

High-level Political Forum on Sustainable Development (HLPF) 2024 8-17 July 2024

Reinforcing the 2030 Agenda and eradicating poverty in times of multiple crises: the effective delivery of sustainable, resilient and innovative solutions

Inputs by the Committee on Commodity Problems (CCP)

1. Entity / Intergovernmental body or forum

The FAO 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:

- keep commodity problems of an international character affecting production, trade, distribution and consumption, and related economic matters under review;
- prepare a factual and interpretative survey of the world commodity situation to be made available to Member Nations; and
- 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 Committee's substantive inputs to the 2024 HLPF are based on the deliberations during the 75th Session of the CCP, held on 13-15 July 2022, and the policy recommendations that emerged.

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4. Impacts of multiple crises on the implementation of SDGs 1, 2, 13, 16 and 17 from the vantage point of your intergovernmental body.

The world is facing numerous overlapping shocks and multifaceted crises that are posing challenges to global food security, putting the achievement of the SDGs in peril.

As the [2023 edition of *The State of Food Security and Nutrition in the World \(SOFI\)*](#) indicates, hunger and food insecurity remain far above pre-COVID-19-pandemic levels and far off track to achieve Sustainable Development Goal (SDG) 2. Global hunger, measured by the Prevalence of Undernourishment (PoU – SDG Indicator 2.1.1) stayed relatively unchanged from 2021 to 2022 but was still higher than the pre-COVID-19 figure. It was estimated that between 691 million and 783 million people suffered from chronic hunger in 2022. The report estimates that almost 600 million people will be chronically undernourished in 2030, 119 million more than if the pandemic and war in Ukraine had not occurred, and 23 million more people than if the war had not happened.

The FAO Food Price Index, which tracks monthly changes in international prices of a set of globally traded food commodities, reached an all-time high in March 2022, one month after the outbreak of the war in Ukraine. The Index eased since then and in 2023 it was 13.7 percent lower than the average value over the preceding year, however it remains high from a historical perspective. In addition, lower wholesale costs have taken some time to reach consumers. As a result, in many Net Food Importing Developing Countries (NFIDCs), domestic staple food prices at the end of 2023, registered higher levels year-on-year.

In its 75th session, held in July 2022, the CCP expressed concerns about the soaring prices of food, energy, and inputs, particularly fertilizers, high transportation costs, and heightened concerns over world food security due to the disruptions caused by the COVID-19 containment measures and, more recently, the war in Ukraine. Concern was also expressed about policy measures inconsistent with WTO principles. The Committee also recognized that many countries, in particular developing countries, are still struggling with, and have not yet recovered from, the multifaceted impacts of the 2007-2008 financial crisis.

5. Three key areas where sustainable, resilient and innovative solutions for achieving the SDGs are being effectively delivered, especially related to the cluster of SDGs under review in 2024, bearing in mind the three dimensions of sustainable development and the interlinkages across the Goals and targets.

Under the mandate of the CCP, FAO provides market and trade analytical and policy-related information to the United Nations (UN) community, global stakeholders, and beyond. The Organization also provides global early warning and supports national/regional level initiatives to enhance early warning systems.

The support provided by FAO falls under the following main work streams:

The [Agricultural Market Information System \(AMIS\)](#), an inter-agency platform to enhance food market transparency and policy response for food security 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.

The [Global Information and Early Warning System on Food and Agriculture \(GIEWS\)](#) was created 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. In the past few years, reflecting the shifting trends of humanitarian frameworks from post-shock emergency relief to prevention, mitigation, and risk reduction, the GIEWS approach to early warning has shifted toward more consensus-based analyses and closer to early action as a preventive measure.

Provision of evidence, technical assistance and capacity building support, as well as facilitation of dialogues in the field of agrifood trade, including through the production of FAO's flagship report [The State of Agricultural Commodity Markets \(SOCO\)](#). The report, published every two years in conjunction with the CCP sessions, focuses on agricultural trade issues, its patterns and dynamics, and on the policy environment in which agrifood trade occurs. It contributes to policymaking processes and promotes a better understanding of the drivers of sustainable development in relation to trade. The theme of the 2022 SOCO edition was "The geography of food and agricultural trade: Policy approaches for sustainable development", and the findings of the report were considered at the 75th Session of the CCP.

In this regard, the CCP:

- 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. The Committee highlighted the role of timely and objective data and information, market assessments and outlooks in informing policy decisions. It also underlined the importance of the early warning approach being based on consensus and emphasized the significance of geospatial and digital technologies in collecting and analysing data and information.
- Underlined 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 NFIDCs, and achieving the 2030 Agenda for Sustainable Development and the SDGs. The Committee also underlined the importance of the technical assistance provided to Members in agricultural trade.
- Recalled the three integrated dimensions of sustainability - economic, social and environmental, and the importance of considering them in a balanced and comprehensive manner.

6. Three examples of specific actions, policies and measures that are most urgently needed to effectively deliver sustainable, resilient and innovative solutions to eradicate poverty and reinforce the 2030 Agenda, building on interlinkages and transformative pathways for achieving the SDGs.

- The CCP stressed the important role that markets and trade can play in achieving the SDGs, and highlighted the significance of keeping markets open and ensuring a smooth flow of trade. It 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.
- 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. It highlighted the need for investment in training and education and in rural infrastructure, as there are different levels of agricultural product value chains, including digital infrastructure and digital skills, to promote the inclusion of family and smallholder farmers in markets and global value chains.

- Furthermore, the Committee recognized the positive contribution of food and agricultural trade in promoting economic growth, social well-being, and environmental sustainability objectives. It 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.

7. Follow-up actions and measures being undertaken by your intergovernmental body or forum to support implementation of the Political Declaration of the SDG Summit.

The 2030 Agenda recognizes markets and trade as one of the key means of implementation for the achievement of the SDGs. The work of FAO under the mandate the CCP contributes to enhancing the transparency and efficiency of food and agricultural markets and of trade through the provision of timely and objective information and analyses, technical assistance to countries, and the organization and facilitation of policy dialogue events.

The Committee provides guidance to support the implementation of the Political Declaration of the SDG Summit, through deliberations on emerging issues and recommendations. For instance, at the 75th Session, the CCP reviewed and endorsed the priorities for FAO's work in commodity markets and trade. These include: commodity market monitoring, assessment and outlook; food security monitoring, assessment and early warning; food and agricultural trade; responsible global value chains; servicing the commodity intergovernmental groups; supporting international processes (G20/G7); and the production of the flagship report *The State of Agricultural Commodity Markets* (SOCO) on emerging issues.

Two intersessional events were organized under the aegis of the Committee to provide a platform for Members to share knowledge, exchange experiences, and promote a better understanding of important issues. The first event was organized on 1 June 2023 on "[Repurposing agricultural support to transform agrifood systems](#)", and the second on 30 October 2023 on the theme "[Towards more sustainable and resilient agrifood systems: The importance of responsible global value chains](#)".

8. Recommendations and key messages for inclusion into the Ministerial Declaration of the 2024 HLPF.

- Stress the important role that markets and trade can play in achieving the 2030 Agenda and the SDGs.
- 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.
- 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 improved nutrition for all.

- 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 call on Members to support the initiative, including through timely reporting of country-level data.
- 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 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 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 possibility for mutually reinforcing multilateral and regional approaches in tackling environmental externalities of global reach.
- 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.