

38th FAO Ministerial Conference

2013 Country Statement

The FAO is the only global forum on food and agriculture that brings policy and technical responses to bear on the food security challenge.

The work FAO does on setting international standards, sharing technical knowledge and capacity building globally is particularly valuable. This work facilitates trade and builds capacity.

The global spotlight is on FAO – in particular with so much focus on improving food security.

The coming decade presents great opportunities and challenges for the global food system — for growers, food processors, retailers and consumers.

As the “State of Food and Agriculture” paper notes, the challenges of undernourishment and a growing global population remain.

Addressing these challenges will require improved agricultural productivity growth and an increase in global food supplies. It will also require the management of scarce natural resources.

Challenges and Opportunities

Australia is taking a comprehensive approach to addressing these challenges.

We are doing this by:

- providing technical and development assistance,

- increasing investment in rural development and agricultural R&D,
- taking part in efforts to reform global trade, and
- helping the most vulnerable to adapt to climate change.

Australia's expertise in agricultural technology, water resource management, and economics allows us to provide technical assistance to those in developing countries.

This includes helping our development partners adopt farming techniques and processes to achieve productivity gains.

Our goal is that by 2025, Australia will have contributed to global food security by helping farmers in developing countries gain access to new agricultural technologies.

Over the coming decades the Australian Government will continue to provide development and technical assistance through collaborative relationships with our development partners.

Australia is committed to playing a role in meeting the significant challenges posed by ongoing food security concerns and the demands of a growing population. Australia is also committed to ensuring that the opportunities these challenges offer can be met.

It is this commitment to act that has led the Australian Government to institute a range of measures addressing not only significant domestic issues, but to enable Australia to play a role in global responses.

These measures include:

- Australia's first National Food Plan, working to position Australia to meet rising demand in Asia,

- reforming Australia's research and development arrangements; and
- taking a leadership role in the Agricultural Market Information System (AMIS).

Australia's first National Food Plan was launched in May 2013. It focuses on Australia's food system from paddock to plate. Its purpose is to foster a sustainable, globally competitive, resilient food supply that supports access to nutritious and affordable food.

Australia wants to be a leading food and fibre supplier to the growing Asian marketplace. The increase in demand among Asia's middle class presents significant opportunities for Australia's agriculture and food sector.

In seeking to take advantage of these opportunities, Australia released the *Australia in the Asian Century* White Paper in 2012.

The White Paper is Australia's roadmap for our future engagement with the Asian region, of which agriculture is a key area of focus.

The White Paper envisages Australia's food production systems as globally competitive, with productive and sustainable agriculture and food businesses.

Australia seeks to be an important partner across the region in supporting food security, by positioning our food production systems as productive, innovative and sustainable.

In terms of specifics, the White Paper suggests:

- promoting freer trade in agricultural and food products and to support food security.

- increasing two-way investment in food and food processing and in related transport infrastructure
- enhancing private and public engagement in the region: and
- collaborating in science and research

Much of the work has already begun. The National Food Plan will drive changes necessary to support Australia's food value chain domestically, and capitalise on the growing potential for food producers and processors internationally.

Importance of Trade

Australia considers that open and efficient markets for trade and investment are one of the most effective ways to enhance food security.

Responses to issues of price volatility should not have a negative impact on food security through the over-regulation of markets or protectionist trade policies. Engagement here in the FAO is vital to ensure that this is the case.

Transparent and open markets assist in reducing price volatility and Australia is taking a leading role in aiding global market transparency through the Agricultural Market Information System (AMIS).

Australia will work to consolidate the implementation of this important initiative when we assume the chair position on 1 October 2013.

AMIS helps to promote coordinated international policy responses to market conditions. This helps the development of common strategies to deal with market uncertainty and avoid adverse trade

responses. The AMIS works to provide stability for the benefit of all.

AMIS promotes transparency and encourages measured policy responses to any changes in market trends, in particular food prices.

This dialogue ensures emergency assistance is provided when needed and avoid the application of trade distorting measures.

While AMIS is a relatively new initiative, it has already strengthened communication channels between its member countries during 2012's wheat and corn price spike.

The "State of Food and Agriculture" paper points to the important role that research and development plays in enhancing the productivity of the agriculture sector. Research and development

underpins future productivity and innovation within agricultural industries.

It is in this light that the Australian Government released the *Rural Research and Development Policy Statement* in 2012, paving the way for the future direction of Australian rural R&D.

It highlights the Australian Government's commitment to rural R&D and includes improvements to rural research, development and extension.

This will see greater collaboration on research and a drive to improve innovation across the sector.

In addition to the research and development focus of our domestic efforts, Australia is taking an active role in promoting global productivity growth.

Alongside Brazil and Canada, Australia is piloting the OECD's "framework for analysing the role of the government in agriculture innovation".

The purpose of the framework is to improve communication between countries. It will help identify information needed for best policy approaches to increasing agricultural productivity growth.

The three pilot country reviews will provide useful information for policy makers to improve policy incentives for the creation and adoption of innovation in the agriculture and agri-food sectors.

FAO Reform

Regarding the FAO itself, Australia is committed to supporting the organisation in its reform process.

The reform of the FAO is a unique opportunity to help shape its transformation into the future. It provides an opportunity to ensure the organisation can contribute efficiently and effectively to global economic development.

Australia takes an active role in the broader management of the FAO, through its governance committees, in setting its strategic direction and to support its reform efforts.

We welcome the leading role of the Director-General in FAO's strategic reforms. It is undoubtedly a difficult change-management process, in a complex and geographically dispersed organisation. But a worthwhile process nonetheless.

We welcome the Director General's work on a strategic framework for the FAO to focus resources on a smaller number of cross-cutting objectives, leading to a more focussed organisation.

It is essential that strategic and prioritising work continues so that resources stretched over multiple issues and activities can be prioritised and applied strategically.

Steps in the right direction are being taken, and it is early days, but it will be important that changes made are not merely cosmetic.

The reform process must result in long-lasting change that places the organisation in a position to better address the significant challenges that the global food and agriculture sectors will face in the future.