



## COMMITTEE ON WORLD FOOD SECURITY

### Thirty-fourth Session

Rome, 14-17 October 2008

### SUMMARIES OF SPECIAL EVENT AND SIDE EVENTS

#### CFS Special Event Informal Multi-stakeholder Forum:

#### High Prices and Food Security: Issues and Policy Responses

17 October 2008

The Special Event was held to enable a wide spectrum of stakeholders to discuss their views on measures already taken to strengthen the benefits and attenuate the threats of high food prices on national and household level food security. Discussion was animated by a moderator and led by three panellists representing NGOs/civil society, research and the private sector. The discussion focussed on seven issues. The key points, which emerged from the debate, are highlighted below.

##### *1. How to reverse declining agricultural production?*

- Many countries have the potential to meet their food needs and beyond; they need recovery rather than rescue plans.
- Strong leadership and political will is needed to provide clear direction and policies born from dialogue between governments and civil society, and based on reliable information and monitoring systems.
- Greater investment in agriculture, particularly in research and extension is required because agriculture is knowledge-intensive and solutions are often location-specific.
- Small holder producers, especially women, should be empowered to improve their production through reliable and efficient input and output markets.
- Private sector should provide producers and consumers with better products at competitive prices.

- Mechanisms are needed to mitigate the costs of excessive market or climatic risks.
- Strengthening and further development of state and market institutions, according to country needs, was thought to be critical.
- Regional market integration can reduce such risk by facilitating and augmenting trade.

#### *2. Food reserves*

- Many of the victims of the current food price crisis are urban dwellers who were not protected by the international market.
- By reducing price peaks and troughs, national-and in some cases regional-strategic reserves can help regulate markets. But, they can become difficult and costly to manage.
- It is important to reduce storage losses at all levels; accessible and appropriate technologies exist that can help at the farm level.
- Countries should be free to design their own food security policies.

#### *3. Price of energy*

- Energy prices contribute significantly to food prices through, for example, high production, processing and transport costs.
- Fertilizer prices increased significantly because fertilizer production is energy intensive and is a bulky product hence expensive to transport.
- Furthermore, the fertilizer market is very tight, with long lead times between increased demand and supply.
- Integrated approaches including organic and mineral sources are required to restore and maintain soil fertility.

#### *4. Biofuels*

- More information on the benefits and costs of biofuels is required to justify their use and to design sound biofuel policies.
- The ethics of biofuel production should be considered, especially when food crops are used, and when biofuel production requires scarce water and nutrient reserves essential for food crop production.

#### *5. Changing dietary habits*

- Vegetable and especially meat-rich diets boosted by population growth and rising affluence, drives demand and prices of a few cereals and oil crops.
- This could be countered by greater attention to diverse calorie sources such as tubers, cassava, plantains and vegetable oils.
- Food diversification also serves to balance nutrition particularly important for infants and for urban populations with limited access to rural products.
- Given the fast changing length and complexity of the food chain among a wide range of producers and consumers, better understanding of the dynamics of the food chain is needed to determine how best to meet the needs of consumer groups with different purchasing power.
- Nutrition education including food quality is fundamental to improve and to change dietary habits.
- The cost of hunger and malnutrition to households and to countries justifies paying more attention to this issue which often requires multidisciplinary solutions.
- Urban land can be used to help feed urban inhabitants.

#### 6. *Speculation*

- Agricultural markets are likely to become increasingly unstable due to climate change and price volatility.
- This will encourage speculation, which is likely to occur at three levels; producers and their organisations; long term commodity markets; and increased pressure on marginal land and scarce water resources.
- Mechanisms to provide signals to market operators which would allow sound speculation but discourage unhealthy/excessive speculation are needed.
- Speculation affects both producers and consumers.
- While speculation has always existed, it would be useful to understand better the dynamics of food price speculation in the long term relative to other factors beyond the agricultural sector.

#### 7. *Export restrictions*

- Export restrictions are usually designed to protect national consumers from excessively high prices.
- However, as in the case of fertilizer, they can lead to higher world prices resulting in higher production costs hence increased food prices for consumers in importing countries.

**CFS Side Event**  
**UN Standing Committee on Nutrition (SCN)**  
**Impact of High Food Prices on Nutrition**  
**14 October 2008**

After introductory remarks by the Chair and the SCN representative, three panellists introduced the following complementary perspectives on the topic:

- The rapid increase in international prices of basic food commodities is having an impact on food consumption, in particular that of the most vulnerable households (poor net-food purchasers, particularly in urban areas). One primary coping mechanism is decreased consumption of quality food, thereby aggravating micro-nutrient deficiencies and affecting primarily women of child-bearing age and children under two. Even in the absence of protein-energy malnutrition, both short term and long-term effects on health and physical and mental development are to be expected, leading in turn to impaired economic development.
- Food and agriculture policies worldwide have led to increased dependence on imported foods, and in particular grains, and have too often been limited to ensuring caloric intake, thereby increasing vulnerability of food systems and diet imbalance. A better use of local food sources can provide a healthier, cheaper and more sustainable alternative, through increased production and consumption of micro-nutrient rich, and usually fresh, foods.
- The comprehensive response to high food prices should adopt a rights-based approach and in particular seek to operationalize the right to food. Civil society has a major role to play in both short term response and promotion of more appropriate policies and programmes. The lack of awareness of vulnerable populations about their fundamental rights prevents them from influencing policies that have an impact on their livelihoods.

The following issues and recommendations were brought up during the ensuing debate:

- It is essential to understand the coping mechanisms of vulnerable households with a view to protect dietary intake (in particular of women of child-bearing age and children under two) and promote sustainable responses. This is crucial to develop locally appropriate responses but also to bring vulnerable people and local institutions into the process, thereby constituting a basis for a rights-based approach.
- Priority should be given to promoting more resilient food systems. Improved use of local foods in India has proven an effective way to address micro-nutrient deficiencies (such as iron). Sustainable management of biodiversity is important for healthy diets, income generation and local development.
- While the causes and mechanisms of food crisis can vary widely, household responses and coping mechanisms follow very similar patterns. Lessons learned and recommendations made could therefore be applied in a broader context.
- Efforts are needed to raise awareness about the impact of high food prices on nutrition to better prevent impacts on health and economic development.
- Local capacity should be built to empower vulnerable people and to ensure accountability of institutions at all levels. The right to food has a key role to promote both empowerment and accountability. FAO's work to assist Member States to implement the Voluntary Guidelines on the Right to Food should be pursued.
- Present food and agriculture policies are based on a commodity-based, value-chain model. This should be complemented by an integrated local development approach that combines availability of a variety of locally produced foods at different times of the year, supply of local markets, appropriate consumer information, and sustainable management of natural resources. Such an approach would help reduce transport costs and improve access to fresh foods.
- Research, education and training on production and consumption of traditional and indigenous foods is essential to diversify diets, protect biodiversity and strengthen cultures and social cohesion.
- A comprehensive response to the food crisis should include the systematic integration of sectoral interventions such as food aid, health, agriculture, education and social affairs at local level. In order to be coherent and sustainable, it should articulate local and global policies and actions, and ensure synergies to protect and promote nutrition.
- Inter-institutional mechanisms and initiatives such as the UN Standing Committee on Nutrition and the REACH: Ending Child Hunger and Undernutrition Initiative, which bring together UN agencies, governments, NGOs and civil society can add value to this process.

### **CFS Side Event**

#### **“How rural producers should address the ongoing food crisis”**

**15 October 2008**

The objective of the side event was to present and discuss producer organizations' analysis in addressing the soaring food prices crisis and to share some lessons learned regarding sustainable agriculture and food production policies. Representatives of a wide variety of rural producers from Africa, Latin America, Asia and Europe were invited to share their views around three questions, namely:

- Does the current food crisis mean greater risks or greater opportunities for rural producers?
- What are the key priority actions to be taken by rural producers? and

- What kind of partnerships and support do producers expect from UN agencies such as FAO, and from governments, in order to address the food crisis and ensure sustainable agricultural and rural development?

Key points which emerged from the debate are summarized below:

- Participants stressed that food shortages present risks for both the urban poor, who depend on food imports, and for indigenous people who do not have access to land.
- The high volatility of food prices and higher costs of agricultural inputs is a major risk for farmers.
- Opportunities identified included that agriculture is back on the international agenda and attracting public attention; this presents a new opportunity to promote locally produced food and local purchases which reduces transportation costs.
- Changes being experienced by the sector present a major opportunity to reform agricultural institutions to better match community needs.
- Immediate actions should include food supply to vulnerable groups, where possible, through locally purchased food items thus supporting local farming and creating important links between rural and urban areas.
- Short-term actions include boosting food production by using local seeds and traditional agricultural techniques such as organic farming which would reduce the application of costly mineral fertilizers and of pesticides.
- Medium and long-term actions could vary depending on the stage of development of producers, agro-climatic conditions, and the availability of resources. These actions include; efficient use of inputs and technologies and sharing agricultural research results; access to land and natural resources, especially for women farmers and indigenous people; improving rural infrastructure; access to credit for poor farmers; training and capacity building for rural communities, and improved access to local and regional markets.
- A rights based approach to food production which includes the participation of producers at all levels, including policy formulation, was emphasized.
- Most participants considered that the knowledge and expertise of UN agencies, as well as the political will of governments, are key factors in addressing the issues ahead.

## CFS Side Event Initiative on Partnership and High-level Expert Group to address Global Agriculture and Food Security

**15 October 2008**

The side event was organized in response to requests from member countries to learn about recent initiatives calling for **a global partnership and high-level expert group on food and agriculture**. The objective of the event was to provide an informal forum for preliminary exchange of views on these issues, including the role of, and implications for, the three Rome Based Agencies (RBAs). Following opening remarks by FAO Director-General and H.E. Mr. Olusegun Obasanjo, several speakers provided an overview on various aspects of a global partnership and high-level expert group on food and agriculture. In his remarks, H.E. Mr. Obasanjo outlined the three pillars of a global partnership (coordination among various actors, platform of experts, and global financing facility) and highlighted the important role of the RBAs in such a global effort.

The key issues arising from the discussions were:

- The food security crisis caused by high food prices made this an opportune time to establish a global partnership which would *inter alia* respond to the current crisis and avoid the occurrence of new ones.
- The establishment of a global partnership represents an important step towards coherent international actions. Such a partnership should ensure that the “twin-track” approach to fight hunger is implemented in a functional manner.
- A global partnership should be based on existing structures, such as the International Alliance Against Hunger (IAAH) and the Committee on World Food Security, and the creation of new ones should be avoided.
- The comparative advantages of the RBAs in leading a global partnership on food security and agriculture should be utilized. Their knowledge, expertise, field presence, existing mechanisms and neutral forums can be used to provide an impartial synthesis of scientific knowledge to decision-makers dealing with food security issues.
- FAO’s partnerships with other institutions (such as OECD) regarding the analysis of the food security crisis is an example of how an experts panel can bring knowledge together.
- A global partnership could further the role of the UN High Level Task Force on the Global Food Security Crisis, and operationalize the Comprehensive Framework for Action (CFA). The secretariat of the global partnership should be in Rome, which is the “capital of agriculture and food”.
- The process of establishing a global partnership should be inclusive: NGOs and CSOs and local farmers’ organisations should be included. Regional organisations should also participate and existing initiatives and programmes (such as CAADP) should be considered.
- Thus far, the honouring of pledges to help countries face the food security crisis have been weak; more assistance should be provided to countries as well as through the RBAs.