

Introductory remarks by Angel Gurría, OECD Secretary-General at the OECD Global Forum on Agriculture 2012

Paris, 26 November 2012

(As prepared for delivery)

Ladies and Gentlemen,

It is a pleasure to welcome you to the 2012 Global Agriculture Forum on "Policy Coherence for Food Security in Developing Countries". This is a hugely important issue.

At this very moment, 870 million people suffer from hunger and undernourishment. 2.6 million children die of malnutrition every year, while the FAO recently reported that nearly 40% - 50% of root crops, fruits and vegetables are wasted. The world produces enough food to feed everyone. Still, more than one person in seven goes hungry. This is one of the greatest follies of our times.

The greatest challenge: access to food

Most of the world's hungry suffer because they are too poor to afford sufficient nutritious food. In 2005, when real prices were lower than ever before, we still counted over 800 million people that did not have enough to eat! This means that there is a systemic challenge to address food security.

Unfortunately, this will continue on the same path before it gets any better. We are now living in a supply constrained world with upward pressure on food prices. The frequency of three spikes in international food prices during the past five years has been unprecedented. Prices in real terms have been higher than at any time since 1974. Indeed, this creates huge difficulties for poorer consumers. However, this development also provides new opportunities for farmers in all parts of the world.

We should grasp this window of opportunity to better the lives of poor rural people. Agriculture can provide a livelihood for many of the world's poorest. We should also work towards providing a food system capable of delivering adequate and affordable nutrition to all consumers. This means ensuring that global markets and domestic markets function efficiently and fairly. For the poor in general, we need to achieve sustained income growth, so that the price of food is no longer a key obstacle to access.

To achieve greater food security, it is crucial that we promote greater policy coherence.

Greater policy coherence for greater food security

How can we achieve this? Let me table 5 key policy recommendations:

- *First*, governments should, at a minimum, avoid policies with detrimental spill-over effects, such as mandates for bio-fuel production or trade restrictions on both exports and imports that undermine the smooth functioning of the world trading system. For years, the majority of OECD countries have protected their agricultural sectors and provided subsidies that enabled their farmers to compete unfairly on world markets. The most extreme measures have been removed, but this reform agenda needs to be completed.
- *Second*, agricultural, trade and aid policies need to be complementary. It is welcome that donor countries are starting to reverse the decline in aid given to agriculture, but now it is especially important not to erode the benefits through other policies – such as trade barriers or disguised protection, which limit opportunities for potential exporters. "Aid for Trade" can be an important complement to trade openness.
- *Third*, we must achieve greater policy coherence among developed, emerging and developing countries. OECD countries as well as emerging economies such as Brazil and China can help ensure that both Official Development Assistance (ODA) and non-ODA policies are supportive of food security globally and of developing countries' efforts to eradicate hunger among their citizens.
- *Fourth*, collective action at the global level is needed. A good example of such collective action for greater policy coherence is the important role which food security plays in the context of the G20. The OECD has contributed importantly to the G20 work on agriculture and food security, including coordinating, together with

the FAO and eight other international organisations, a joint report on [Price Volatility in Food and Agricultural Markets](#) that was submitted to the G20 French Presidency in 2011.

While the 2011 report focused on how governments can respond to the challenge of high and volatile food prices, the 2012 [report](#) delivered to the Mexican G20 Presidency discussed how productivity can be increased sustainably and bridging the gap for small-family farms. I assure you that the OECD will continue promoting greater policy coherence for food security, including through the G20 process.

The OECD will use all its tools to ensure that fatigue does not prevent us from achieving the commitments made in Paris and Accra. The [Global Partnership on Effective Development Cooperation](#) launched at Busan can serve as a global platform to reach broad consensus for coordinated and collective action among developed and developing countries, international and regional organisations, the civil society and the private sector.

- *And fifth, sharing policy experience.* Today's Global Forum is a good example of a platform where developed and emerging countries can work with developing countries to collect and analyse evidence, identify and debate policies in different country contexts, and learn from countries' best practices.

Such collaboration is also at the heart of the [OECD Strategy on Development](#), which can help us respond to the challenge of global food security. The Busan shift from aid effectiveness to development effectiveness provides us with the opportunity to think more clearly about the role of agriculture in development.

Let me also stress that Policy Coherence for Food Security is envisaged as a key topic for the 2013 OECD Ministerial Council Meeting. Indeed, the OECD will continue collaborating closely with its partners to promote greater policy coherence for food security.

Ladies and Gentlemen,

Food insecurity is not our destiny. In his 1981 essay, "Poverty and Famines," Amartya Sen argued that famines are indeed avoidable and that the world had the capacity to feed each person on the planet. His arguments are still very valid now. There is no easy fix to this problem, but one thing is certain: the solution depends on effective policies and efficient international cooperation.

We have made important progress; we are close to reaching the United Nations Millennium Development goals on hunger. But food security is still an urgent issue. Almost 15% of the population among developing countries is undernourished.ⁱ In the Middle East and North Africa, there are almost twice as many hungry people now as there were from 1990 to 1992.

We must come together to use all of our policy tools to tackle hunger in every country in the world. As Secretary of State Hillary Rodham Clinton says, "The question is not whether we can end hunger, it's whether we will."

I thank you for being with us today and wish you fruitful discussions.