

## **U.S Delegation**

Thank you Chair. I would first like to commend the FAO and the Director-General for organizing this important conference.

Chairperson distinguished Ministers, delegates, ladies and gentlemen.

Two short years after the spike in commodity prices in 2012, the world has responded with back-to-back record harvests in 2013 and 2014. Stock levels have rebounded and food prices in August were at their lowest levels since 2010. With food prices considerably improved, the threat of food insecurity is diminished. Yet this is not the time to be complacent. One of the lessons of the past 7 years is that we cannot take agricultural productivity for granted.

In my remarks today I would like to address what the United States believes should be the priorities of a global policy and development agenda for commodities.

### ***Increased productivity needed to meet growing food demand***

While much focus has been on record grain and oilseed production these past 2 years, global demands for grains and oilseeds are projected at record levels as well. Global grain consumption grew by 2.1 percent per year over the past 10 years, compared to a global population growth rate of only 1.2 percent per year. Oilseed demand growth over the period was even more impressive, growing at over 3.6 percent annually, with global soybean demand growing at 4.4 percent annually over the past 10 years.

Global food demand will continue to grow. Technological advancement must be embraced in order to meet that demand. We must invest in agricultural research efforts to increase crop yields and livestock productivity, at the same time, while reducing waste, fostering efficient water usage, minimizing environmental costs and reducing greenhouse gas emissions. If we are to significantly reduce world hunger and meet the future food demands, countries must invest in agriculture and leverage their research efforts by fostering policies that promote private investment in agricultural research.

### ***Open trading environment***

By allowing markets to operate effectively, higher prices are a catalyst for increased production, but only if producers around the world receive accurate price signals from the global marketplace. During the commodity price increases of 2012, most governments around the world, including large agricultural exporters in the G-20, exercised prudence and responsibility in policy-making, by avoiding export bans that exacerbated price volatility in 2007-2008 and 2010-2011. Export bans and trade restrictions are particularly pernicious when they affect the vulnerable and needy in net food importing countries.

Maintaining an open trading environment during times of both high and low prices leads to more market stability. As beggar-thy-neighbor protectionist policies can exacerbate price volatility when supplies are tight production-distorting domestic support policies can insulate producers from price signals, potentially prolonging market adjustment.

The U.S strongly supports the WTO, and the Bali Package, in particular the agreement on trade facilitation.

### ***Improving Market Transparency***

Under the French presidency of the G20, the Agricultural Market Information System was launched to provide more timely and reliable data on agricultural markets. Over the past three years AMIS has achieved substantive progress, including publication of the Market Monitor which is now published nine times a year. Members of AMIS will meet later this week to discuss efforts underway to improve data collection and forecasting methods. Capacity building through efforts like AMIS and the Global Strategy to Improve Agriculture and Rural Statistics will reap large future benefits if they are successful in producing better quality and more timely statistics on national production, consumption and stocks.

Chair, as food prices moderate, let us not be complacent but rather renew efforts to increase agriculture productivity, foster more open, distortion-free markets and improving market information systems. The world, in particular, those most vulnerable to food price shocks, stand to benefit.

Thank you