



Food and Agriculture  
Organization of the  
United Nations



## High-level Political Forum on Sustainable Development (HLPF) 2022

5-7 and 11-15 July 2022

*“Building back better from the coronavirus disease (COVID-19) while advancing the full implementation of the 2030 Agenda for Sustainable Development”*

### ANNEX 4

#### **Inputs by the FAO Committee on Commodity Problems (CCP)**

The Committee on Commodity Problems (CCP) is a technical committee of the Food and Agriculture Organization of the United Nations (FAO). Its terms of reference include the following:

- i) Keep commodity problems of an international character affecting production, trade, distribution and consumption, and related economic matters under review;
- ii) Prepare a factual and interpretative survey of the world commodity situation to be made available to Member Nations; and
- iii) Report and submit suggestions to the FAO Council on policy issues arising out of its deliberations, and avail these reports and those of its Subsidiary Bodies to Member Nations for their information.

The work conducted under the CCP is pertinent and contributes to the realization of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs), particularly SDGs 1, 2, 8, 10, 12, 13 and 17, as well as the interlinkages among them.

With the COVID-19 outbreak, FAO’s work under the CCP’s mandate has intensified in providing up-to-date and comprehensive information and analyses on global agricultural markets and trade as evidence to inform decisions, and in promoting policy coordination to avoid the health crisis turns into a food crisis.

#### ***(a) Progress, experience, lessons learned, challenges and impacts of the COVID-19 pandemic on the implementation of SDGs 4, 5, 14, 15 and 17***

The COVID-19 pandemic crisis has had unprecedented effects on all dimensions of human life, with the economic and social impacts continuing to unfold. It has resulted in a dual shock to commodity markets, affecting both the supply and demand sides. Since the onset of the pandemic, FAO has played an active role in addressing the various challenges posed by the pandemic and will continue to help mitigate its impacts, while working with all partners to strengthen the long-term productivity and resilience of the agrifood systems and ensure the realization of the 2030 Agenda and the SDGs.

The Committee on Commodity Problems (CCP), at its 74th session held on 10-12 March 2021, noted the high uncertainty surrounding future developments in food and agricultural markets, depending on the evolving nature of the pandemic and the path of economic recovery, and highlighted the importance of international trade for increasing resilience. The Committee also underlined the urgency to address the multiple adverse effects caused by the pandemic on agrifood systems, hunger and malnutrition, and called

for particular attention to the needs of family and smallholder farmers and fishers as well as indigenous people and local communities during and beyond the pandemic.

Trade in food and agriculture can play a significant role as an enabler to achieve the SDGs and increase the resilience of agrifood markets, including in facing shocks. In this regard, the Committee underlined the importance of a freer, fairer, predictable, and non-discriminatory, rules-based multilateral trading system, under the World Trade Organization (WTO) and consistent with its rules, for promoting agricultural and rural development and contributing to achieving food security and improved nutrition for all. It has recognized the importance of Regional Trade Agreements (RTAs) and intra-regional trade for expanding markets and promoting value chains, not only for recovery from the COVID-19 pandemic, but also for sustainable development of agrifood systems in its three dimensions, economic, social and environmental. The Committee also urged continued and strengthened efforts in analysis, capacity development, and the organization and facilitation of dialogue.

The Committee also highlighted the importance of transparency in market conditions and policies in food and agriculture, through the provision of up-to-date and credible data and information, as well as the need for continued investment in market monitoring, forward-looking (ex-ante) analysis, and international dialogue and coordination around market developments.

***(b) Assessment of the situation regarding the principle of “leaving no one behind” against the background of the COVID-19 pandemic and for the implementation of the 2030 Agenda***

The COVID-19 pandemic and the measures to control its spread affected the global trading system, domestic and international supply chains, and food demand. However, despite the disruptions, global food commodity markets and agricultural trade have proved relatively resilient and continued to function. In this regard, it is extremely important to continue and intensify work on agricultural market monitoring and assessment and on early warning to enhance transparency, inform policy decisions and allow timely interventions.

The Committee expressed appreciation for FAO’s support to the implementation of the 2030 Agenda and recognized, in particular, the CCP’s mandate and work in contributing to the achievement of all SDGs. It has also underlined the importance of FAO’s commodity market monitoring, assessment and outlook, and early warning work, as a global public good, especially in view of the growing risks and uncertainties posed by increased climate variability, natural disasters, plant and animal pests and diseases, pandemics and economic shocks.

Under the CCP’s mandate, FAO keeps a constant watch on world markets of major food and agricultural commodities and related policy developments. Assessments of the situation of global agricultural and food markets and trade are provided through a number of regular reports and studies. These are produced under two main work streams:

- i) **GIEWS:** The Global Information and Early Warning System on Food and Agriculture (GIEWS) was established in 1975 in response to the food crisis of the early 1970s. GIEWS has become a leading source of information on food supply and demand at global, regional and country levels. It provides the international community, governments and policy makers with the most up-to-date and credible data and information, and issues warnings on imminent food crises. Regular outputs and products include Food Outlook (biannual), Crops Prospects and Food Situation (quarterly), Food Price Monitoring and Analysis (FPMA) Bulletin (monthly), and Country Briefs that are updated regularly. **All products can be accessed here: <https://www.fao.org/giews/en/>**

- ii) **AMIS:** The Agricultural Market Information System (AMIS) is an inter-agency platform to enhance food market transparency and policy response for food security. AMIS, housed in FAO, was launched in 2011 by the G20 Agriculture Ministers following the global food price hikes in 2007/08 and 2010. Bringing together the principal trading countries of agricultural commodities, AMIS assesses global food supplies (focusing on wheat, maize, rice and soybeans) and provides a platform to coordinate policy action in times of market uncertainty. **More information on AMIS and its products can be accessed here:** <http://www.amis-outlook.org/home/en/>

An important flagship report produced under the CCP's mandate is [\*The State of Agricultural Commodity Markets \(SOCO\)\*](#). SOCO is produced every two years, in conjunction with the CCP sessions. It presents commodity market and development issues in an objective and accessible manner to government officials, policy makers, producers, academia, commodity market observers and other stakeholders. The 2020 issue of SOCO was devoted to the theme "Agricultural Markets and Sustainable Development: Global value chains, small holder farmers and digital innovations". **Current and previous editions of SOCO can be accessed here:** <https://www.fao.org/publications/soco/en/>

At its 74th session in March 2021, the CCP welcomed SOCO 2020 and recognized the key role that well-functioning agricultural markets and trade can play in promoting agricultural productivity and sustainable development, and in contributing to global food security. However, the Committee underlined the constraints faced by family and smallholder farmers in developing countries in accessing markets and value chains, noting the mechanisms and policies contained in the SOCO report that can facilitate their inclusion in markets and promote sustainable production practices.

***(c) Actions and policy recommendations in areas requiring urgent attention in relation to the implementation of the SDGs under review***

Trade is recognized as one of the key of means of implementation for the 2030 Agenda and SDGs, as specified under SDG 17 on partnerships for the Goals (targets 17.10, 17.11 and 17.12). In this regard, the CCP, at its 74th session in March 2021, highlighted the importance of markets and trade for sustainable development and stressed that markets and trade form an integral part of food systems and should be given due consideration when addressing the need for sustainability in agriculture from a food systems approach perspective.

The Committee acknowledged the importance of trade for contributing to the availability, accessibility and affordability of food, as well as the stability of markets and the limitation of extreme food price volatility, and recalled and underlined the importance that, in line with WTO rules and in keeping with their commitments under the WTO agreements, Members correct and prevent trade restrictions and distortions as well as eliminate and do not create unnecessary and unjustified barriers to trade. It underlined the importance of a freer, fairer, predictable, and non-discriminatory, rules-based multilateral trading system, under the World Trade Organization (WTO) and consistent with its rules, for promoting agricultural and rural development and contributing to achieving food security and better nutrition for all.

The Committee also called on governments to avoid policies that could undermine the proper functioning of agrifood markets, and highlighted the importance of adhering to international standards, including those set by the Codex Alimentarius Commission, the International Plant Protection Convention (IPPC) and the World Organisation for Animal Health (OIE), in line with the WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) and the WTO Technical Barriers to Trade (TBT) Agreement, to facilitate and expedite regional and global trade in food and agriculture.

***(d) Policy recommendations, commitments and cooperation measures for promoting a sustainable, resilient and inclusive recovery from the pandemic while advancing the full implementation of the 2030 Agenda***

Further to the recommendations reported above under (c), the CCP appreciates that global value chains in food and agriculture can promote the diffusion of improved technologies, knowledge and good practices, thus promoting agricultural productivity growth and increasing farm incomes and has underlined the importance of open, rules-based, non-discriminatory and predictable international trade. It has stressed the constraints faced by family and smallholder farmers in developing countries in accessing markets and value chains. The Committee highlighted the need for investment in training and education and in rural infrastructure, including in digital infrastructure and digital skills, to promote the inclusion of family and smallholder farmers in markets and global value chains.

The Committee recognizes that digital technologies and electronic-based tools for facilitating trade can be leveraged to make agricultural and food markets more efficient, inclusive and sustainable, underlining the importance of reducing the digital gap and promoting the digitalization of agrifood systems through appropriate policies, regulations and investments, particularly in rural areas.

***(e) Key messages for inclusion into the Ministerial Declaration of the 2022 HLPF.***

- Recognize the key role that well-functioning agrifood markets and trade can play in promoting agricultural productivity growth and sustainable development, and in contributing to food security.
- Highlight the importance of transparency in market conditions and policies in food and agriculture, through the provision of up-to-date and credible data and information.
- Underline the importance of commodity market monitoring, assessment and outlook, and early warning work, as a global public good, for achieving the SDG targets, especially in view of the growing risks and uncertainties posed by increased climate variability, natural disasters, plant and animal pests and diseases, pandemics and economic shocks.
- Emphasize the importance of a freer, fairer, predictable, and non-discriminatory, rules-based multilateral trading system, under the World Trade Organization (WTO) and consistent with its rules, for promoting agricultural and rural development and contributing to achieving food security and improved nutrition for all.
- Recall and accentuate the importance that, in line with WTO rules and in keeping with their commitments under the WTO agreements, Members correct and prevent trade restrictions and distortions as well as eliminate and not create unnecessary and unjustified barriers to trade in agricultural markets.
- Call on governments to avoid policies that could undermine the proper functioning of agrifood markets and to adhere to international standards, including those set by the Codex Alimentarius Commission, the International Plant Protection Convention (IPPC) and the World Organisation for Animal Health (OIE), in line with the WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) and the WTO Technical Barriers to Trade (TBT) Agreement, to facilitate and expedite regional and global trade in food and agriculture.
- Recognize that digital technologies and electronic-based tools for facilitating trade can be leveraged to make agricultural and food markets more efficient, inclusive and sustainable, and stress the importance of reducing the digital gap and promoting the digitalization of agrifood systems through appropriate policies, regulations and investments, particularly in rural areas.