Statement of the Director-General on the occasion of

World Food Day

Rome, 16 October 2008

Mrs Suzanne Mubarak, First Lady of the Arab Republic of Egypt,

Honourable Vincenzo Scotti, Undersecretary of State of the Ministry of Foreign Affairs of the Italian Republic,

Monsignor Renato Volante, Permanent Observer of the Holy See to FAO,

Excellencies,

Distinguished Guests of Honour,

Ladies and Gentlemen,

We are gathered here in Rome, as each year, to celebrate World Food Day. The theme for this year is "World Food Security: the Challenges of Climate Change and Bioenergy". But because of the food crisis that we have known for one year, this day is also an opportunity to revisit the outcome of the High-Level Conference that was held at FAO last June.

We are all affected by climate change, but the poorest regions are already its first victims. The hardest hit will be the hundreds of millions of vulnerable people who are already undernourished: small farmers, forest-dwellers, herders and fishermen.

Climate change will also have an impact on land and water availability and on biodiversity. In the lower latitude regions, changes in temperature and rainfall and increased frequency of extreme weather events risk causing significant reductions in agricultural production.

In Africa for example, the consequences of climate change could be dramatic for a continent that will have a population of 2 billion people within the next 40 years.

Climate change could also increase migration to richer countries and higher sea levels could force many communities living in low-lying coastal areas and deltas to migrate to higher land.

These risks for food security should therefore be placed in a radically new ecological, social and economic context. In this regard, the development of biofuels creates new additional pressure on agricultural production and modifies the agricultural economic context.

Higher prices of oil and gas have made bioenergy more competitive, and competition with agricultural production for food has intensified. FAO's latest studies indicate that the development of biofuels, beyond the level reached in 2007 and depending on the production, could represent a price increase of 5 percent for wheat, 12 percent for maize and 15 percent for vegetable oils during the course of the next 10 years. Policies of subsidies and customs levies, and the blending of vehicle fuels have thus created international market distortions that are prejudicial to food security in the world, as is shown in the FAO 2008 study on the State of Food and Agriculture.

Yet, in a world where the price of oil is much higher and where access to energy is still a problem for much of humanity, the development of bioenergy should not be viewed solely as a risk. It could in fact be an opportunity, so long as the energy balance in the transformation process does not result in an increase in greenhouse gases and that bioenergy production does not detract from food supply.

But agriculture is also part of the answer to the problems of climate change. It can contribute to an increase in carbon sequestration, notably by limiting or eliminating deforestation and the degradation of tropical forests. It can improve the regeneration of forests and the control of wildfires in natural spaces. Reduced tillage, restoration of the biomass and the sound management of animal pasture, nutrition and animal waste would also help to boost the capture of carbon in agricultural land.

World agriculture must face all these new challenges in a context of food crisis that requires a global response in the short, medium and long term, taking into account circumstances that are undergoing profound change.

The world food crisis has had tragic social and political consequences in recent months, with demonstrations and even riots. In different continents, it can still endanger world peace and security.

And yet, this new disaster was predictable. In 1996, in this very place, at the first World Food Summit, 112 Heads of State and of Government and the representatives of 186 members of the Organization solemnly pledged to reduce by half, by 2015, the number of hungry people in the world. But already in 2002, a second World Summit had to be convened to draw the international community's attention to the fact that resources to finance agricultural programmes in the developing countries were decreasing, instead of rising.

Aid to agriculture fell from 8 billion US dollars (2004 equivalent) in 1984 to 3.4 billion dollars in 2004, representing a drop in real terms of 58 percent. Agriculture's share of Official Development Assistance fell from 17 percent in 1980 to 3 percent in 2006. International and regional finance institutions have sharply reduced resources for agricultural activity, which is the principal livelihood of 70 percent of the world's poor.

However, action programmes are ready. In cooperation with FAO, the developing countries have drawn up policies, strategies and programmes which, with appropriate funding, would have served to ensure world food security.

In July 2003 in Maputo, the Heads of State and of Government meeting at the Summit of the African Union, adopted the Comprehensive Africa Agriculture Development Programme (CAADP), prepared with the support of FAO. The programme emphasizes water control, trade infrastructure and trade capacity, increased crop production and reduced hunger, agricultural research and the dissemination of technology, animal production, forestry, fisheries and aquaculture.

In this context, 51 African countries prepared, in collaboration with FAOn, National Medium-Term Investment Programmes (NMTIPs) and Bankable Investment Project Profiles (BIPPs).

The Regional Economic Communities, WAEMU, ECOWAS, CEMAC, ECCAS, SADC, COMESA, IGAD and AMU have also prepared, with FAO support, regional food security programmes which focus on intraregional trade and the WTO sanitary and phytosanitary standards based on the rules established by WHO and FAO for the protection of consumers in the framework of the *Codex Alimentarius* and the International Plant Protection Convention.

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Following implementation of the pilot phases of national and regional food security programmes in the countries of CARICOM, and of Central and South America, the Ibero-American Summit approved in November 2006, at Montevideo in Uruguay, the "Hunger-Free Latin America and the Caribbean by 2025" initiative.

Similar regional programmes have also been prepared, in cooperation with FAO, in Central Europe and Central Asia for the Organization of the Black Sea Economic Union and the Organization for Economic Cooperation.

Programmes and projects therefore clearly exist to deal with the problem of food security.

Excellencies,

Ladies and Gentlemen,

The causes of the present food crisis have been explained at length, so I shall not return to them. As for its consequences, they are dramatic. Our latest assessments, in 2007, indicate that the number of undernourished people reached 923 million, which is almost 10 percent higher than in 2006.

From 3 to 5 June 2008, the delegates of 181 countries – including 43 Heads of State and Government and more than 100 ministers – attended the High-Level Conference on World Food Security. The conference reaffirmed the need to produce more and therefore to invest more in agriculture. The Secretary-General of the UN was also present with us in Rome for the conference. He presented the first deliberations of the High-Level Task Force on the Global Food Security Crisis which he put in place and continues to chair today.

The Task Force has now finalized a Comprehensive Framework for Action which draws upon the know-how and experience of the specialized agencies of the United Nations and the Bretton Woods institutions. It has assessed global requirements. The local representatives of FAO, WFP, IFAD and the World Bank, in cooperation with the different governments, have drawn up country programmes. The Comprehensive Framework for Action should make it possible to address the urgent requirements relating to food aid and input distribution, as well as short-, medium- and long-term investments. The annual financial requirements for this programme are valued at 30 billion US dollars.

In this framework, FAO is pursuing the initiative that I launched in December 2007 to enable the farmers of poor, heavily food-deficit countries to relaunch their agricultural production by facilitating their access to seeds, fertilizer and feed.

The Organization has received 79 requests to participate in the programme. The distribution of seeds and fertilizer has already begun or is planned in 76 of those countries. Such action is not new to FAO as, in the last 10 years it has implemented 1022 input distribution projects with a total value of 931 million US dollars.

However, I must also point out that we have a serious shortfall in the financial resources needed to fulfil the expectations of those countries. In spite of the passionate speeches and financial commitments made by many countries, only a tiny proportion of what was promised last June has been delivered - about 10 percent of the 22 billion dollars pledged. Moreover, the sums made available have been mainly used for food aid.

Commitments made should lead to the rapid and ready supply of new resources. Hence the new appeal launched by the Secretary-General at the General Assembly of the United Nations a month ago.

I know that the current international situation and the serious financial crisis do not facilitate our work. The media have highlighted the financial crisis at the expense of the food crisis. Yet, that crisis still exists. Instead of falling, in line with the targets of the World Food Summit and the Millennium Summit, the number of undernourished people increased by 75 million in 2007, a figure that could increase further in 2008.

Excellencies, Ladies and Gentlemen,

The structural solution to the problem of world food security lies in increasing productivity and production, especially in the low-income, food-deficit countries. It is therefore necessary to reverse agriculture's declining share of Official Development Assistance. It is also necessary to resort to innovative and imaginative ways of mobilizing direct foreign investment of the private sector. For example, partnerships could be established that satisfy the interests of the different parties, by developing agreements between those countries that

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have the financial and technological resources, on the one hand, and those that have the land, water and human resources, on the other.

In order to act coherently over the long term to deal with the major challenges and difficulties that have been encountered in recent years, it is necessary to strengthen international governance of the fight against food insecurity, drawing upon structures and programmes that are already in place.

In this connection, a side event was organized last night on the "Initiative on Partnership and High-Level Expert Group to Address Global Agriculture and Food Security" in the framework of the Committee on World Food Security, to enable all the Member Nations and the NGO and civil society partners to exchange views on these issues.

In this regard, it should be recalled that the Committee on World Food Security was charged in 1996 with ensuring follow-up of the decisions and the programme against hunger and food insecurity that were adopted at the World Food Summit.

Excellencies.

Ladies and Gentlemen,

The High-Level Conference that was held in this room last June, represented a significant and I hope decisive step in our fight against hunger in the world.

We now have a Comprehensive Framework for Action. We have proposals to improve the governance of the instrument to combat hunger in the world. We also have financial pledges of some 22 billion dollars.

On this World Food Day, I wish to reaffirm that we know what needs to be done to eradicate the hunger of 923 million people in the world. We also know what needs to be done to double world food production and feed a population that is expected to rise to 9 billion people by 2050.

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What we need, however, is political will and delivery on financial commitments, if we are to be able to make the essential investments that are needed to promote sustainable agricultural development and food security in the poorest countries of the world.

That is the surest way of forging a world of economic and social progress and creating the conditions for peace and security of humanity.

Thank you for your kind attention.