenure of Land and other Natural Resources. IFAD supported the development of these guidelines and looks forward to supporting governments in their implementation. The timely conclusion of negotiations is crucially important for smallholders, and a signal to the world that the reformed CFS is able to work efficiently.
29. Excellencies, Ladies and gentlemen, dear colleagues, I wish you a fruitful and interesting week and look forward to a successful outcome of this 37th session of the CFS. Thank you.