COMMITTEE ON COMMODITY PROBLEMS

Seventy-fourth Session

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FAO’S CONTRIBUTION TO THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT UNDER THE MANDATE OF THE COMMITTEE ON COMMODITY PROBLEMS

Executive Summary

The adoption of the 2030 Agenda in September of 2015 was a landmark achievement, providing for a shared global vision towards sustainable development for all, centered around the three dimensions of sustainability – economic, social and environmental. Since then, countries have embarked on reviewing their national policies, programmes and capacities, and developing strategies and plans to facilitate the achievement of the Sustainable Development Goals (SDGs). The SDGs and their targets aim to stimulate action in areas of critical importance to people and the planet. One key objective of the 2030 Agenda is to “end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment”. This document presents the main elements of the 2030 Agenda and the SDGs, and FAO’s support and contribution to the implementation of the Agenda with a focus on the work under the mandate of the Committee on Commodity Problems (CCP).

Suggested action by the Committee

The Committee is invited to review the document and provide guidance regarding FAO’s support to the implementation of the 2030 Agenda under the mandate of the CCP.

The Committee may wish to request FAO to emphasize specific work activities under its mandate, with a view to facilitate achievement of the SDGs and realize the vision of the 2030 Agenda.

Queries on the substantive content of the document may be addressed to:

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I. Introduction

1. The United Nations’ Member States adopted the 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs) and 169 targets in September 2015. The 2030 Agenda was centred on five pillars: people, planet, prosperity, peace, and partnership. The Agenda has also integrated the Addis Ababa Action Agenda (AAAA), adopted in July 2015 and providing a framework for a new global partnership with the aim of financing and accelerating development. The list of 17 SDGs is presented in Annex 1 of this document.

2. Focussing on sustainable development in its three dimensions – economic, social and environmental, the 2030 Agenda offers a global vision of a fairer, more inclusive and more prosperous, peaceful, and sustainable world in which ‘no one is left behind’. The SDGs are universal, equally relevant to developed and developing nations, interlinked, and call for comprehensive, evidence-based and participatory approaches to commitments, implementation, follow-up and review.

3. The aim of the new Agenda is transformational change, not only an acceleration of development, but a clear shift in the pattern of development. To support these ambitions, more innovative, inclusive and comprehensive development strategies are required. While the SDGs are applicable to all countries, it is recognized that country-level approaches toward their achievement should take into account different national realities, capacities and levels of development, and respect national policies and priorities, while keeping in mind the overall ambition.

4. Since their adoption by Member States, the SDGs have represented the primary reference for development policies and programmes at the national level. Each country has been reviewing the 17 SDGs to translate them into ambitious but feasible targets, with workable and effective national development plans.

II. FAO’s support to the implementation of the 2030 Agenda

5. As the UN specialized agency in food and agriculture, FAO has a long history and a strong experience in working in all three dimensions of sustainable development. FAO’s technical capacity, wealth of knowledge, accumulated monitoring expertise, and experience in shaping policy, wide country presence, and global reach represent unique strengths to support Members in developing and implementing national programmes and plans to achieve the SDGs.

6. Through its Technical Bodies, such as the CCP, FAO makes important contributions to the enabling environment for more informed, effective and collective action at the global, regional and national levels by providing data and information, standards and norms, policy guidance and capacity development, and by developing and promoting robust and operative multi-stakeholder partnerships to mobilize the required means of implementation.

7. FAO’s accountability framework has been aligned with the SDGs. Within its reviewed Strategic Framework, FAO has placed sustainable development at the centre of its support to Members by incorporating SDG targets and indicators in its results framework. The Organization’s programmes of work and activities have focused on creating greater coherence across different sectors and policy measures for achieving the SDGs.

8. Under the leadership of the new Director-General, Dr QU Dongyu, FAO has embarked on a Corporate Strategic Foresight Exercise for developing a new Strategic Framework. The aim is to increase preparedness and effectiveness in providing support to achieve the 2030 Agenda and the three Global Goals of Members by promoting food systems to meet our aspiration of Leaving No One Behind through sustainable, inclusive and resilient food systems, for better production, better

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1 Committee on Agriculture (COAG), Committee on Commodity Problems (CCP), Committee on Fisheries (COFI) and Committee on Forestry (COFO)
nutrition, a better environment, and a better life. The new Strategic Framework places the 2030 Agenda at its centre and uses key SDGs and their indicators to promote focus and track progress. While FAO’s contributions span all SDGs, they are guided by the lens of SDG 1, SDG 2 and SDG 10. FAO will use a food systems approach liking different disciplines and aspects of its work, including agriculture, forestry, fisheries, poverty reduction, markets and trade, and access to investment and finance, in supporting food systems transformation to accelerate progress towards the realization of the 2030 Agenda.

9. One vital role of FAO in supporting Members is providing policy and technical assistance to governments and policy makers. The Organization provides data and evidence in support of policy-making processes. For instance, in the area of agricultural trade policy, FAO offers analysis on the impacts of trade policies, support to capacity development, and a neutral forum for dialogue. The Organization also provides technical assistance in the preparation and implementation of trade agreements.

10. One key function of FAO is serving as a neutral platform to review and negotiate instruments, standards, norms and tools needed for the transition towards more productive, sustainable and resilient agriculture. The Organization hosts more than 70 instruments and mechanisms on different aspects of sustainability across agricultural sectors.

11. Under the monitoring framework of the 2030 Agenda, FAO is custodian agency for 21 SDG indicators, which represents an increase of more than fivefold over the four indicators monitored under the Millennium Development Goals (MDGs). This reflects the greater importance and prominence of food and agriculture in the 2030 Agenda and the recognition of FAO’s technical capacity and leadership in these areas.

12. As a custodian agency, FAO provides support to countries in meeting the new monitoring requirements, through technical assistance and capacity development in methodologies and statistics. The organization also helps to ensure that national data are comparable, contributing to the SDG progress reports that feed into the follow-up and review processes under the High-level Political Forum on Sustainable Development (HLPF).

13. FAO also recognizes the importance of staying on track in monitoring the progress of the SDGs. The 2020 FAO report “Tracking progress on food and agriculture-related SDG indicators 2020” contained detailed analysis and trends on the SDG indicators under its custodianship. The situation has not significantly changed this year, which marks the 10-year countdown to the end-date of the 2030 Agenda. According to the latest data contained in the report, collected before the COVID-19 pandemic, progress remains insufficient in the food and agriculture domain, suggesting that the world is not on track to meet the relevant targets by 2030. Now with the COVID-19 crisis threatening lives and livelihoods, the achievement of the SDG targets has become even more challenging.

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III. FAO’s contribution to the 2030 Agenda under the CCP mandate

14. The terms of reference of the CCP, as laid out in the General Rules of the Organization, are as follows:
   a) keep under review commodity problems of international character affecting production, trade, distribution, consumption and related economic matters;
   b) prepare a factual and interpretative survey of the world commodity situation, which may be made available directly to Member Nations; and
   c) report and submit suggestions to the Council on policy issues arising out of its deliberations. The reports of the Committee and its subsidiary bodies shall be made available to Member Nations for their information.

15. FAO’s work under the mandate of the CCP is pertinent to a number of SDGs, including SDG 1, SDG 2, SDG 10 and SDG 17, as well as the intersection among the various SDGs.

16. Under SDG 2, two targets are directly related to the work of the Committee:
   - Target 2.b “Correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round”;
   - 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”.

17. Agenda 2030 recognizes that transparent, non-distorted and well-functioning global markets are essential for ending hunger, achieving food security and improved nutrition, and promoting sustainable agriculture (SDG 2). Furthermore, SDG 17 on the means of implementation and global partnership contains a separate section on trade, including a specific target to “promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization”. This again highlights the importance of trade.

18. Under the mandate of the CCP, FAO maintains a comprehensive market intelligence service for the major food and agricultural commodities, providing market assessment and outlook reports as well as the latest information on international prices and policy developments. FAO also hosts the inter-agency secretariat of the Agricultural Market Information System (AMIS), a G20 initiative established in 2011 to enhance market transparency and promote the coordination of policy responses to market uncertainty. The AMIS Market Monitor, produced 10 times per year, provides a synopsis of world supply and demand outlook and developments in global commodity markets, covering wheat, rice, maize and soybeans. The report also provides information on international prices, policy developments, fertilizer prices and ocean freight rates.

19. FAO’s Global Information and Early Warning System (GIEWS), established in 1975 in response to the food crisis of the early 1970s, is a leading source of information on food supply and demand at global, regional and country levels. It provides the international community, governments, policy makers, policy analysts and market practitioners with the most up-to-date and accurate data and information, and issues alerts and warnings on imminent food crises to allow prompt interventions. On a daily basis, GIEWS monitors food production, prices and trade (imports and exports) around the world, with particular attention to Low-Income Food-Deficit countries (LIFDCs). The main monitored variables include weather conditions, vegetation, input accessibility, pest and disease outbreaks, policy
changes, trade flows, international and domestic food prices, food stocks, humanitarian situations and interventions, and conflicts.

20. As part of providing timely information, enhancing market transparency and informing decisions, GIEWS produces two major reports, the biannual Food Outlook report and the quarterly Crops Prospects and Food Situation report. Food Outlook provides market assessment and short-term forecasts for the major food commodities, on a commodity-by-commodity basis, and contains feature articles on topical issues. It also includes commodity specific policy developments and a number of market indicators, including future markets, ocean freight rates and the FAO price indices. The Crop Prospects and Food Situation report provides a forward-looking assessment of the food situation by geographic region, focussing on cereal production, market situation and food security conditions, with particular attention to LIFDCs. Each issue of the report includes a detailed list of countries requiring external assistance for food and highlights the main factors behind the food insecurity situation.

21. As the custodian agency for the indicator for SDG target 2.c on the functioning of food markets and food price volatility, FAO has developed an indicator of food price anomalies. The indicator, calculated and monitored at country level, measures food price volatility and gives regular price information on a basket of goods to help governments respond appropriately in a timely manner to offset price hikes. The results are disseminated through the GIEWS webpages and the monthly Food Price Monitoring and Analysis (FPMA) Bulletin, with the aim of providing early warning to countries where there is a potential impact on economic access to key food products because of abnormally high food prices. An e-learning course on the indicator has been developed and launched. This course provides a clear and easy-to-use guide to understand the indicator and the methodology to estimate it. It covers basic concepts related to market functioning, price determination and price volatility and explains how to calculate the indicator and use the online FPMA tool to interpret the results at national and international levels.

22. In the area of agricultural trade, a primary objective of FAO’s work is to support countries in the formulation of trade policies, effective participation in trade negotiations and implementation of trade agreements. This is achieved through the provision of the evidence base, capacity development support, and organization and facilitation of dialogue events, including in Geneva (Switzerland).

23. In July 2020, in line with the United Nations’ vision to build back better, FAO launched a comprehensive COVID-19 Response and Recovery Programme with the objective of mitigating the immediate impacts of the pandemic, while strengthening the long-term resilience of agri-food systems and livelihoods. The Programme includes seven priority areas for action, one being on “Trade and Food Safety Standards” aimed at facilitating and accelerating food and agricultural trade during COVID-19 and beyond. The priority area includes promotion of trade facilitation, support for the establishment of market intelligence and early warning systems, and the provision of capacity development to national and regional institutions.

24. CCP also contributes to the annual follow-up and review process of the 2030 Agenda and the SDGs, conducted under the HLPF. At the invitation of the President of the Economic and Social Council (ECOSOC) to intergovernmental bodies to provide inputs to the thematic review of the HLPF, contributions have been prepared in consultation with the CCP Bureau and submitted annually since 2017. Each year, the HLPF covers a specific theme, defined by the UN General Assembly (UNGA), and discusses particular SDGs. The theme in 2020 was “Empowering people and ensuring inclusiveness and equality”. The 2020 CCP submission is attached in Annex 2 to this document.
ANNEX 1

The Sustainable Development Goals (SDGs)

| Goal 1. | End poverty in all its forms everywhere |
| Goal 2. | End hunger, achieve food security and improved nutrition and promote sustainable agriculture |
| Goal 3. | Ensure healthy lives and promote well-being for all at all ages |
| Goal 4. | Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all |
| Goal 5. | Achieve gender equality and empower all women and girls |
| Goal 6. | Ensure availability and sustainable management of water and sanitation for all |
| Goal 7. | Ensure access to affordable, reliable, sustainable and modern energy for all |
| Goal 8. | Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all |
| Goal 9. | Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation |
| Goal 10. | Reduce inequality within and among countries |
| Goal 11. | Make cities and human settlements inclusive, safe, resilient and sustainable |
| Goal 12. | Ensure sustainable consumption and production patterns |
| Goal 13. | Take urgent action to combat climate change and its impacts |
| Goal 14. | Conserve and sustainably use the oceans, seas and marine resources for sustainable development |
| Goal 15. | Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss |
| Goal 16. | Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels |
| Goal 17. | Strengthen the means of implementation andrevitalize the Global Partnership for Global Sustainable Development. |
ANNEX 2

FAO COMMITTEE ON COMMODITY PROBLEMS (CCP)

Inputs for the 2020 High-Level Political Forum (HLPF)

7-16 July 2020

“Accelerated action and transformative pathways: realizing the decade of action and delivery for sustainable development”

FAO’s Committee on Commodity Problems (CCP) helps in promoting integrated and transformative approaches to accelerate progress through its mandate i) keeping under review commodity problems of an international character that affect production, trade, distribution, consumption and related economic matters; and ii) preparing a factual and interpretative survey of the world commodity situation to be made available to Member Nations. The CCP identifies specific commodity problems and issues of global nature, and discusses and proposes response mechanisms and actions to face them. It deliberates on key issues, debates the effects on global food security and makes policy recommendations. The work of the CCP is pertinent to the 2030 Agenda for Sustainable Development and to a number of Sustainable Developments Goals (SDGs), and in particular to SDGs 1, 2, 8, 12, 13 and 17, as well as the intersection among the various Goals.

1. Key policies and measures to ensure “accelerated action and transformative pathways” for realizing the decade of action and delivery for sustainable development

   a) **Market transparency and accessibility to market information** is crucial for global food security, especially in terms of informing policy decisions. There is a need to increase efforts to improve the monitoring and assessment of supply, demand, trade and prices of food and agricultural commodities and make the information publicly available in a timely manner to enhance transparency and promote coordination of action.

   b) **Agricultural Trade can pay an important role as an enabler** to achieve the SDGs, particularly SDG 1 on ending all forms of poverty everywhere and SDG 2 on ending hunger, achieving food security and improved nutrition and promoting sustainable agriculture.

   c) **Agricultural trade can play a role in climate change adaptation and mitigation** and contribute towards ensuring world food security, promoting agricultural productivity growth globally, and potentially reducing global greenhouse gas emissions. It is crucial to **enhance and facilitate policy dialogue** at global, regional and national levels at the juncture of trade and climate change.

   d) Policies and strategies to support **smallholder, women and young farmers’ integration into markets and value chains** need to be developed to promote inclusiveness and equality. Efforts to increase the productivity of smallholders and women and young farmers to ensure inclusive, gender equitable rural and agricultural development would

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3 The headings and bullets are included as per the suggested outline annexed to the letter of the President of ECOSOC.
only have limited impact if linkages to markets and value chains were not strengthened simultaneously. There is a critical need for more and better investments, in particular towards smallholder producers in developing countries.

2. **Contribution of the CCP to accelerated action and transformative pathways and realizing the decade of action and delivery for achieving the 2030 Agenda**

   a) The work of the CCP is pertinent to a number of SDGs, particularly to SDG 2 (target 2.b and target 2.c) and SDG 17 (section on trade), and to accelerating action towards achieving the 2030 Agenda.

   b) CCP makes important contributions to the enabling environment for more effective and informed decisions and action at the global, regional and national levels, by reviewing commodity markets and emerging issues, promoting dialogue and providing policy recommendations, guiding work priorities and advising on technical assistance and capacity development needs of countries.

   c) The CCP guides FAO’s work on global issues that affect commodity markets and agricultural trade. Under the CCP mandate, FAO maintains a comprehensive market intelligence service for food and agricultural commodities, provides analytical and policy relevant information and is responsible for servicing the arrangements for early warnings and alerts on food shortfalls. The CCP also urges to promote multi-stakeholder partnerships for the sustainable production and trade of agricultural commodities.

3. **Selected recommendations for accelerating progress and moving on transformative pathways for realizing the decade of action (72nd Session of CCP, 26-28 September 2018)**

   a) The Committee urged governments and other stakeholders to continue improving the monitoring of supply, demand, trade and prices of food and agricultural commodities and to make the data and information publicly accessible in a timely manner.

   b) The Committee recommended South-South and triangular cooperation to promote the uptake and utilization of medium-term projections for agricultural commodity markets.

   c) The Committee underlined the importance of a universal, rules-based, open, non-discriminatory, equitable and predictable bilateral, plurilateral and multilateral trading system that is conducive to world food security, improved nutrition and sustainable agricultural development.

   d) The Committee urged to continue strengthening capacity development activities to enable countries face the growing challenges, especially in addressing the impact of climate change.

   e) The Committee acknowledged the particular vulnerability of Small Island Developing States (SIDS) and the way their food production was affected. The Committee underlined the need for open, transparent, equitable and non-discriminatory international and regional agricultural markets, which would enable them to meet their food requirements.
Examples of work areas and instruments as part of the input of the CCP to accelerating progress towards realizing the decade of action and achieving the 2030 Agenda

Example 1

Investing in data and statistics for the SDGs and strengthening statistical capacities to address gaps in data on the Sustainable Development Goals in order to allow countries to provide high quality, timely, reliable, disaggregated data and statistics and to fully integrate the Sustainable Development Goals in monitoring and reporting systems.

A. Agricultural Market Information System (AMIS)

The **Agricultural Market Information System (AMIS)** was launched in 2011 by the G20 as part of the Action Plan on Food Price Volatility and Agriculture. The initiative came in response to sharp price spikes and swings in the international prices of basic food commodities, which exposed a number of weaknesses in market information systems and the coordination of actions and policy responses. Weaknesses included lack of up-to-date and reliable data and information on crop production, utilization, stocks and export availability. AMIS is supported by an inter-agency Secretariat hosted in FAO. The work of AMIS consists of enhancing the quality and availability of data and information on global markets of the four covered commodities (wheat, rice, maize and soybeans), analyzing the global market situation and outlook; engaging in capacity building activities at country level, and promoting policy dialogue among AMIS participating countries, especially in times of market uncertainty.

AMIS has certainly contributed to improving market transparency and accessibility to data and information on global food markets. Apart from the regular publications, such as the AMIS Market Monitor published 10 times a year, the Secretariat has produced several research papers and studies, guidelines and literature reviews that are available on the public website of AMIS. The initiative has also contributed to strengthening national capacities to monitor food markets. For some AMIS participant countries, the very concept of supply and demand balances was new, making them greatly benefit from the guidance received and the targeted training activities in the respect. Others, with already functioning monitoring systems, have broadened the scope of their analysis from national to global level, for example to assess their position in global markets as a food importer or exporter.

Another important feature is that AMIS has built a network of trust among the major food producing and consuming countries. The network was put to test in 2012, when a drought in North America sharply affected maize and soybean yields, while hot and dry conditions in Southern Europe raised concerns over wheat yields. Given the importance of both regions for global food markets, many observers sensed another food price crisis. However, unlike in 2007/08, countries were able to revert to AMIS as a forum to assess the market situation and discuss adequate responses. Despite pressure on the G20 to take action, AMIS participants decided against holding an emergency meeting, which in their view would have further destabilized markets. AMIS also advised against hasty policy action that had exacerbated crises in the past. The 2012 episode illustrated that AMIS can avert market instability.


B. OECD-FAO Agricultural Outlook

The **OECD-FAO Agricultural Outlook** is an annual report that brings together the commodity, policy and country expertise of both organizations and inputs from collaborating member countries, to provide an annual assessment of medium-term prospects of global agricultural markets:

The medium-term outlook offers policy makers and stakeholders an assessment of national, regional and global market prospects in the coming decade for major agricultural commodities, biofuels and fish. The baseline projections represent a plausible scenario about the future based on specific
assumptions regarding macroeconomic conditions, agriculture and trade policy settings, weather conditions, long-term productivity trends and international market developments. They represent a metric against which stakeholders can assess variations in key determinants of the markets, such as crop yields, shifts in consumption patterns or changes in domestic and trade policies. Its underlying modelling system ensures the consistency of baseline projections and is an instrument for the quantitative analysis and assessment of policy options and resource allocation decisions.


Example 2

Enhancing national implementation by proactively mainstreaming the 2030 Agenda into national planning instruments, policies, strategies and financial frameworks, while respecting national processes and ensuring ownership.

The State of Agricultural Commodity Markets (SOCO): SOCO is a biennial flagship report that aims to bring to policy makers and the wider public an accessible discussion of agricultural commodity market issues and policy matters. It seeks to provide an objective and balanced treatment of economic and trade issues for all those interested in agricultural commodity market developments and their potential impacts on countries and on food security.

The 2018 edition of SOCO was on the theme “Agricultural trade, climate change and food security”. It focused on the complex and underexplored intersection between agricultural trade, climate change and food security. The report makes an important contribution to the policy debate on climate change adaptation and mitigation. The report discusses policies – both domestic support and trade measures that can promote food security, adaptation and mitigation, and improve the livelihoods of farmers around the world. SOCO 2018 represents an important contribution to the policy debate on how to strengthen the mutually supportive role of trade rules and climate actions. The 2018 edition of SOCO accessible here: http://www.fao.org/3/I9542EN/i9542en.pdf

SOCO 2015-16 was entitled “Trade and food security: achieving a better balance between national priorities and the collective good”. The objective of the report was to reduce the polarization of views on the impact of agricultural trade on food security and on the manner in which trade should be governed to ensure that increase trade openness is beneficial to all countries. By providing evidence and clarity on a range of contemporary topics, the report sought to contribute to a more informed debate on policy choices and to identify required improvements in the policy processes within which these choices are made. The 2015-16 edition of SOCO accessible here: http://www.fao.org/3/a-i5090e.pdf

Example 3

Reducing inequalities in wealth and income through sustainable and just economies, providing adequate and well-directed financing, an enabling environment for sustainable investments and delivering on commitments to international cooperation, aligned to longer-term sustainability pathways and solving challenges through cooperation and partnerships at all levels.

The World Banana Forum (WBF): A multi-stakeholder partnership to promote the sustainable production and trade of banana:

The WBF has been established to provide a platform where the main stakeholders of the global banana supply chain can work together to achieve consensus on best practices for the sustainable production and trade of banana. By bringing together governments, producers,
retailers, importers, exporters, consumer associations, research institutions, trade unions and civil society organizations, the Forum’s mission is primarily twofold:

a) Inspire collaboration between stakeholders that produces pragmatic outcomes for the betterment of the banana industry;
b) Achieve consensus on best practices regarding workplace issues, gender equity, environmental impact, sustainable production and economic issues.

The Forum has produced a number of tools for the banana sector, including:

- A set of best practices for sustainable production easily accessible through a dedicated web portal;
- A Manual on Occupational Health and Safety to train workers, company staff and growers;
- A practical guide for measuring and reducing the carbon and water footprints of growers;

The WBF can serve as an inspiration and a model for other commodities to follow a similar approach.