



COMMITTEE ON COMMODITY PROBLEMS

Seventy-sixth Session

Rome, 11-13 September 2024

STATEMENT BY THE DIRECTOR-GENERAL

*Chairperson,
Excellencies,
Ladies and Gentlemen,
Dear Colleagues,*

I am pleased to welcome you to the 76th Session of the FAO Committee on Commodity Problems (CCP) and wish to thank you for your participation both in-person and virtually.

The last session of this committee took place in July 2022, amid a challenging situation for international agricultural markets and trade due to rising conflicts, the impacts of the COVID-19 pandemic on the global economy, and extreme weather conditions from the climate crisis.

The FAO Food Price Index reached an all-time high in March 2022, while prices of the main fertilizers reached record levels in mid-2022.

Since 2023, the situation has improved, and international commodity prices have declined.

In July 2024, the FAO Food Price index averaged nearly 129 points, down 3.1 percent from the 2023 value, and 24.7 percent below its peak of March 2022.

This decline in prices does not, however, necessarily indicate market stability.

Global agricultural markets remain vulnerable to shocks due to ongoing global challenges, including unstable economic conditions leading to sudden changes in trade policy, especially by the major exporting countries.

The 2024 edition of *The State of Food Security and Nutrition in the World* (SOFI) report launched in July, shows that hunger remains high.

Between 713 and 753 million people are estimated to have faced chronic hunger in 2023 – that is 1 out of every 11 people globally, and 1 out of 5 in Africa.

Estimates also show that 2.8 billion people in the world could not afford a healthy diet in 2022.

Furthermore, the report projects that 582 million people will be chronically hungry in 2030 - with more than half of them in Africa – if we continue along this path.

These findings send a clear message to all of us: more needs to be urgently done to achieve the SDG2 target of Zero Hunger by 2030.

We have less than six years to take efficient, effective and coherent action.

In this context, the work of the CCP is essential.

Your discussions and recommendations will provide guidance towards the improved functioning of markets and trade to ensure global food security.

But to achieve this, your deliberations must focus on supporting the transformation of global agrifood systems to be more efficient, more inclusive, more resilient and more sustainable.

A critical priority is to promote transparency and fairness in international agricultural markets.

Transparency is critical for reducing uncertainty and ensuring market stability,

And an inclusive, balanced and fair-trading system is necessary to end hunger and malnutrition.

FAO is a global leader and point of reference in this regard, and we support Members by providing up-to-date, reliable and science-based data and information, monitoring policy developments, conducting impact assessments, promoting dialogue, and proposing policy recommendations.

The G20 Agricultural Market Information System (AMIS), hosted in FAO, continues to play a crucial role and I wish to thank Members for supporting this initiative.

Over the next few days, in addition to the short-term market assessment and outlook, you will also discuss the outlook for the next decade based on the findings of the new *OECD-FAO Agricultural Outlook* report, which assesses the medium-term prospects for agricultural commodity markets from 2024 to 2033.

Dear Colleagues,

FAO's work extends beyond market monitoring and outlook, and trade policy analysis and trade agreements.

Our work also covers the linkages between agrifood trade and sustainable development.

Trade is fundamental for sustainable development as it affects all three dimensions of sustainability – economic, social and environmental.

This is why trade is recognized as one of the key means of implementation for the 2030 Agenda and the SDGs.

This week, you will also discuss the linkages and interconnectivity between agrifood trade and nutrition.

The 2024 edition of *The State of Agricultural Commodity Markets (SOCO)* explores this complex relationship and provides evidence on how trade affects dietary patterns and nutritional outlooks.

In its last session in June, the FAO Council underlined the importance of keeping open the trade of agrifood inputs and products to avoid a negative impact on global food security, while also preventing trade distortions and unjustified trade barriers.

Trade is also well reflected in the FAO Strategic Framework 2022-31, which includes a Programme Priority Area (PPA) dedicated to transparent markets and trade.

The Strategic Framework provides holistic support to ensure the Four Betters: better production, better nutrition, a better environment and a better life – leaving no one behind.

I wish you a successful and fruitful meeting, and I look forward to the outcomes of your deliberations.

Thank you.