



Food and Agriculture  
Organization of the  
United Nations



## High-Level Political Forum on Sustainable development (HLPF) 2023

10-19 July 2023

*“Accelerating the recovery from the coronavirus disease (COVID-19) and the full implementation of the 2030 Agenda for Sustainable Development at all levels”*

### ANNEX 4

#### **Inputs by 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), namely SDGs 1, 2, 8, 10, 12, 13 and 17, as well as the interlinkages between them.

The Committee’s substantive inputs to the 2023 HLPF are based on the relevant discussions during the 75th Session of the CCP, held on 13-15 July 2022, and the policy recommendations that emerged from the deliberations.

**(a) Progress, experience, lessons learned, challenges and impacts of the COVID-19 pandemic on the implementation of SDGs 6, 7, 9, 11 and 17 from the vantage point of your intergovernmental body, bearing in mind the three dimensions of sustainable development and the interlinkages across the SDGs and targets, including policy implications of their synergies and trade-offs.**

The impacts of the COVID-19 pandemic, together with conflicts and geopolitical tensions and extreme climatic events, pose serious challenges for achieving the 2030 Agenda and the SDGs. They affect the four dimensions of food security (availability, access, stability and utilization) and put the fiscal situation of many countries under increased pressure.

The Committee on Commodity Problems (CCP), at its 75th Session held on 13-15 July 2022, expressed concerns about the soaring prices of food, energy and inputs, particularly fertilizers, high transportation costs, and heightened concerns over world food security as a result of the disruptions caused by the COVID-19 containment measures and, more recently, the war in Ukraine. In this context, the Committee underlined the significance of market transparency and emphasized the importance of timely and credible market

information, particularly in view of the increasing number of risks and uncertainties caused by conflicts, climate variability, pests and diseases and economic shocks.

The Committee highlighted that trade, along with efficient and enhanced productivity and sustainable food systems, plays a vital role in improving global food security in all its dimensions and in enhancing nutrition, as well as in addressing the challenges and uncertainties that agricultural commodity markets are facing. In this regard, the Committee underlined the importance of a freer, fairer, predictable, and non-discriminatory, rules-based multilateral trading system under the WTO and consistent with its rules, for promoting agricultural and rural development and contributing to achieving food security and better nutrition for all.

**(b) Three key areas where transformative actions for accelerated progress have been successful, and three key areas where support is most urgently needed, with regard to the cluster of SDGs under review in July 2023.**

The Agenda 2030 recognizes markets and trade as one of the key means of implementation for the achievement of the SDGs. FAO's work under the mandate of the CCP contributes to enhancing the transparency and efficiency of food and agricultural markets and trade through the provision of information and analyses, the provision of technical assistance, and the organization and facilitation of policy dialogue events. Underpinning all FAO's work is the provision of timely and objective data and information on commodity markets and policy developments. In this context, the CCP, at its 75th Session:

- i) expressed appreciation for FAO's work and its contributions to enhancing market transparency and requested the Organization to continue and intensify its efforts to support informed policy decisions and promote policy coordination by providing up-to-date and objective data and information, market assessments and outlooks;
- ii) welcomed the collaboration of FAO with other international organizations in delivering its programme of work in commodity markets and trade and related subjects, and requested the Organization to continue and further strengthen this cooperation;
- iii) expressed appreciation for FAO's work in the area of agrifood trade, including through the provision of up-to-date data, information and scientific evidence to inform policy discussions, underlined the importance of the technical assistance provided to Members within the Organization's mandate and competence, and requested the Organization to increase resource mobilization to support the reinforcement of this work.

The CCP recognized the positive contribution of food and agricultural trade for promoting economic growth, social well-being and environmental sustainability objectives. In this regard, the Committee:

- i) underlined the need for trade policies to foster well-functioning, transparent and open global markets, especially in times of uncertainty and crisis and emphasized the importance of improving agricultural productivity and efficiency, and reducing trade costs to make trade an avenue for growth;
- ii) recognized the challenges of climate change and highlighted the centrality of multilateral environmental agreements and international climate change instruments, in particular, the United Nations Framework Convention on climate change (UNFCCC) and its Paris Agreement;
- iii) stressed the importance of increasing agricultural productivity and production in a sustainable manner and requested FAO to further increase technical information and support Members in this regard. The Committee also stressed that investment in research, science and innovation is a major

element to foster food and sustainable production, and highlighted the importance of supporting developing countries.

Important and emerging issues are discussed and presented in FAO's flagship report *The State of Agricultural Commodity Markets* (SOCO), which is produced every two years, in conjunction with the CCP sessions. SOCO 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 and provides recommendations for sustainable development in relation to agrifood markets and trade. The 2022 edition on the theme "The geography of food and agricultural trade: Policy approaches for sustainable development", was discussed at the 75th Session of the CCP. Current and previous editions of SOCO can be accessed at this link: <https://www.fao.org/publications/soco/en/>

**(c) Examples of specific actions taken to recover from the COVID-19 pandemic that also accelerate progress towards multiple SDG targets, including actions identified by your intergovernmental body, building on interlinkages and transformative pathways for achieving SDGs.**

FAO, through its core activities on transparent markets and trade, has played an important role in the global efforts to recover from COVID-19. The CCP, at its 75th Session in July 2022, appreciated the achievements of FAO in the field of markets and trade during the biennium 2020-21 and commended the variety and quality of publications, products and services provided by the Organization. In particular, the CCP expressed its appreciation for FAO's work in the area of agrifood trade, including through the provision of up-to-date data, information and scientific evidence to inform policy decisions. It appreciated FAO's efforts to conduct ex-ante analysis, scenarios and foresight studies, in particular, assessing alternative pathways of sustainable production and consumption, trade, including consideration of trade restrictions, prices and food security, encouraging FAO to expand its analytical efforts to include a broader range of supply, demand and risk factors. Moreover, the Committee expressed appreciation for FAO's work in the area of agrifood trade, including through the provision of up-to-date data, information and scientific evidence to inform policy discussions.

The strategic narrative guiding the FAO Strategic Framework 2022-31 supports Agenda 2030 through the transformation to MORE efficient, inclusive, resilient and sustainable agrifood systems for *better production, better nutrition, a better environment and a better life*, leaving no one behind. FAO is implementing the Strategic Framework through 20 Programme Priority Areas (PPAs), which are anchored in the SDGs, using a systems approach, considering social, economic and environmental development dimensions and addressing the relevant trade-offs. The PPA on "Transparent Markets and Trade" is the one guiding the Organization's efforts in the relevant fields of markets and trade. At its 75th Session, the CCP endorsed the identified priorities for FAO's work in the area of commodity markets and trade in the context of the FAO Strategic Framework 2022-31 and the Medium Term Plan 2022-25. These priorities include commodity market monitoring, assessment and outlook; food security monitoring, assessment and early warning; food and agricultural trade; responsible global value chains; work of the commodity intergovernmental groups; supporting international processes (G20/G7) and production of the SOCO report.

**(d) Assessment of the situation in the mid-point of the implementation of the 2030 Agenda and the SDGs, against the background of the COVID-19 pandemic and within the respective areas addressed by your intergovernmental body, and 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.**

The unequal pattern of economic recovery in 2021 among countries and the unrecovered income losses among those most affected by the COVID-19 pandemic have exacerbated existing inequalities and have

worsened the food security situation for the populations already struggling the most with hunger. The number of people affected by chronic hunger globally rose to as many as 828 million in 2021, an increase of about 150 million since the outbreak of COVID-19. Projections indicate that nearly 670 million people, 8 percent of the world population, would still be facing chronic hunger in 2030.<sup>1</sup>

The CCP, at its 75th Session, stressed that current challenges could have serious implications for food security and sustainability over the medium-term. Recalling the three integrated dimensions of sustainability, economic, social and environmental, the Committee underlined the important role that markets and trade can play in achieving the SDGs.

Under the CCP's mandate, FAO keeps a constant watch on world markets of major food and agricultural commodities and related policy developments 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 and supported by 10 international organizations, 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/>**

The CCP acknowledged the high importance and relevance of GIEWS, in view of the increasing risks and uncertainties to world food security, and expressed appreciation for its work as well as its various products and services. The CCP recognized GIEWS as an important source of factual information and a leading early warning mechanism globally, and appreciated its collaborative efforts, in particular the approach of early warning based on consensus.

The Committee also acknowledged the positive role of AMIS in enhancing agricultural market transparency and policy responses for food security, reducing extreme price volatility and promoting coordinated policy action, and urged the Members to support it, including through timely reporting of country-level data.

**(e) Key messages for inclusion into the Political Declaration of the September 2023 SDG Summit.**

- *Stress* the important role that markets and trade can play in achieving the 2030 Agenda and the Sustainable Development Goals (SDGs).

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<sup>1</sup> FAO, IFAD, UNICEF, WFP and WHO. 2022. *The State of Food Security and Nutrition in the World 2022. Repurposing food and agricultural policies to make healthy diets more affordable*. Rome, FAO. <https://www.fao.org/3/cc0639en/cc0639en.pdf>

- *Underline* the significance of market transparency and emphasize the importance of timely and objective market information, particularly in view of the increasing risks and uncertainties caused by conflicts, climate variability, pests and diseases, and economic shocks.
- *Acknowledge* the positive role of the Agricultural Market Information System (AMIS) in enhancing agricultural market transparency and policy responses for food security, reducing extreme price volatility and promoting coordinated policy action, and called on Members to support the initiative, including through timely reporting of country-level data.
- *Highlight* that trade, along with efficient and enhanced productivity and sustainable food systems, plays a vital role in improving global food security in all its dimensions and in enhancing nutrition, as well as addressing the challenges and uncertainties that agricultural commodity markets are facing.
- *Emphasize* the role of trade in the needed transformation, as appropriate, towards more sustainable food systems, and hence in contributing to world food security, especially in net food-importing developing countries (NFIDCs), achieving the 2030 Agenda for Sustainable Development and its SDGs and strengthening resilience to socio-economic shocks, conflicts, pandemics and extreme weather events.
- *Underline* the importance of a freer, fairer, predictable, and non-discriminatory, rules-based multilateral trading system, under the WTO and consistent with its rules, for promoting agricultural and rural development and contributing to achieving food security and improved nutrition for all.
- *Highlight* the significance of keeping markets open and ensuring a smooth flow of trade, and *reaffirm* the importance of not imposing export prohibitions or restrictions in a manner inconsistent with relevant WTO provisions.
- *Underline* the need for trade policies to foster well-functioning, transparent and open global markets, especially in times of uncertainty and crisis, and *emphasize* the importance of improving agricultural productivity and efficiency, and reducing trade costs to make trade an avenue for growth.
- *Recognize* the challenges of climate change and highlight the centrality of multilateral environmental agreements, and international climate change instruments, in particular, the UNFCCC and its Paris Agreement.