



***19 January 2013***

**Global Forum for Food and Agriculture 2013  
Berlin Agriculture Ministers' Summit**

Madam Chair,  
Honorable Ministers,  
Excellencies, Ladies and Gentlemen,

Thank you for your kind invitation to return to Berlin for this important summit.

Let me start by reminding you that nearly 870 million women, men and children are undernourished, according to the latest hunger figures released by FAO, IFAD and WFP.

When we look at where hunger is concentrated, we see that most of the undernourished live in rural areas in developing countries. Ironically, many of them are subsistence farmers. This is the case of most sub-Saharan African countries.

Reducing the number of hungry people requires not only increasing the amount of food the world produces. It also requires improving the incomes and livelihoods of the world's poorest people, especially in rural areas.

Investment in agriculture is central to these efforts.

Over the last two decades, the countries with the highest rates of on-farm investment have made the greatest progress in meeting the Millennium Development Goals on poverty and hunger.



But investments in agriculture are still too low in those regions where rural poverty and hunger are most severe.

FAO's 2012 *State of Food and Agriculture* showed that farmers are the main investors in agriculture. In 76 low and middle-income countries, they invest a total of almost 170 billion US dollars a year. That sounds like a lot, but it is only about 150 US dollars per farmer per year.

Farmers' investments are limited for many reasons. The main one is that farmers are often poor, especially in the less developed countries. And, many times, they are faced with unfavorable conditions and cannot take the risk to invest more.

This creates a vicious cycle with particularly negative consequences in the poorer countries, where increasing investments is even more necessary and where farmers have even less resources.

It is up to national governments, assisted by the international community, to create conditions where farmers can invest more and to increase their own investments in ways that generate economic and social benefits, as well as environmentally sustainable results.

The 150 US dollars on average that farmers in developing countries invest per year is far from enough.

But the total investment by farmers is still three times as much as all other sources of investment combined, four times more than the public sector's contribution and 50 times more than the official development assistance to those countries.

So governments need to increase investments in agriculture.

At the same time, the international community needs to increase official development assistance to agriculture, ODA. The share of agriculture in total ODA has fallen significantly from around 20 percent in the mid 70's to a little over 5 percent in 2010.

We also need more responsible private sector investment.



Not any investment, but responsible investment that contributes to the food security of the countries where they take place and, especially, the people who live in the affected areas.

The *Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security*, endorsed in May 2012 by the Committee on World Food Security, were a first step in that direction.

I would like to thank Germany, who along with other donors, supported the preparation of the guidelines and are now supporting governments in developing countries to implement them.

At the global scale, the next step in improving governance will be the development of guidance for responsible agricultural investments. This is the next challenge for the Committee on World Food Security.

The public working session on Guidance for Responsible Investment in Agriculture, held here in Berlin yesterday, reaffirmed the need for international guidance to help make investments more responsible and sustainable. Let me share with you some of its conclusions.

Agricultural investments need to be responsible, they need to take into consideration the needs of stakeholders and they need to contribute to increased agricultural productivity and production and net farmer incomes.

Responsible investments should also contribute to sustainable production and consumption. And they should help build agricultural systems sensitive to the environment and that bring ecological benefits. Responsible investments should enhance farmer participation and inclusion, rather than displace them.



Participants agreed that guidance for responsible investments in agriculture should come from an inclusive consultative process involving governments, the private sector and civil society, especially farmer organizations, to ensure broad acceptance and legitimacy. They recognized that the Committee on World Food Security consultative process has the ingredients to accomplish this.

I am confident that this process will be as participatory, inclusive and fruitful as the one that led to approval of the Voluntary Guidelines.

Thank you for your attention.