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Продовольственная и
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Organización
de las
Naciones
Unidas
para la
Agricultura
y la
Alimentación

THIRTY-FIRST REGIONAL CONFERENCE FOR LATIN AMERICA AND THE CARIBBEAN

Panama City, Panama, 26 to 30 April 2010

STATEMENT OF THE DIRECTOR-GENERAL

*Mr Chairperson,
Mr Independent Chairperson of the Council,
Distinguished Ministers,
Honourable Delegates,
Excellencies,
Ladies and Gentlemen,*

It is an honour and a pleasure to be here today with you in this beautiful city of Panama for the Thirty-first FAO Regional Conference for Latin America and the Caribbean.

On behalf of the Organization and all of you, I should like to express our gratitude to the President of the Republic, His Excellency Ricardo Alberto Martinelli Berrocal, to his Government and to the people of Panama for hosting this Conference and for their generous hospitality.

State of food insecurity in the world and in Latin America and the Caribbean

In 1996, at the World Food Summit (WFS), the Heads of State and Government pledged to halve the number of people suffering from hunger by 2015 in order to achieve sustainable food security for all. This global commitment has been reaffirmed at other international conferences, including the Millennium Summit in 2000 and the World Food Summit: *five years later* in 2002. More recently, the World Summit of Heads of State and Government on Food Security, held in Rome last November, decided on the complete eradication of hunger in the world.

Unfortunately, the latest data compiled by FAO show that the current situation is even more disturbing than it was in 1996. Hunger has increased in the last three years because of soaring food prices. It has been exacerbated by the financial and economic crisis that has affected the world. In 2009, the number of hungry people increased by 105 million from the previous year, reaching one billion; that is, one out of every six human beings.

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The region of Latin America and the Caribbean has not been spared. Regrettably, the food and economic crises have wiped out the progress made in the previous ten years. Between 1995-1997 and 2004-2006, the number of undernourished people in the region fell by 6.5 million, a reduction of 12.5%. According to the latest estimates, the level of food insecurity in the region increased in 2009, with 53 million people suffering from hunger.

For a region that produces enough food to cover the dietary needs of all of its people and, moreover, that exports sizeable surpluses to other parts of the world, this is a paradox. Thus, the problem of food insecurity in the region is not one of food availability at regional level, but rather one of production capacity in certain countries and inadequate food access for a large proportion of the population.

The impact of the food crisis is also uneven among countries. The countries that are net importers of food and energy are the hardest hit. These are also the countries that have the highest poverty levels and that have mostly seen a fall in demand for their exports and reduced external financial flows. Some countries of the region have also borne the impact of natural disasters, such as the droughts and floods that ravaged several countries of Central and South America in 2009.

This dramatic situation has however served to reposition agriculture and food security at the heart of national and regional development policies and programmes, thanks to which we can look to the new decade with optimism. This new order of priorities should provide an opportunity to support small producers and strengthen family farming.

Agricultural development in Latin America and the Caribbean in 2008-2009

In 2008, agriculture and forests contributed an average 5% of regional GDP. Individual contributions ranged from 20.2% in Haiti and 21.4% in Paraguay to 1.6% in Mexico and 1.3% in the Bahamas.

Crops

In 2008, the region produced 185 million tonnes of cereals, up 3.3% from the previous year. Approximately 75% of those cereals were grown in South America. Because of its expanse of agricultural land and its competitiveness, South America is the subregion that contributes most to crop production in the region.

Livestock

Livestock in Latin America and the Caribbean accounts for 45% of the region's agricultural added value and represents 40% of the global value of agricultural production. The livestock sector has a value of 79 billion US dollars.

For several years this sector has posted regional growth of 4%, twice the world average. The Southern Cone countries are the world's leading exporters of beef, accounting in 2008 for 43% of the global total.

Although the prospects for animal production in the region are encouraging, the challenge for the future is to increase productivity while mitigating impact on the environment. Hence the importance of policies to promote sustainable land use, conservation of water

and biodiversity, better disease prevention and improved animal health. Small producers essentially need access to inputs, credit and appropriate technologies so that they can raise productivity and lessen the risk of being displaced.

Fisheries and aquaculture

The fisheries and aquaculture sector is very important to the region. In 2008, fishery products, 95% of which derived from the sea, accounted for 12% of the world total. Aquaculture is very dynamic in the region, increasing its share of aggregate production from 2 to 10% since 1995.

Industrial fisheries, conducted mainly by Peru, Chile, Mexico and Argentina, seem to have reached their maximum sustainable catch levels. Recent annual landings have varied between 12 and 14 million tonnes, used almost exclusively for fishmeal and fish oil.

Despite their importance to food security, artisanal and subsistence fisheries and small-scale aquaculture remain marginal activities often overlooked by policies and programmes of assistance to sectoral development.

Forestry

Currently, Latin America and the Caribbean have about 956 million hectares of forests, which is 24% of the global forest cover. But this is also the region that has the heaviest losses. In only 10 years, between 2000 and 2010, the region's forest cover diminished by 44 million hectares (which is 4.4%).

Considering the importance of forestry to the region, there is an urgent need to adopt appropriate policies and new mechanisms to combat forest degradation and deforestation.

*Mr Chairperson,
Excellencies, Ladies and Gentlemen,*

Main challenges for the region

The strategic importance of agriculture to the economic and social welfare of the countries and peoples of Latin America and the Caribbean is considerable. Agriculture remains the principal economic activity in rural areas and therefore has a direct impact on the potential to address the socio-economic challenges that prevail in the countryside. At the same time, agricultural development is an engine of growth for other economic spheres.

If it is to ensure sustainable agricultural development, the region needs to rise to two major challenges: first, climate change, particularly temperature increases, greater variability of rainfall and increased frequency of extreme events; and second, the natural disasters that frequently strike the region and cause considerable loss of life and property.

In addition, rural infrastructure, access to quality water, financing and institutional structure remain major constraints to improving agricultural productivity in the region, particularly in rural areas.

Other achievements

In this new context of political reappraisal of food and nutritional security, the "Hunger-free Latin America and the Caribbean 2025" initiative was endorsed by the Summit of Latin America and the Caribbean on Integration and Development, held in Salvador de Bahia in December 2008. For the first time, the region's Heads of State and Government included food security among the priority topics of their common agenda. With support from FAO, the initiative has led to more robust legal and institutional frameworks for food and nutritional security in the region. In some cases, there has been legal recognition of food as a human right.

FAO has also provided technical support to programmes aimed at promoting agricultural production and reinforcing food and nutritional security in the region. Family farming has received special attention in these programmes.

The many different activities that FAO has conducted in the region in the last biennium are obviously too numerous to mention here. You will receive reports on many of them during this Conference.

The situation in Haiti

In Haiti, the earthquake of January 12 devastated a country that was already extremely vulnerable. Nearly 55% of Haiti's population depend on agriculture, which accounts for 27% of GDP. There are also significant problems of deforestation and soil erosion that make the country even more vulnerable to extreme seasonal events relating to climate.

Before this great natural disaster, FAO had been implementing a relief and development programme worth some 49 million USD in Haiti, which was beginning to show encouraging results. The earthquake led us to rethink our activities in Haiti. Under the authority of the Haitian government, FAO should intensify and diversify its activities along three central thrusts:

1. Firstly, we must concentrate our short-term efforts on the spring growing season which lasts from March to May and which accounts for 60% of the country's annual agricultural output.
2. Next, we need to prepare the medium- and long-term actions that will permit necessary investments in agricultural infrastructure, watershed management and reforestation activities.
3. Finally, we must work on reshaping agriculture, placing an emphasis on food crops, better marketing of agricultural products and institutional strengthening.

We must start work on the medium term and the long term at once. An FAO interdisciplinary mission collaborated with officials from the Ministry of Agriculture in drafting the chapter on agriculture and fisheries that was included in the Post-Disaster Needs Assessment and the medium- to long-term investment plan for revival of the rural sector that was presented at the Conference in New York on March 31 of this year.

Funding of some 800 million USD will be required to rebuild a modern and competitive agricultural sector, capable of feeding a population of 10 million people in a country where 80% of the poor live in the rural sector which itself accounts for 60% of national

employment.

*Mr Chairperson,
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The agenda of the Regional Conference

In accordance with your recommendations, notably in Brasilia, this Conference is an opportunity to participate in discussions on global and regional emergency situations and on climate change and its impact on the region. Territorial development in rural areas and family farming are other items on your agenda.

You will be informed of FAO activities and you will have the opportunity to discuss priorities for the region, implementation of the Immediate Plan of Action for FAO Renewal, the network of decentralized offices and reform of the Committee on World Food Security. The Conference will also bring the regional authorities up-to-date on recovery efforts in Haiti.

FAO Reform

FAO is currently undergoing the most profound process of reform in the United Nations system. It is renewing all its work arrangements and the way it performs its mandate and delivers its services to member countries.

Implementation of the Immediate Plan of Action has been a primary objective of both the Member Nations and the Secretariat since it was adopted by the Special Session of the Conference in November 2008. The main elements of the Immediate Plan of Action are essentially:

- the adoption of a planning framework and a new results-based culture;
- decentralization and a greater delegation of authority;
- organizational streamlining;
- the improved management of human resources;
- more effective governance.

Since January, the regional offices have been responsible for overseeing the budget and programme for technical officers in the region and will gradually assume leadership of the substantive work of the country offices. The staff of the regional offices have also been trained to take on responsibility for the Technical Cooperation Programme.

To facilitate the alignment of our administrative structure with a results-based framework, a comprehensive restructuring of FAO Headquarters was initiated in 2009 and is due for completion in 2012. A key element of this exercise has been the elimination of 40 Director-level positions to produce a flatter Organizational structure and hierarchy.

The Independent Chairperson of the Council will explain these activities in more detail, especially at the level of the Representatives of Member Nations.

Reform of the Committee on World Food Security (CFS)

Last November, the 36th session of the FAO Conference approved another significant reform: that of the Committee on World Food Security (CFS). The purpose of CFS reform is to improve the governance of world food security, using existing structures and programmes and creating effective partnerships.

The renewed CFS has the following important functional characteristics:

- It is a global forum for discussion to foster convergence of views on the causes and consequences of food insecurity and on the modalities of action required in this domain.
- It is a mechanism of global coordination of efforts to eliminate hunger in order to ensure the long-term coherence and effectiveness of actions.
- It operates on a solid scientific basis and includes a High-Level Panel of Experts that will enable appropriate decisions to be taken by providing objective and impartial research and analysis.
- It is open to all stakeholders and includes representatives of governments, regional and global institutions, economic and financial partners, farmer organizations, the private sector, non-governmental organizations, foundations and civil society.

But if the CFS is to serve as a platform for high-level intergovernmental decision-making and thus acquire political credibility, the governments must be represented at ministerial level at its meetings. Equally important, in addition to the line ministries and their technical departments, the ministers of cooperation and development must also participate in the discussion of key economic and financial issues.

At the national level, it is essential to establish partnerships based on Food Security Thematic Groups and National Alliances Against Hunger, which will need to be strengthened. These two mechanisms should provide support to the governments, which are responsible for ensuring there is a proper allocation and utilization of budgetary resources, official development assistance, domestic private investment and foreign direct investment.

Thus the new Committee on World Food Security and its High-Level Panel of Experts, together with the relevant national mechanisms, will provide the cornerstone of the Global Partnership for Agriculture, Food Security and Nutrition.

Conclusion

*Mr Chairperson,
Excellencies, Ladies and Gentlemen,*

Only five years separate us from 2015, the date by which the world's leaders have pledged to halve hunger and extreme poverty.

From 16 to 18 November 2009, the Heads of State and Government of the Member Nations gathered at the *World Summit on Food Security* to help the one billion hungry people in the world to improve their living conditions and to regain hope for a better future. In this regard, I should like to highlight some important elements of the

Declaration of the Summit, which we must now build upon to rid the world of hunger:

One: the firm commitment of the Heads of State and Government to step up their efforts to meet the target of the World Food Summit and the Millennium Development Goal of halving world hunger by 2015 and eradicating it at the earliest possible date;

Two: the commitment to strengthen international coordination and governance of food security by implementing radical reform of the Committee on World Food Security (CFS) and creating a High-Level Panel of Experts in the new CFS framework;

Three: the commitment to reverse the decline in domestic and international funding for agriculture, food security and rural development in the developing countries and to substantially increase the share of official development assistance devoted to these areas;

Four: the decision to promote new investments to increase agricultural production and productivity, especially in the developing countries, and to reduce poverty in order to achieve food security for all.

This Thirty-first Conference must rise to the challenges that face Latin America and the Caribbean. I am convinced that the countries of the region have the political will and the resources to ensure sustainable agricultural development and the food security of their peoples.

For its part, FAO will continue to help the governments and its partners in the region to develop and implement effective plans and programmes.

I thank you for your kind attention and wish you every success in your work.