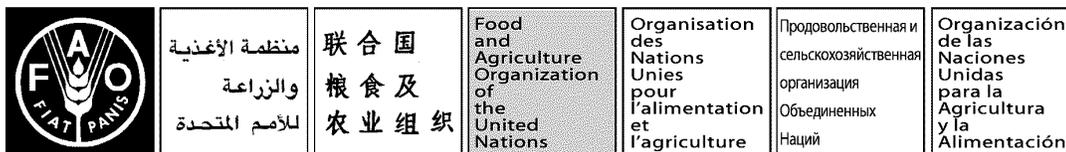


September 2010

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Thirtieth FAO Regional Conference for Asia and the Pacific

Gyeongju, Republic of Korea, 27 September – 1 October 2010

STATEMENT BY THE DIRECTOR-GENERAL

*Your Excellency, Mr Lee Myung-bak, President of the Republic of Korea,
Your Excellency, Mr Yoo Jeong-Bok, Minister of Food, Agriculture, Forestry and Fisheries,
Mr Independent Chairperson of the FAO Council,
Honourable Ministers,
Distinguished Delegates,
Excellencies, Ladies and Gentlemen,*

Introduction

It is an honour and a great pleasure for me to be with you for this Thirtieth FAO Regional Conference for Asia and the Pacific, which is taking place in this historic city of Gyeongju, formerly the capital of the ancient Kingdom of Silla. Allow me to begin by expressing on behalf of the Organization, its personnel and all of you, our profound gratitude to the President of the Republic, His Excellency Mr Lee Myung-bak, to his Government and to the Korean people for their hospitality and their warm welcome.

This Regional Conference is the second to be held in this country, which is well known for its spectacular success in economic, social and human development. Since the last Regional Conference held in the Republic of Korea in 1966, *per capita* income has steadily risen to the point where the country now has one of the highest standards of human development in the Asia-Pacific region. It is one of the four countries of the region that are members in the Organization for Economic Cooperation and Development (OECD). The people and leaders of this country must be congratulated on such achievements.

State of food insecurity in the world and the region

*Mr Chairperson,
Excellencies, Ladies and Gentlemen,*

At the World Food Summit of 1996, the Heads of State and Government pledged to halve the number of people suffering from hunger by 2015. This commitment was later reaffirmed at other international conferences, notably the Millennium Summit in 2000 and the World Food Summit: *five years later* in 2002. More recently, the World Summit of Heads of State and Government on Food Security, held last November in Rome, decided to completely eradicate hunger in the world.

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FAO's most recent data on hunger portray a situation of continuing grave concern. Despite an expected decline, the number of hungry people in the world – estimated at 925 million in 2010 – remains unacceptably high. This decrease is largely due to more favourable economic conditions, notably in the developing countries, and to declining food prices since mid-2008. But the number remains higher than the level before the food and economic crises of 2008 and that of the base period for the World Food Summit.

Regarding the Asia-Pacific region, one of its greatest successes in the context of the Millennium Development Goals (MDGs) has been the reduction of poverty. Between 1990 and 2005, the number of persons living on less than 1.25 US dollars per day fell from 1.5 billion to 954 million, a drop of 36.4 percent. The reduction of hunger has been slower. The number of undernourished people in the region fell from 588 million in 1990-92 to 555 million in 2005-07, a reduction of 5.6 percent. FAO's latest estimates show that the region has 578 million hungry people in 2010. This, nevertheless, represents a 12-percent decrease from 2009.

If we look more closely at the figures, we find that the disparities between sub-regions have become more acute. The impressive progress achieved in certain countries was eroded by stagnation in others. South Asia, in particular, needs greater attention because success in reducing hunger in that area would significantly improve the regional indicator.

Agricultural production in the region

FAO's latest figures for 2010/11 estimate cereal production in Asia at 999 million tonnes, which is 13 million tonnes or 1.2 percent higher than the previous year, against requirements of 1 074 million tonnes. Cereal imports for 2010/11 are estimated at 127 million tonnes, against exports of 42 million tonnes. That should produce a cereal trade deficit of 85 million tonnes.

Asia's output of meat and meat products in 2010 is estimated at 120 million tonnes, which is 2.5 percent up from 2009, against requirements evaluated at 128 million tonnes. Milk production in the region should grow at 4.4 percent in 2010 to reach some 263 million tonnes.

The Asia-Pacific region continues to be the world's largest producer of fish, with an output of 95 million tonnes in 2008, representing 67 percent of the global total. While the region accounts for 66 percent of global capture fisheries production, it dominates the aquaculture industry with a 90 percent share of global production. Eight countries of the region feature among the world's top ten aquaculture producers. This sector is focusing increasingly on quality and, given existing food safety standards and growing concern for quality and the environment, the public and private sectors are making great efforts to improve the safety and quality of aquaculture products, while at the same time reducing their environmental impact.

The Asia-Pacific region has about 740 million hectares of forests, representing 18 percent of the global forest cover. Ambitious afforestation programmes in some countries have increased the region's net forest cover by 14 million hectares in the past decade, thus reversing a long-running trend of diminishing forest cover. However, in many countries the rate of deforestation and forest degradation remains a big concern.

Main challenges and priorities for the future

Today, 925 million people continue to suffer from hunger in the world. In addition, 29 countries have serious food shortages requiring emergency assistance.

Strong political will and adequate financial resources will be needed if we are to rise to the challenge of banishing hunger from the world.

The world's population will top nine billion in 2050. This population growth will mainly occur in the developing countries, which is where almost all of the world's hungry live. Food production will need to increase by 70 percent in the world and to double in the developing countries.

Moreover, there is competition from biofuels whose production more than tripled between 2000 and 2008. More than 100 million tonnes of cereals are diverted from food consumption each year. There is also the impact of climate change on production.

We will need to increase agricultural production and productivity in the developing countries and to strengthen the resilience of their production systems by investing in rural infrastructure, water control, rural roads, storage facilities, slaughterhouses and so forth, but also by using modern factors of production.

Official development assistance directed towards agriculture needs to reach 44 billion US dollars per year for investment in infrastructure, technologies and modern inputs. But developing countries themselves must allocate a greater share of their domestic budget to agriculture. The share of public expenditure allocated to agriculture in low-income food-deficit countries must be raised to 10 percent at least.

The increased volatility of agricultural commodity prices in the past five years calls for special attention. This volatility threatens not only food security but also political and social stability. Market uncertainties impact directly on investment decisions and flows. It is extremely important to devise effective mechanisms to deal with sudden price spikes and market failure in agricultural markets.

FAO is examining how the international community can deal with the phenomenon of increasing agricultural price volatility. Four avenues are being explored: the strengthening of market regulation; the implementation of stockpiling policies; international trade rules that are better adapted to this new situation; and the availability of exceptional financing for imports by the most vulnerable countries. Last Friday 24 September, FAO organized in Rome an extraordinary joint intersessional meeting of the Intergovernmental Group on Grains and the Intergovernmental Group on Rice to discuss important issues related to the recent surge in cereal prices in general, and the price of wheat in particular.

The issue of price volatility and instability of agricultural markets will also be discussed at the upcoming session of the Committee on World Food Security to be held at FAO headquarters from 11 to 16 October. I should like to seize this opportunity to stress how important it is for your countries to be represented at the highest possible level. This would not only enrich the debate but also ensure the legitimacy of the decisions taken.

FAO hopes that the international community, possibly under the leadership of the Group of 20 (G20), will soon be in a position to adopt appropriate policies and concrete measures to deal with this increased volatility.

Agenda of the Regional Conference

*Mr Chairperson,
Excellencies, Ladies and Gentlemen,*

At this Thirtieth Regional Conference, you will be informed of FAO's activities in the region and you will have an opportunity to discuss priorities and implementation of the Immediate Plan of Action (IPA) for FAO renewal, establishment of the network of decentralized offices and reform of the Committee on World Food Security.

A ministerial round table will be held on the follow-up given in the region to the L'Aquila Initiative on Food Security and the World Summit on Food Security, to ensure that the corresponding declarations translate into actions.

FAO reform

FAO is currently undergoing the most profound process of reform to take place within the United Nations system. It is reshaping its work procedures and the way it performs its mandate and delivers its services to member countries.

Implementation of the Immediate Plan of Action (IPA) has been a primary objective of Member Nations and the Secretariat since it was adopted by the FAO Conference at its Special Session in November 2008. The main elements of the IPA are:

- the adoption of a planning framework and a new results-based culture;
- decentralization and a greater delegation of authority;

- organizational streamlining;
- the improvement of human resource management;
- more effective governance.

Since last January, the regional offices have been responsible for overseeing the programme and budget of technical officers in the region. They will gradually take over management of the technical work of the country offices. In addition, staff in the regional offices have been trained to take over responsibility for activities conducted under the Technical Cooperation Programme.

A comprehensive restructuring of FAO headquarters was initiated in 2009 in order to facilitate the alignment of our administrative structure with objectives of the results-based framework. This exercise is due for completion in 2012. One of its key elements has been the elimination of 40 Director-level positions to lighten the structure and hierarchy of the Organization.

The Independent Chairperson of the Council will explain in greater detail the nature of the ongoing activities, especially those undertaken by the Representatives of the Member Nations.

Reform of the Committee on World Food Security

Last November, the Thirty-sixth Session of the FAO Conference approved another major reform, that of the Committee on World Food Security (CFS). The purpose of CFS reform is to improve the governance of world food security, using existing structures and programmes and creating effective partnerships. These are the main features of the renewed CFS:

- it is a global forum of discussion to foster a convergence of views on the causes and consequences of food insecurity and on the modalities of action required in this area;
- it is a mechanism for the global coordination of efforts to eliminate hunger in order to ensure the long-term coherence and effectiveness of actions;
- it operates on a solid scientific basis: the new CFS comprises a High-Level Panel of Experts that will help to take appropriate decisions by providing objective and impartial research and analysis;
- it is open to all stakeholders: governments, regional and international institutions, economic and financial partners, farmer organizations, the private sector, non-governmental organizations, foundations and civil society will all be well represented.

However, for the CFS to be a high-level intergovernmental decision-making process and thus acquire political legitimacy, governments need to be represented at a high level, ministerial if possible, in its meetings. In this regard, it is important to stress that, while the relevant technical ministries and departments must participate in the discussion of key economic and financial issues, the presence of ministries responsible for cooperation and development is also required.

At country level and under the authority of governments, it is essential to establish partnerships, building upon thematic groups and national alliances for food security, or to strengthen such partnerships where they already exist. These two mechanisms should provide support to the national authorities responsible for ensuring a rational allocation and utilization of budgetary resources, official development assistance and direct domestic and foreign private investment.

Thus, the new Committee on World Food Security and its High-Level Panel of Experts, together with the relevant national mechanisms will be the cornerstone of the Global Partnership for Agriculture, Food Security and Nutrition.

Conclusion

*Mr Chairperson,
Honourable Ministers,
Excellencies, Ladies and Gentlemen,*

Only five years separate us from 2015, the date by which the world's leaders have pledged to halve hunger and extreme poverty. However, if past trends continue, that target may not be

reached because the actions taken and the mobilized resources have not been commensurate with the set objectives. I am nevertheless convinced that together we can eliminate hunger from our planet. But for that to happen, we must move from words to deeds, and we must do so very quickly.

During the last 15 years, several countries in Africa, Asia and Latin America have succeeded to significantly reduce the number of hungry people on their territories. This means that we know what should be done to defeat hunger. To achieve our objectives, it will be necessary to embark on policy and institutional reform, to bolster existing capacities and to redirect investment.

In an increasingly interdependent world, the promotion of regional cooperation becomes crucial if we are to address the cross-border issues that impact on food security, to enhance intraregional trade and investment, and to reach consensus on the policies needed to ensure sustainable agricultural development. I am encouraged by the fact that, in addition to regional cooperation organizations such as ASEAN, the Pacific Islands Forum and the South Asian Association for Regional Cooperation (SAARC), numerous other subregional initiatives have also emerged in this region. FAO wishes to further strengthen its excellent collaboration with the regional and subregional organizations in order to achieve our common objectives. I sincerely hope that we can continue to work along the same lines, and that together we can win the battle against world hunger – a battle that we cannot afford to lose.

I thank you for your kind attention and wish you every success in your work.