## **166th Session of the Council**

## Written Correspondence Procedure – inputs from Members - English version

<u>Item 7.1 - Report of the 73rd (Extraordinary) (22 January and 19 February 2021) and 74th (10-12 March 2021) Sessions of the Committee on Commodity Problems</u>

Member Name	Comments
Dominican Republic – Member (Wed 14/04/2021 16:00)	The Dominican Republic welcomes the reports.  We recognize that international trade plays a fundamental role in building resilience and improving food security, nutrition and food safety; and we believe that promoting more open, fair and non-discriminatory trade, under the WTO and its rules, is fundamental for economic growth and improving the incomes of the poorest, with a view to achieving the SDGs.  We take note of the report on the impact of COVID-19 on agricultural markets and trade; and we endorse the concerns expressed about the adverse effects of the pandemic on agrifood systems, hunger and malnutrition, especially for smallholders, fishers and family farmers.  In this regard, we welcome FAO's interest in strengthening the "One Health" approach. We also commend the Organization's efforts to mitigate the impact of the pandemic, and to assess the effects of COVID-19 on food and agriculture, value chains and food prices. In particular, we applaud the establishment and implementation of the Organization's COVID-19 Response and Recovery Programme and its seven priority areas.  We appreciate the reports on the status of commodity markets and the short- and medium-term outlook. We urge the Organization to continue supporting countries in their efforts to improve their systems for monitoring and analysing agricultural markets and for developing capacities to create and implement trade policies for food security and nutrition, based on reliable data.  We welcome SOCO 2020, and emphasize that the potentially transformative effects of digital technologies on agricultural and food markets cannot be achieved without bridging the digital divide that persists between urban and rural areas, among countries, and between men and women.  We are also grateful for the Committee's update on the WTO negotiations, in particular the emphasis placed on compliance with the international standards issued by the joint FAO/WHO Scientific Advice Programme for Codex, the IPPC and OIE, so that the commodities produced by members can pa
Argentina – Member (Wed 14/04/2021 16:58)	Argentina congratulates FAO, and in particular the Committee on Commodity Problems (CCP) Secretariat, for successfully holding two meetings of the Technical Committee under exceptional circumstances. It welcomes the results achieved in both meetings, highlighting the depth of the debates and the strength of the consensus reached by all Committee members.

Both meetings showed yet again that trade and markets make a crucial contribution to the availability, affordability and accessibility of food to vulnerable people and to achieving the Sustainable Development Goals (SDGs), particularly SDG 2.

That role is acknowledged by the SDGs, specifically SDG 17, and it is among the targets of other SDGs, such as SDG 2. The second International Conference on Nutrition (ICN2) also recognized the importance of trade in achieving worldwide food and nutritional security.

Both meetings acknowledged the crucial part played by trade during the crisis brought about by the COVID-19 pandemic. It was emphasized that the events of 2020 confirmed the positive role played by trade in terms of food security and nutrition, including during the post-pandemic recovery period.

However, value chains are undoubtedly complex, and we therefore reaffirm the importance of a rules-based, open, transparent and predictable multilateral system of trade with the World Trade Organization (WTO) at its centre, to improve market predictability, increase business confidence and allow for free-flowing agrifood trade to contribute to food security and nutrition.

Argentina is also pleased that the CCP's Sessions recognized that international trade and markets are a crucial link within food systems. This new approach allows producers and consumers access to healthy, genuine, nutritious foods and to sustainable livelihoods and income. The international agrifood trade and opportunities for small farmers to earn better incomes through international markets should be made an even higher priority in the Organization's workstreams, in accordance with its mandate.

The CCP clearly stated that we cannot ignore the fact that international trade can facilitate and improve the availability of and access to healthy and nutritious commodities, allowing consumers a wider range of healthy eating options at affordable and stable prices, while contributing to the sustainable and efficient use of resources for production based on competitive advantages. International trade therefore contributes to the social and economic pillars of sustainable development and is also a vehicle for protecting the environment.

For this to become a reality and not a justification for discriminatory measures, Argentina believes that it is essential that any measures applied should respect WTO rules. Such measures should be based on scientific evidence, restrict trade as little as possible and be laid down to achieve legitimate objectives.

The CCP also noted that the FAO Food Price Index will undergo a slight increase in nominal terms over the next decade, but it will fall in real terms. In this regard, Argentina is pleased that the Committee has realized the need to consider the funding necessary to address the demand for "transforming" food systems, in accordance with national contexts, priorities and capacities.

In line with the important conclusions drawn by the CCP, the 74th Session highlighted the need to lend greater visibility to FAO's mandate and its work in connection with commodity trade and markets. It noted the importance of their inclusion in the new Strategic Framework for 2022-2031, in the context of an agricultural food systems approach. Lastly, once again Argentina reiterates that urgent action is needed to improve the rules of trade pertaining to agriculture: this same point was first raised several decades ago. This particularly applies to subsidies and access to

	agricultural markets so that better nutrition can be offered to the world in general, and vulnerable people in particular, while improving the income of farmers.  With these comments, Argentina asks the Council to endorse the conclusions and recommendations made by the Committee on Commodity Problems in its Sessions.
Australia – Member (Wed 14/04/2021 17:09)	Australia notes the findings and recommendations of the 73rd and 74th Sessions of the Committee on Commodity Problems (CCP). We thank the FAO for its ongoing and important work in markets and trade and note with appreciation the number of activities that have been conducted in response to the COVID-19 pandemic. Australia has particularly welcomed initiatives which have been designed to ensure markets are fully informed and able to respond quickly to shocks, and those which seek to avoid counter-productive policy measures that impede trade. We respectfully provide the following comments:  We highlight the importance of maintaining open, efficient and reliable global agricultural trade, and the value of coordinating efforts to stand against protectionism which can exacerbate and prolong food supply shortages and cause excessive price volatility.  We welcome the recognition by the Committee of the importance of trade for increasing resilience, and we encourage on-going evidence-based advocacy by the FAO to help improve awareness that, in addition to supporting food availability, agricultural trade and improved market access are important for increasing economic growth, lifting people out of poverty, raising incomes and supporting greater food access.  We appreciate the recognition by the Committee of the role of global value chains in promoting the diffusion of technologies and knowledge in support of agricultural productivity growth and we are pleased to see recognition of the role of digital technologies and electronic-based tools for facilitating trade, such as ePhyto.  We encourage ongoing efforts by the FAO on issues relating to food safety, noting with concern that some policy responses to COVID-19 have sought to question the safety of long, global food supply chains.  We welcome the FAO's commitment to an enhanced One Health approach to mitigating the risks of zoonotic diseases and support for the development of science-based international standards, guidelines and recommendations on effective risk mitigati
European Union – Member (Wed 14/04/2021 23:10)	I am honoured to address you on behalf of the European Union and its 27 Member States.  The EU welcomes and endorses the reports of the 73d and 74th sessions of the Committee on Commodity Problems with the following remarks:  The EU would like to acknowledge the quality and relevance of the FAO's monitoring of commodity market developments and to welcome the information provided on issues and prospects for international raw materials and tropical commodity markets.

The EU values the role of the OECD-FAO Agricultural Outlook as a global consensus on medium-term trends in world agricultural markets and encourages FAO to continue its cooperation with the OECD in this area and to strengthen it, in particular in the context of the 2021 UN Food Systems Summit.

Considering the existing uncertainties due to the COVID-19 pandemic, the EU considers it important that the impacts of the pandemic are kept under review, even subject to sensitivity analysis. As guidance for FAO's future work, we suggest that scenarios are considered to support the follow-up to the UN Food Systems Summit and that FAO strengthens its foresight analysis in longer-term projections beyond 2030.

On the World Trade Organization (WTO) agricultural negotiations and regional trade agreements, the EU would like to thank the FAO Secretariat for the comprehensive update and to highlight the importance of an open, transparent, non-discriminatory, inclusive and rules-based multilateral trading system under the WTO. We strongly believe that the WTO's central role is more essential than ever if we are to address the challenges before us, starting with the economic recovery from the pandemic. We would also recall that FAO should ensure that it remains strictly within its mandate on trade issues without pre-empting decisions to be taken at WTO.

In relation to the guidance provided on FAO's programme of work in commodity markets and trade under the Strategic Framework, the EU would like to stress the Committee's support commending the role of the Agriculture Market Information System (AMIS) and encouraging Members to continue supporting its work.

Lastly, considering the unanimous concern expressed by Members regarding the way working methods are used in the meeting leading to very long sessions, we would like to request a follow-up on the Committee's call to review the working arrangements, in consultation with the Independent Chairperson of the Council and the Chairpersons of the other FAO Technical Committees, with the objective of improving the efficiency in the use of time, and effectiveness of the FAO Bodies' work, including the Committee on Commodity Problems.

## **Japan – Member** (Thu 15/04/2021 14:32)

Japan welcomes the reports from the Technical Committees. Nonetheless, we would like to make the following comments.

Report of the 73rd Session of the Committee on Commodity Problems (CCP)

- Concerning the Draft Vision and Strategy for FAO's work in Nutrition, we would like to emphasize the importance of describing more clearly the following points.
- (1) Importance of digitalization in the efforts to realize a nutrition-sensitive and sustainable agriculture and food system
- (2) Importance of "promotion of local traditional food culture" in the realization of healthy diets.

Report of the 74th Session of the CCP

• With regard to the promotion of digitization in the food supply chain, we appreciate that the importance of digitalization in each field is emphasized from the perspective of increasing market transparency and promoting the sharing of timely and appropriate information. At the same time, it should also be pointed out the importance of sound information management in consideration of privacy in order to promote the digitalization of the food supply chain.

	In parallel with the global food trade, it is important to promote local production for local consumption and to strengthen the resilience of regional supply chains based on the situation of each country.
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