



## Committee on Commodity Problems (CCP) Side Event on: **Digitalization in Food and Agricultural Markets and Trade**

Wednesday, 10 March 2021 | 12:45 – 14:00 CET

### Registration link for the online event:

[https://fao.zoom.us/webinar/register/WN\\_qGBRliF9Tb-DCTRcW7k6jg](https://fao.zoom.us/webinar/register/WN_qGBRliF9Tb-DCTRcW7k6jg)

### Background

Digitalization is transforming economies and societies and already profoundly impacts food and agriculture, which is facing significant challenges. Digital technologies can help increase productivity and generate economic, social and environmental benefits, accelerating progress towards achieving the SDGs.

Digital technologies can make agricultural and food markets more efficient and more inclusive. Globally, since the end of the 1990s, improvements in information and communications technology have also underpinned the development of global value chains, effectively linking farmers to traders and consumers across regions and countries.

Digital technology applications – from text messages through mobile phones' Short Messaging Service (SMS) to e-commerce platforms and distributed ledger technologies – reduce transaction costs, improve the flow of information and promote efficient matching between farmers, traders and consumers. This leads to increased market access and better outcomes in terms of income and welfare.

Digital certification schemes, such as e-Phyto, make global transactions less costly and more efficient. Digital e-commerce platforms, such as e-Choupal in India and Esoko in Africa – increase market access for smallholder farmers. Digital lending platforms link farmers, input suppliers, traders, financial institutions and insurance providers. Digital technologies can address multiple market failures and facilitate smallholder farmers' integration in markets and value chains.

The real impact of digital technologies on agriculture will continue to be more evident in the years to come, as their usage reaches a critical scale. At the same time, digital technologies also entail profound risks and challenges, which would require policymakers to address. The role of governments will be significant in enabling adequate environments for innovations and further technological development. FAO and other stakeholders are establishing the International Platform for Digital Food and Agriculture to bridge gaps in understanding digital technology's effects on agriculture and address the food system's most pressing needs.



## Objectives

This side event aims to explore the role of digitalization in food and agricultural markets and trade and assess the tools and platforms available for countries to use and reap benefits. It is envisaged that the discussion will address the following questions:

- 1) What is the impact of digital technologies on food and agricultural trade and markets?
- 2) How can digitalization help markets deliver sustainable development outcomes – economic, environmental and social – and facilitate smallholder farmers' inclusion?
- 3) What role do governments play in driving digitalization in the food and agriculture sectors, and what are the barriers hindering the path to transformation?

