



Agricultural Trade and Food System Transformation

Virtual WTO Agriculture Symposium

WEDNESDAY 2 DECEMBER 2020

OPENING SESSION

10:00 - 11:30

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"Food Systems of the Future"

**Thank you, Madame Moderator, My brother Alan Wolff:
Excellencies, Ladies and Gentlemen,
Dear colleagues and friends,**

I am pleased to be part of this symposium and to address you on this very important topic. The future of the agri-food systems will define humanity's future as well.

The 2030 Agenda calls for action to end hunger and eliminate all forms of malnutrition by ensuring that sufficient quantities of safe, nutritious, affordable and healthy foods are available to all.

It also calls for this goal to be achieved, while creating economic growth and employment opportunities needed to eradicate poverty, reduce inequality, sustain biodiversity and the natural resource environment, and adapt to the growing stresses of climate change.

We need our agri-food systems to deliver food security and better nutrition for all, to be economically sustainable, to be inclusive and to have a positive impact on climate and environment.

Unfortunately, we all know that our contemporary agri-food systems are NOT fulfilling this aspiration. Urgent action is therefore required by all key players and partners.

Let us first acknowledge the many challenges facing agri-food systems today.

Nearly 690 million people suffer from chronic hunger today, up nearly 60 million in the last five years.

And a healthy diet costs far more than the international poverty threshold of USD 1.90 per day, making it unaffordable for more than 3 billion people in the world.

The burden of malnutrition in all its forms remains a challenge. Roughly, 144 million children under the age of 5 are stunted, 47 million are wasted and 38 million are overweight.

The global economic downturn caused by COVID-19 is expected to make this situation worse. It may add up to 132 million people to the ranks of the undernourished in 2020, threatening to reverse the progress achieved over the last two decades.

At the same time, our current agri-food systems are estimated to contribute up to 37% of greenhouse gas emissions and continue to over-use scarce natural resources.

We all need to work harder to address these challenges and to move towards sustainable food systems.

First, we need to better understand and minimize the trade-offs that exist between competing policy objectives.

For instance, adopting more sustainable technologies, while better for environmental sustainability, may cause comparatively higher food prices and jeopardize food security and nutrition for the poor. How can we deal with it holistically?

To address this trade-off, we need to invest in research & development and infrastructure to increase the productivity and efficiency, and to improve income distribution across and within countries to increase purchasing power. To achieve that, improved linkage between research and extension, data analysis, evidence and decision-making tools are critical.

Second, we need to harness the power of digital technologies to achieve transformative changes.

For example, the integration of robotics and big data in agriculture is already playing a key role in sustainably meeting the growing demand for food in the future. Quality development and 4 R approaches should be established integration of a package of solutions on efficiency of water, land and agricultural inputs (fertilizers, chemicals and others)

However, most governments and food system actors have yet to harness the power of these technologies.

For this, we need to partner and work closely with the private sector to promote inclusive business models that reduce the digital divide between countries and regions.

Third, we must strengthen governance, human capital and institutions.

We need to build the capacities in countries but also to strengthen our capacity for collective action to develop the agri-food systems we want.

Actions to address these challenges will be accelerated through the UN Food Systems Summit and through the many multi-stakeholder platforms and initiatives, which have been formed to support the development of more sustainable food systems.

Ladies and Gentlemen,

The 2030 deadline for achieving the Sustainable Development Goals is rapidly approaching. We need to intensify addressing the challenges facing food systems, using all the means, tools and mechanisms available to us. There is no time to waste.

Trade is one of these tools. It can boost farmers' productivity and income. It increases their participation in markets and value chains and contributes to more efficient use of natural resources.

Trade not only helps to reduce seasonal scarcities of food during normal agricultural production cycles, but also provides an important mechanism to address production shortfalls or supply chain disruptions caused by adverse and unforeseeable events, such as COVID-19.

On 31 March, as the pandemic was unfolding, I urgently invited the two heads of the World Trade Organization (WTO) and the World Health Organization (WHO) to issue a joint statement calling on governments to minimise the impact of COVID-19 related border restrictions on trade in food.

Trade adds to the variety of food available in markets and can contribute to lowering food prices, making it more affordable, sustainable in challenging areas, in particular for the most vulnerable populations.

Finally, trade can play a crucial role in both climate change adaptation and mitigation. Trade promotes the use of natural resources based on countries' comparative advantages, which prevents their over-exploitation.

The transformation of agri-food systems is a global priority and at the core of FAO's mandate, and trade is a key enabler for our food systems to become more sustainable, resilient and inclusive.

For this, we need to promote policy coherence within and among countries, promote innovation and digital technologies, and strengthen international governance mechanisms.

This 25th Anniversary is an excellent opportunity to recognize the important role played by the WTO in this regard.

It is also an opportunity to reflect on necessary action to increase confidence in multilateralism. This is fundamental. Harmonizing production, trade and consumption at global, regional and national levels is urgently needed to adjust.

We hope that this symposium will contribute to gain a better understanding of the vital role of markets and trade in transformation of agri-food systems and foster fruitful dialogue and cooperation on the way forward.

Thank you.
