



Note by the Food and Agriculture Organization of the United Nations (FAO)

**For the G8 Summit
L'Aquila, 8-10 July 2009**

Hunger is on the rise

Estimated at 1 020 million, for the first time in human history, more than one billion people are undernourished worldwide. This is about 100 million more than last year and around one-sixth of all humanity.

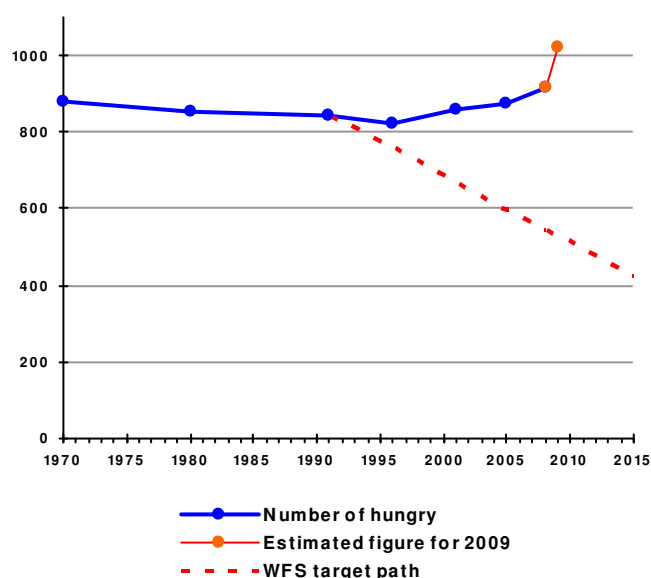
Unless substantial and sustained remedial actions are taken immediately, the World Food Summit (WFS) target of reducing the number of hungry people by half to no more than 420 million by 2015 will not be reached (Figure 1).

The latest hunger estimates show a significant deterioration of the already disappointing trend witnessed over the past ten years. The spike in food insecurity in the last three years shows the fragility of the global food system and underlines the urgency to tackle the root causes of hunger swiftly and effectively.

The global economic crisis at the core

The current global economic downturn, which follows - and partly overlaps with - the food and fuel crisis, is at the core of the sharp increase in world hunger in 2009. It has affected financial inflows to developing countries and reduced incomes and employment opportunities of the poor and significantly lowered their access to food.

Figure 1: Number of hungry people in the world (in millions)



The increase in under-nourishment is not a result of limited international food supplies. Recent figures of the FAO *Food Outlook* indicate a strong world cereal production in 2009, which will only modestly fall short of last year's record output level of 2 287 million tonnes.

With lower incomes, the poor are less able to purchase food especially where prices on domestic markets are still stubbornly high. While world food prices have retreated from their mid-2008 highs, they are still high by historical standards. Also prices have been slower to fall locally in many developing countries (Figure 2). At the end of 2008, domestic staple foods still cost on average 24 percent more in real terms than two years earlier; a finding that was true across a range of important foodstuffs.

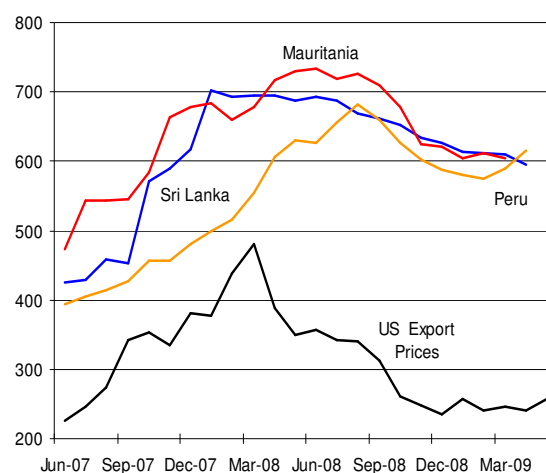
The incidence of both lower incomes due to the economic crisis and persisting high food prices has proved to be a devastating combination for the world's most vulnerable populations.

All regions are affected

Rising hunger is a global phenomenon. In fact, all world regions have been affected by the increase in food insecurity (Figure 3).

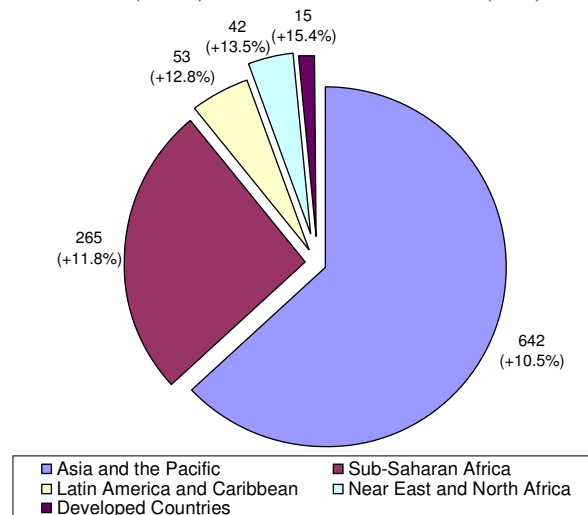
- Asia and the Pacific, the world's most populous region, is home to the largest number of hungry people (642 million).
- Sub-Saharan Africa has the largest prevalence of undernourishment relative to its population size (32 percent).
- The largest percentage increase in the number of hungry people in the developing world occurred in the Near East and North Africa (+13.5 percent).
- Latin America and the Caribbean, which was the only region in recent years with signs of improvement, also saw a marked increase (+12.8 percent).
- Even in developed countries, under-nourishment has become a growing concern.

Figure 2: **Domestic wheat prices in selected countries and international benchmark (USD per tonne)**



Source: GIEWS, FAO (2009)

Fig. 3: **Estimated Regional Distribution of Hunger in 2009 (in mil.) and increase from 2008 levels (in %)**



Success stories in Hunger Reduction

In spite of a deteriorating situation in many parts of the world, a number of countries and regions have registered significant progress as measured by both the World Food Summit (WFS) and the Millennium Summit hunger reduction targets. In Sub-Saharan Africa, Ghana, the Congo and Nigeria have reached the Millennium Development Goal of halving the proportion of hungry people (MDG-1), with Ghana also achieving the more ambitious WFS target of reducing the number of hungry people by half by 2015. Key to Ghana's success has been robust growth, both in the economy at large and in the agriculture sector in particular. On other continents, Chile, Guyana, Nicaragua, Jamaica, Cuba, Kuwait, Georgia, Armenia, Azerbaijan and Kyrgyzstan are countries that have reached both the WFS and MDG hunger reduction targets. World-wide, close to 40 developing countries have either reached the MDG-1 hunger reduction target, or continue to experience very low levels of hunger, while another two dozen countries are well on track towards halving hunger by the year 2015.

The situation could worsen over the long run

Without an immediate major and concerted international effort, the problem of global hunger and malnutrition can only worsen. Long-run challenges include inter alia demographic and dietary changes, natural resource constraints, climate change and bioenergy development.

World population is projected to grow from 6.5 billion in 2005 to nearly 9.2 billion by 2050, with the entire 2.7 billion increment to take place in the developing countries. To feed a population of more than 9 billion, global food production must nearly double.

Not only will population growth take place entirely in the developing countries, but the increase will occur wholly in urban areas, which will swell by 3.2 billion people as rural populations shrink.

That means that a smaller rural workforce will have to be much more productive and produce more output from fewer resources. Higher productivity requires increased investment in agriculture, better infrastructures, more machinery, more implements, tractors, water pumps, combine harvesters, etc., as well as more skilled and better trained farmers.

Global agricultural resources are unequally distributed and not all regions have unused resources. South Asia and the Near East/North Africa region, for instance, have already exhausted much of their rainfed land potential and depleted a significant share of their renewable water resources.

Also agriculture will become increasingly important as a source of energy. It is important to recognize that potential demand from the energy market is so large that it has the potential to change the fundamentals of agricultural market systems. This has already started to happen. In 2007, nearly 100 million tonnes of cereals were diverted from food markets to biofuel production. This was roughly 5 percent of the world cereal utilization but less than 0.5 percent of the global energy demand. Sugar cane, oilcrops and starchy roots are also becoming increasingly competitive as feedstocks for production of biofuels.

The challenge of climate change

In addition to the growing resource scarcity, global agriculture will have to cope with the effects of climate change, notably higher temperatures, greater rainfall variability and more frequent extreme weather events, such as floods and droughts. Climate change will reduce water availability and lead to an increase in animal and plant pests and diseases. The Intergovernmental Panel on Climate Change (IPCC) clearly indicated that global warming and extreme weather will affect the world's poorest regions the most. The final impacts are going to depend on the levels and types of investments that will be made to improve agriculture's adaptive and resilience capacity and to adjust production methods to help mitigate climate change effects.

Agriculture and forestry contribute and can contribute more significantly to climate change mitigation through their role as carbon sink and improved management of cropland and livestock for maintaining and increasing the existing stocks of carbon. These sectors are essential to overcome the challenge of climate change. Many mitigation practices generate multiple benefits, which can, in turn, underpin adaptation, food security goals, poverty reduction and sustainable development. Agriculture is a major contributor to the ultimate objective of the UN Framework Convention on Climate Change (UNFCCC): to stabilize GHG in the atmosphere at a level that allows ecosystem resilience, does not threaten food production and enables economic development.

Agriculture is now part of the negotiations. While agriculture and land use were initially on the margins of negotiating how to reduce human impacts on climate change, they are now firmly positioned at the core of the debate. Previously, attention was focussed on Reducing Emissions from Deforestation and Forest Degradation (REDD) as separate from the agriculture sector. As negotiations have progressed, the critical linkages between agriculture, REDD, and other mitigation strategies have been identified and strengthened. This transition towards more comprehensive approaches to land uses is a welcome shift and allows for a broader examination of mitigation/adaptation synergies and trade-offs.

It is crucial that agriculture and the food security goals figure high on the agenda of the UN Climate Change Conference in Copenhagen in December 2009. If climate change mitigation objectives are to be met, multilateral negotiations should include agriculture and the well-being of poor farmers who depend on the sector for their livelihood.

Towards better governance of global food security

It has become clear that strengthening the global governance for food security and agriculture is a prerequisite for liberating humanity from the scourge of hunger. Appeals were made in the course of last year in different fora, including the FAO High-Level Conference in June 2008, the G8 Summit in July in Japan and the Special Session of the FAO Conference in November 2008, calling for a better governance of world food security. The proposals concern in particular establishing a Global Partnership on Agriculture, Food Security and Nutrition (GPAFSN) to enhance dialogue with all relevant partners and thus facilitate coordination and implementation of action plans; and the establishment of a High-Level Panel of Experts on Food Security and Nutrition (HLPE), with the mandate to provide a scientific basis for decision making.

The FAO Conference in November 2008 requested that the Committee on World Food Security (CFS) – which is open to all FAO Member Nations and all the United Nations Member States, as well as to representatives of other international institutions, NGOs, the private sector and civil society, and is mandated to monitor the world food security situation – be revitalized to fully play its role in the new system of global food security governance.

CFS members, led by their Bureau, have started the reform process. They agreed to embark on a serious and deep-seated renewal of the Committee based on three principles: (a) inclusion of all relevant stakeholders in CFS debates; (b) serving as a worldwide, United Nations forum; and (c) reformed governance and decision-making processes. Therefore, the CFS Bureau decided to create a Contact Group consisting of representatives of Member Nations, international organizations and financial institutions, NGOs, civil society and the private

sector. The key functions of the Contact Group would be to:

- provide recommendations on CFS renewal, especially on aspects concerning governance of world food security;
- define the role of the CFS with respect to resource mobilization for agricultural development and food security and provide mechanisms to CFS to evaluate the results of international financial mobilization for food security in developing countries;
- initiate a participatory and consultative process through which concerned stakeholders would be heard;
- facilitate consensus on approaches for reforming the CFS;
- examine concrete possibilities for launching the Global Partnership.

CFS renewal constitutes an essential part of the reform of global governance for food security, and the GPAFSN would be an important pillar for a renewed CFS. The CFS members have agreed that the objective of a renewed food security governance should be to:

- keep agriculture and food security at the top of the international agenda and ensure a greater link between the technical and scientific expertise and political decisions;
- gain thorough understanding of the factors that affect global food security and the associated risks;
- create political commitment to address food security and global issues;
- ensure that the international community adopts a consistent and prioritized approach to food security.

With regard to the High-Level Panel of Experts, the FAO Conference at its special session last November requested FAO “*to prepare terms of reference, in consultation with Member Nations, for the High Level Panel of Experts with a view to its establishment in 2009*”. In line with this, FAO Director-General had written to all member countries, sending them a preliminary draft document of the terms of reference of this Panel of Experts and soliciting nominations of personalities who could take part of this network, including experts from research centres and civil society. Subsequently, The CFS Bureau and FAO Member Nations have decided to

include the HLPE in their work on the CFS reform, and this decision was supported by the 136th Session of the FAO Council in June 2009. Decisions on the mandate of the HLPE, its composition, terms of reference and financing are presently discussed through participative and

consultative process involving Member Nations of FAO and representatives of relevant international organizations, NGOs, civil society and the private sector, with a view to its establishment by the end of 2009.

World Summit on Food Security, Rome, 16-18 November 2009

What is needed to achieve food security for all, today and tomorrow?

Upon proposal by the Director-General, the FAO Council approved at its 136th Session in June 2009 to convene a World Summit of Heads of State and Government on Food Security on 16, 17 and 18 November 2009 in Rome.

In today's context of crises and the full attention given to the global financial turmoil and economic downturn, it is extremely important to keep food security on top of the international agenda. Also, the food security momentum that we are currently witnessing should soon lead to bold decisions and effective actions relegating hunger to history. It is an issue of peace and security in the world as witnessed in 2007-08 with food riots in 22 countries worldwide, migration increasing and global inflation soaring. The time has come to tackle the root causes of hunger and find structural and lasting solution for world food security. In addition to ensuring the food security of the one billion hungry and undernourished people, the world will have to almost double food production to feed a global population that will reach 9.2 billion by 2050. Business-as-usual is not an option.

World leaders and the international community should build on the WFS target and MDG-1 to set the goal of total eradication of hunger from the face of the planet. It is unacceptable that in a world of abundance of international resources, hunger continues to represent a threat to humanity.

To achieve food security for all, today and tomorrow, it is crucial to address, and find durable solutions to, the complex and fundamental issues of: governance of world food security; the share of agriculture in official development assistance; public and private investments in agriculture and rural development; support to farmers in both developing and developed countries; agricultural trade; weak national institutions and climate change.

We need also to revert the negative trend of the share of agriculture in total official development assistance (ODA) and reach the 17 percent that were necessary for the success of the Green Revolution of the 1970s, which prevented the looming famine in Asia and Latin America.

That is why the World Summit of Heads of State and Government on Food Security, to be organized by FAO in Rome from 16 to 18 November 2009, is so important.

The Comprehensive Framework for Action

In April 2008, the UN Secretary-General established the High-Level Task Force (HLTF) on the Global Food Security Crisis, bringing together the United Nations system, the Bretton Woods institutions and other international organizations, to develop a unified response to the global food crisis. The Director-General of FAO was appointed by the Secretary-General as the Vice-Chairman of this UN High-Level Task Force.

The HLTF developed the "Comprehensive Framework for Action" (CFA) which defines the common position of its members on the actions to be implemented in the short, medium and long terms to deal with the crisis and to improve food and nutritional security at national, regional and global levels. The CFA was presented by the Secretary-General to the G8 Summit in Japan in July 2008 and to the UN General Assembly in September 2008.

In working towards the achievement of CFA outcomes, FAO has been fully supportive of interagency cooperation. The results of such cooperation are now being highlighted by key partners, such as the European Union, as a model for future cooperative engagement in other areas. After providing support for the preparation of the Comprehensive Africa Agriculture Development Programme (CAADP), FAO has been working with the African Union, the NEPAD Secretariat and the Regional Economic Unions to ensure the policy advice, formulation and implementation of projects at national and regional levels to reach food security in Africa.

To date, FAO has mobilized a total of USD 385 million in support of short and medium term projects to boost agricultural productivity, with a special emphasis on smallholder farmers. Of this amount, USD 37.3 million are from FAO own resources delivered through its Technical Cooperation Programme, USD 283 million through the European Union Food Facility, and USD 64.7 from several donors (Austria, Italy, Netherlands, Spain, Sweden, United Kingdom, USA, IFAD, UN-OCHA and the World Bank).

Conclusion

It is clear that to overcome present and future challenges and successfully defeat hunger, we must tackle the root causes of food insecurity and tackle them collectively. And for that, we need international political consensus, not only to apply technical and economic solutions to the problem of food insecurity but also to renew, strengthen and harmonize structures of reflection and decision, and to equip them with the authority and proper powers and means to act effectively and timely.

In other words, what is needed are high political leadership to take bold decisions and follow up with the required actions to eradicate hunger so that all people on Earth can enjoy the most basic and fundamental of human rights – the right to food, and thus to existence.

FAO Reform ***An Organization fit to the 21st Century***

FAO's Member Nations, management and staff share the vision of a world free from hunger and malnutrition and are all committed to reach that goal.

FAO has fully embarked on the most comprehensive reform process that any UN organization has undergone to date. Based on the results of an Independent External Evaluation, our Governing Bodies agreed last November on an immediate three-year action plan which seeks to shape an FAO that is most effective and efficient in delivering its services and in supporting humanity to face the scourges of hunger and poverty.

The Organization is reforming both what it does and how it delivers its services: it is moving into a results-based management framework, while at the same time administrative and management systems are being reformed and effective human resources policies and decentralized decision-making are being promoted. Governing Bodies are also reforming, to become more effective in their provision of oversight and guidance.

Since last January, implementation of the Immediate Plan of Action (IPA) has been moving full steam in partnership with member countries, and good progress has been achieved. In the first six months of the three-year plan, 58 percent of the activities are under implementation and 4 percent have already been completed.

At its 136th Session (15-19 June 2009), FAO Council expressed its satisfaction with the progress made on the implementation of the IPA and commended management and staff on their dedicated work and positive attitude for renewal. The increase in collaboration between Members and the Secretariat was particularly recognized.

The key conclusion of the Independent External Evaluation was "Reform with Growth". We are convinced that this process of FAO's transformation will make the Organization more fit to the Twenty-first Century. Both the Organization and the membership are committed to taking FAO Renewal to a successful completion.