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"Responding to Global Crises: New Development Paths"

Presentation

Food security: Learning from the 2007-08 food crisis

Breakout Session - Improving Food Security in the Face of Climate Change

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Food Security: learning from the 2007-08 food crisis

**Improving Food Security in the Face of
Climate Change**

**CUTS Breakout session at UNCTAD Public
Symposium
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Food Crisis

- **In June-July 2008, world food prices reached their highest since early 1970s.**
- **Riots ensued. During 207-2008 in some 36 countries, from Bangladesh to Egypt to Cameroon, Haiti and Mexico.**
- **Another 100 million people were pushed into the ranks of the hungry, raising the total to nearly one billion worldwide.**
- **This numbers could climb again as food prices are likely to remain high and volatile because of rising production costs linked to high oil prices and links to structural imbalances.**
- **Structural imbalances: Increase cereal consumption, disparity of production, lack of purchasing power, dependence on food aid.**
- **In addition climate change is expected to lead to more unpredictable weather and climate related disasters as well as exacerbating volatility in yields and markets.**

Lessons from the Food Crisis 2007-2008

- **The crisis has not been due to the lack of food, but because of the lack of purchasing power of the poor.**
- **The world food system –consisting of the actors dealing with food production, transformation and trade, as well as the national and international rules and policies that set the framework for their actions – are functioning in a way that does not provide food for all.**
- **At local, national, and global levels, the right policies and institutions are not yet in place. In many poor countries, mechanisms for regulating food markets and promoting agriculture investment were scrapped under the “structural adjustment programmes”. Meaning less support for small farmers, and more instability in agricultural markets.**

Lessons from the Food Crisis 2007-2008

- **Internationally food aid provided in kind by donor countries has often contributed to dependency on food imports through the dumping of cheap food, which undermines local food production.**
- **The need to support small farmers: the lack of investment in agriculture has hampered farmers ability to cope with price volatility, climatic and economic shocks. Contrary rich countries have not neglected their own agricultural sectors.**
- **Demand for biofuels has risen rapidly over the past few years as a result of mandatory targets and associated subsidies, which is hugely inefficient use of agriculture.**
- **The need of developing countries to get a fair and pro-development deal from trade negotiations.**

Main Actors in food Trade and role of MNCs

- **The share of agricultural exports in total merchandise exports: World 6.5% where developed economies have 6.9% and developing economies have 5.9%...but developing countries show bigger numbers. By regions West Africa 13.1% and East Africa 38%. Latin America and the Caribbean the average is 18.9%. South Asia is 7.8%, South East Asia 7.1%.**
- **Staple food crops to meet domestic consumption in developing countries have limited trade such as rice, wheat, tapioca and maize but they face big competition from subsidized crops from developed countries. Soya watch out, turning to be also in the next two categories. Food export commodities (cash crops for earning export revenue) such as coffee, tea, cocoa, spices, bananas, horticultural products (vegetables and fruits). Non food commodities such as rubber, cotton cut flowers and biofuels crops.**
- **Role of MNCs is clearly seen in the food and non food exports, more case by case on staple food crops. MNCs also involve local farmers to produce crops for them on a contract farming basis.**
- **In the power vacuum created by the absence of effective global food security governance, powerful MNCs have been left to engage in investment, trading and employment practices that contribute to poverty and food insecurity.**

The way forward: INVEST IN POOR FARMERS

- **Make agriculture centre stage**
- **Invest more, and more wisely**
- **Recognize that one size does not fit all**
- **Fill the gap left by the private sector**
- **Support low external input technologies**
- **Build sustainable rural livelihoods especially taking care of women's needs**
- **Empower farmers and their communities**
- **Treat People as the key resource to develop**
- **Strengthen labour rights**

The way forward: REFORM THE GLOBAL FOOD SECURITY GOVERNANCE

- **By providing an enabling international environment for the promotion and protection of the right to adequate food;**
- **By developing effective and coherent global policies and regulations to address the trans-boundary causes of food insecurity (climate change, natural resources management, trade in food, agricultural subsidies, speculation and price volatility, market concentration, land out sourcing, and management of food stocks)**
- **By ensuring the provision of co-ordinated policy, technical, and financial assistance in support of regional and country-led processes.**
- **All the above will need some principles from World Leaders like: commitment and ambition; action and accountability; participation, coordination and leadership.**

The way forward: A FAIR AND PRO-DEVELOPMENT DEAL FROM TRADE NEGOTIATIONS

- **Ensure special and differential treatment for developing countries, through less than fully reciprocal commitments, greater effective flexibilities, and adequate policy space to promote development of agriculture, manufacturing and services industries,**
- **Promote development by enabling the realisation of rights, such as the right to food, ensuring that trade rules respond to the needs of the most vulnerable people first and foremost.**
- **Strengthen the WTO as an institution to build greater confidence in its ability to achieve fairer trade rules for developing countries.**