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## 2007 Substantive Session of ECOSOC High Level Segment

"Strengthening efforts to eradicate poverty and hunger, including through the global partnership for development".

Statement by

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Delivered on behalf of the three Rome-base UN agencies, FAO, IFAD and WFP

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Mr. President, Your Excellencies, Distinguished Delegates, Ladies and Gentlemen

It is my pleasure to address the ECOSOC High Level Segment today on behalf of the three Rome-based food and agricultural agencies, the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD), and the World Food Programme (WFP).

Introduction.

Having reached halfway from the Millennium Summit to the target date for achieving the Millennium Development Goals (MDGs) -- with just over seven years remaining to 2015 -- our efforts require a critical re-examination of priorities. In this regard, the role of agriculture in reducing poverty and achieving food security has come into much sharper focus since 2000. Global poverty is concentrated in the rural areas of developing countries, which are home to seventy percent of those living in extreme poverty and three-quarters of the world's mainourished population. The vast majority of the hungry poor in rural areas are involved in some way with agriculture. Thus, MDG 1 will not be met worldwide without refocusing global attention on agriculture and food and nutrition security.

The world has neglected the agriculture sector and nutrition concerns for the past two decades. This, despite evidence of the relationship between growth in agricultural productivity, overall economic growth and poverty reduction and conservative estimates that one-third of the global burden of disease in developing countries would be eliminated if malnutrition were overcome. One important indicator of this neglect -- the proportion of official development assistance designated for agriculture -- fell by seventy percent between 1990 and 2004, from some twelve percent to less than four percent. Overall, national and international priorities, as reflected in poverty reduction strategies and development plans, fail significantly to address key factors leading to agriculture sector growth, rural development, and food and nutrition security.

African leaders have begun to recognize the need to reverse the longstanding neglect of the agricultural and nutrition sectors. In 2003, in Maputo, they adopted the New Partnership for Africa's Development's (NEPAD) Comprehensive Africa Agriculture Development Programme (CAADP), with the objective of revitalizing the agricultural sector including livestock, forestry, fisheries and improving food and nutrition security through special policies, strategies, and investment projects targeted at small scale and traditional farmers. They also resolved to implement the Programme as a matter of urgency, and committed themselves to allocate at least ten percent of national budgetary resources to agriculture and rural development within five years. Next year will mark that five year target date.

In January of this year, the African Union (AU) Assembly endorsed the Abuja Declaration on Food Security, which was issued by Heads of State and Government at the December The Declaration outlines a series of 2006 Summit on Food Security in Africa. commitments to accelerate and intensify agricultural development and food security. These commitments included, among others, steps to increase intra-African agricultural trade, improve household food and nutrition security, respond to food emergency crises (through establishing and managing decentralized food reserves and expanding the home grown school feeding initiative), end child hunger and undernutrition, and mobilize new resources to scale up agricultural successes. The Summit further mandated the AU Commission to establish an ad hoc follow-up committee, comprising representatives of the AU Commission, NEPAD, the Regional Economic Communities, the Economic Commission for Africa, FAO, IFAD and WFP to support the AU Commission in monitoring the implementation of the Summit outcomes. The leaders pledged to review progress on these commitments on an annual basis.

Nevertheless, progress in implementing CAADP and achieving the goal of dedicating ten percent of national budgetary resource to agriculture has been very slow. The Heads of State acknowledged this in the Abuja Declaration and emphasized the need to accelerate implementation. To this end, and in fulfilment of provisions of the Maputo Declaration, FAO has assisted fifty-one African countries, at their request, to prepare programmes and bankable projects under CAADP for investment in agricultural growth and rural development. The result is National Medium Term Investment programmes (NMITPs) and Bankable Project Profiles (BIPPs) with indicative budgets of US\$27 billion and US\$10.7 billion, respectively. As part of further accelerating implementation, the broader international community must follow African leaders in giving priority attention to agriculture and food security, aligning such efforts with NEPAD/CAADP.

The following briefly summarizes current broad trends in food security and agricultural development. It then outlines the multidimensional approach that the three Romebased UN agencies believe holds the greatest promise for poverty reduction and food security, and reviews new challenges that must also be addressed if we are to move forward. Finally, it outlines priority actions to focus urgent attention towards eradicating extreme poverty and hunger.

B. <u>Stocktaking: where are we?</u>
While overall efforts to achieve the global goal of halving extreme poverty and hunger by 2015 are on track, the outlook for sub-Saharan Africa and South Asia is less promising, and the rate of progress to reduce malnutrition has slowed during the most recent period. From 1990 to 2004, the proportion of people in the world living on less than one dollar a day fell from twenty-nine to eighteen percent. Dramatic reductions

one dollar a day fell from twenty-nine to eighteen percent. Dramatic reductions occurred in East and South-East Asia, with smaller decreases in Latin America and the Caribbean and Southern Asia. Sub-Saharan Africa and North Africa and East Asia registered little or no change over the period, and South-Eastern Europe and countries in the Commonwealth of Independent States experienced an increase in extreme poverty.

Progress towards decreasing the percentage of malnutrition has slowed. This is most evident in the hunger "hot spots" of South Asia and sub-Saharan Africa. The percentage of underweight children under five is highest in South Asia, at a staggering forty-seven percent. This is followed by sub-Saharan Africa at thirty percent and Eastern Asia with twenty-eight percent. Seven sub-Saharan Africa countries are on track to reach the target of halving the percentage of underweight children. However, another seventeen report no progress or increased levels. Both the number and the proportion of undernourished have increased in the Near East and North Africa since 1990-92, though the rate of increase has slowed in recent years. Food emergencies continue in thirty-four countries, twenty-six of which are in Africa. Most of these are due to conflict, civil strife, public health challenges, and adverse environmental conditions.

To enhance global food security, agricultural output must keep pace with population growth and changing dietary demands. In fact, global agricultural output doubled between 1970 and 2000, with East and South Asia accounting for much of the increase. These regions multiplied their production of cereals, vegetable oils, and livestock, most of it destined for rapidly growing domestic markets. During this period, China alone has more than quadrupled its agricultural production. Production increases were also achieved in Latin America and the Caribbean and these also went largely to satisfy increased consumption within the region. Sub-Saharan Africa's share of global production of cereals and livestock remained level and its share of vegetable oils, fruit and vegetables declined.

C. <u>A Multidimensional Approach to Eradicating Poverty and Hunger</u>

Poverty and hunger are closely linked and mutually reinforcing. In fact, they are so closely linked that the prevalence of undernourishment can be used as a reliable measure of endemic poverty. On the one hand, those living in extreme poverty are unable to afford or to grow sufficient, adequately nutritious food to allow for a healthy, active life. The narrow margins of survival in which they live also mean that they are more vulnerable to the hunger-causing effects of natural and human-induced emergencies and shocks. On the other hand, undernourished people are less productive, less able to learn and develop skills, and are less healthy. At a societal level, such diminished productivity, reduced human capital and increased health care costs add up to persistent poverty.

The close link between malnutrition and poverty means that hunger reduction is a prerequisite for accelerated development and poverty reduction. Globally, both poverty and undernourishment are concentrated in rural areas, with the incongruous result that fully seventy percent of the world's hungry are households of smallholder farmers or landless labourers. Hunger also grows in the midst of conflict and natural disasters and among those that they displace. In addition, the hungry poor often are those who --because of age, illness, disability, or other conditions – must depend on others for their well-being.

Eradicating poverty and hunger, therefore, requires a multidimensional and synergistic approach that includes long-term investments in agricultural development, medium-term efforts to build institutional capacity and empower organizations of rural poor people, and emergency and safety net initiatives that address the needs of those currently unable adequately to provide for themselves. In each area, particular attention must be given to the different roles of women and men and to the need to empower women.

In this connection, the Rome based agencies have been working together under the "twin track" strategy to reduce hunger and rural poverty. The twin track recognizes that fighting hunger requires both: 1) direct action now to immediately alleviate hunger for the most vulnerable and 2) longer-term agricultural, food security, nutrition and rural development programmes to eliminate the root causes of hunger and poverty.

The three Rome-based agencies bring complementary perspectives, expertise, and operational modalities to this multidimensional challenge. FAO's technical expertise supports institution building for agricultural and rural development, while WFP's food programmes provide immediate nourishment -- giving people the strength they need to work and raising healthy, well educated workforces. IFAD's 200 ongoing poverty eradication projects and programmes with a total investment cost of USD 7 billion, reach about 100 million rural poor people and increase their access to financial services, markets, technology, land and other resources, while also building the capacity of rural poor people and their organizations to lead their own development. Our three agencies are exploring ways of expanding our collaboration, including at the country level, as a key aspect of our collective contribution to achievement of the MDGs. Together and individually we are implementing multidimensional solutions to these multidimensional problems, as described below.

**Pro-poor agricultural growth and development** require proportionate levels of funding, a supportive policy framework that is inclusive and gender-sensitive. Appropriate technology, infrastructure, and access to dynamic markets that work for smallholder producers are also needed to ensure poverty reduction. In particular, access to land, water and other natural resources are vital for ensuring sustainable reduction of poverty and improved food security. Farmers and rural producers are key to protecting the environment and are among those most affected by climate change.

Support for rural enterprise development, off-farm employment, and rural financial services are essential for transforming rural economies and increasing economic opportunities for poor people. Trade liberalization and increased market access can open new opportunities for economic growth for smallholder farmers, but can also mean new risks and challenges. Measures are needed that support capacity building of smallholder farmers to enable them to face competition from established producers, including those in developed countries.

**Pro-poor institutions** and **empowerment of poor people's organizations** are fundamental for sustainable reduction of poverty and the establishment of greater equity. On the supply side, institutions serve to mediate access to resources, the products of labour, and flow of resources to society's most vulnerable members. On the demand side, stronger, more effective organizations of poor people can exert greater political clout in decisions and a fairer distribution of resources.

Institutional reforms and organizational capacity building are both needed, therefore, to build a more equitable and stable foundation for eradicating poverty and hunger. One important reform is the careful *targeting* of agricultural development and food security policies and programmes. This requires methods to reach extremely poor people who have the potential to take advantage of improved access to assets and opportunities for agricultural production and rural income-generating activities. Such methods often include capacity-building and empowerment, with the focus on enabling the active and informed inclusion of people who are often excluded from development processes. Indigenous peoples who make up about 5% of the world's population but comprise about 15% of the world's poor are among the most marginalized people and require targeted support. With respect to food assistance, the long-term nutritional and human development benefits of targeted children, particularly those under five, is especially significant.

Safety net and emergency programmes that address immediate food and nutritional needs of the most vulnerable poor, particularly children, are as important to hunger reduction as long-term agricultural development. Recent evidence that poverty has tended to decline more rapidly than undernourishment means that specific attention to improving nutrition is necessary to ensure that increased agricultural productivity and better incomes lead to reductions in malnutrition.

Finally, agriculture, rural development, and food security concerns must be integrated into national development and policy reduction plans and strategies, as well as donor priorities and programs. Existing policies must be carefully reviewed to determine whether they are disadvantaging the agricultural sector.

Development of comprehensive regional approaches to addressing food insecurity is another promising area for Rome-based agency cooperation. One successful example of such regional cooperation is the Horn of Africa multi country consultations. The multi country consultation Conference (Nairobi 25-26 June 2007) achieved a broad consensus. The Conference also endorsed a generalized road map for scaling up priority interventions, including the indicated timeframes, to be adapted appropriately to each country. Donors were encouraged to fill in the resource gaps, and to provide rapid support for the transitional investments for marginalized groups.

D. New and profound challenges have arisen or intensified since 2000, especially for Africa. The seven years since the Millennium Summit have been marked by rapid changes in the physical, economic, political, and social environment. These changes present new challenges that must be taken into account in the ongoing efforts to achieve the MDGs. A number of these are especially relevant to achieving food security and poverty reduction through agricultural development and nutritional assistance. In some cases, failure to address them adequately is likely to result in a worsening of poverty and

food insecurity. In other cases, the changes present new opportunities that can result in improved food security and increased incomes.

Among the most pressing challenges is that of **climate change**, which threatens to exacerbate both current and future food insecurity. Changing rainfall patterns and higher temperatures are reducing agricultural yields, leading to new infestations of pests, decreasing fisheries resources that are essential for some rural livelihoods, and increasing the frequency and severity of extreme weather events. The threat is most severe in sub-Saharan Africa, which faces multiple stresses and presently lacks a strong capacity to adapt to climate change. Climate change resulting in projected increases in crop yields in East and Southeast Asia but decreases in Central and South Asia, along with rapid population growth and urbanization, the risk of hunger may remain very high in several Asian countries. Threats to food security are projected for Latin America due to decreased productivity of some crops and livestock.

Steadily increasing demands for energy, combined with concerns about carbon-emitting energy sources, has focused world attention on the potential of biological energy alternatives or **bio-fuels**. Relatively little is understood at present regarding the likely impact of expanding bio-fuels production on agricultural growth and poverty reduction. Barriers to be overcome to ensure that smallholder farmers benefit from the demand for bio-fuels are likely to be similar to longstanding barriers to improved agricultural production. A positive scenario is one in which the gathering demand for bio-fuels energizes greater political will to address these barriers and challenges. In any scenario, special care is needed to ensure that energy crop production does not create additional food insecurity or worsen rural poverty.

**Migration** is a key livelihood strategy for many rural households. Migration patterns are varied and present a range of challenges and opportunities for improving agricultural production, strengthening rural livelihoods, and enhancing food and nutrition security. The increasing volume of migration, both within and between countries, is reshaping rural communities, which are linked through migrants to remote locations, new ideas, and expanded resources. Remittances are one of the fastest growing resource flows to developing countries and often go to the poorest communities. Migration can also mean an increase in female-headed households and a shortage of labour in rural areas. Migrant communities are increasingly supporting initiatives that generate productive economic activity and employment in their home communities.

Growing **urbanization** has affected **global food systems** in ways that both threaten and challenge smallholder farmers. In particular, the growth of supermarkets in Asia and Latin America is leading to a consolidation of global supply chains. While these supply chains offer lucrative opportunities for some producers, they are currently far beyond the reach of most smallholder farmers.

The countries most severely affected by the **HIV/AIDS** epidemic coincide to a significant degree with those with high levels of food insecurity. In five countries in southern Africa – the epicenter of the epidemic --the adult HIV prevalence rates range from 16 to 33.4 percent. The percent undernourished in those same countries ranges from 13 to 47 percent. There is growing evidence of the interactivity of hunger and poverty on the one hand and HIV/AIDS on the other. Livelihood strategies of extremely poor rural households may involve activities, such as migration and transactional sex, which increase the risk of HIV infection. The epidemic in the rural areas is depleting capital and household assets, increasing labour costs, and creating problems in transferring agricultural knowledge and marketing know-how to the next generation. Agricultural policies and programmes can play an important role in containing and mitigating the effects of the epidemic. This requires a gender-sensitive focus on support to smallholder farmers including crop and input marketing systems, rehabilitation of agricultural extension services, and new technologies that can raise productivity.

The increased demand for meat and animal products, spurred by income growth in some parts of the world, is contributing to an increase in **transboundary animal diseases**, many of which also affect humans. Other contributing factors include increased global trade, especially of fresh foods; the conversion of rainforest to pastureland, which exposes livestock to new infectious agents; climate change that affects the distribution of insect vectors; and increased conflict and civil unrest, which makes disease surveillance and quarantine enforcement more difficult and leads to risk of contaminants from food aid. In addition to the threat to human health, outbreaks of transboundary animal diseases often have negative economic consequences for national economies and – more acutely – for smallholder farmers. Measures are needed to improve early detection and response through stronger veterinary public health services, emergency preparedness, disease surveillance systems, and international coordination.

Information communication technologies (ICTs) -- which combine the older technologies of radio, television, and telephone with newer computer, satellite, wireless and Internet technologies -- can be a powerful tool for empowering poor people to overcome poverty and hunger. These technologies offer particular potential for rural communities, where they can bridge the remoteness and dispersal that are contributing factors in persistent poverty. ICTs can be used to increase access to markets, livelihood information and knowledge, and public services. They can also strengthen or extend social, economic and political networks and expand participation in planning and decision making processes. Access to ICTs remains quite limited in sub-Saharan Africa and South Asia where their application must be adapted to the needs of poor rural communities, taking into account language, literacy, and cultural factors.

F. <u>Action agenda for accelerating eradication of poverty and hunger through</u> agricultural and rural development and direct food and nutritional assistance.

Getting on course for achieving MDG 1 will require new and more intense support for pro-poor agriculture and rural development and for meeting the immediate nutritional needs of vulnerable populations and those caught in natural and humanly created emergencies. Among the actions that can help to accelerate these efforts are the following:

## Focus on farmers and rural producers

- 1. Recognize the critical role of farmers and rural producers and empower them economically, socially, and politically. Provide greater space to the poor and hungry in designing development interventions responsive to their needs.
- 2. Strengthen the capacity of poor men, women, and youth and their organizations to participate in development processes.
- 3. Improve and update approaches and strategies for gender mainstreaming and women's empowerment.
- 4. Enhance the productivity of smallholder agriculture to improve food security among small-scale producers and enhance economic opportunities.

## Stronger, more effective country-level strategies

- 5. Integrate agriculture, rural development, and food and nutrition security in national development plans and poverty reduction strategies.
- 6. Develop and implement national hunger reduction strategies (such as Brazil's "Zero Hunger" campaign) that include specific food and nutritional assistance programmes targeting malnourished women and children.
- 7. Better target interventions. Focus resources and tailor policies, and programs on global and national hunger hot spots, rural poor people with productive potential, those most affected by climate change, those most vulnerable to food insecurity.
- 8. Develop and strengthen food and agriculture clusters among national and international stakeholders at the country level to foster greater coherence among

development actors and enhance harmonization and alignment with national priorities.

9. Create and strengthen synergies, linkages, and collaboration on agriculture and food and nutrition security. Examples include local and regional procurement of food aid and home-grown school feeding programs.

Pro-poor responses to new challenges

10. On an urgent basis, adopt policies and programmes or revise existing policies and programmes to support climate change adaptation and mitigation for smallholder farmers and other rural poor producers to improve farming resilience and reduce the vulnerability of the agricultural sector and its rural inhabitants; ensure propoor considerations in development of bio-fuels.

11. Improve national and international responses to transboundary pests and diseases of crops and livestock that have significant impact on farmer's

livelihoods and incomes.

12. Strengthen the capacity of national governments to respond to the impact of human diseases (such as HIV/AIDS, malaria, and tuberculosis), which significantly affect farmers' lives and livelihoods.

13. Ensure that the perspectives and needs of smallholder farmers are fully taken into account in trade negotiations and increase resources for agricultural trade

capacity building for smallholder farmers and poor rural producers.

Investment and accountability

14. Give priority to agriculture and food security in meeting commitments for increases in Official Development Assistance, especially in the doubling of resources for Africa, and ensure reliability of long-term aid commitments.

15. Strengthen the capacity of national governments and international organizations to monitor progress in achieving pro-poor agricultural development and food security.

Looking Ahead. Several important events over the next year and half could help to effect such a course correction. In October of this year, the World Bank will release the 2008 World Development Report, which will focus on Agriculture for Development. Based on in-depth analysis and significant consultation, the report can help to raise additional awareness and understanding of the key role of agriculture in achieving pro-poor economic growth and development.

The 16<sup>th</sup> and 17<sup>th</sup> sessions of the Commission on Sustainable Development (CSD), in 2008 and 2009, will review agriculture, rural development, land, drought, desertification, and Africa. This cycle offers an especially opportune forum for building wider international consensus in favour of stepped-up actions to transform rural economies and improve food and nutrition security. Between CSD 16 and 17, ECOSOC is scheduled to review progress on the provisions of the 2003 Ministerial Declaration on Integrated Rural Development. The Declaration provides useful benchmarks against which to measure the progress during the previous five years and to establish priorities for action leading to 2015.

The mid-point between the Millennium Summit and MDG target date could be a turning point leading to significantly greater progress toward achieving the first goal by 2015 if the world community will undertake a critical course correction with respect to development priorities.