



Commission on Sustainable Development
Sixteenth Session
5 - 16 May 2008
New York

**Background Note on the Ministerial Roundtable
on Inter-linkages among the Thematic Issues,
including Adaptation to Climate Change**

During the High-level Segment of CSD-16, there will be two Ministerial Roundtables to be held on 14 May 2008, one focusing on investing in Africa, and the other on inter-linkages among the thematic issues of CSD-16.

This background note is intended for the Roundtable on inter-linkages among the thematic issues, including adaptation to climate change. It examines inter-linkages among agriculture, rural development, land, drought, desertification and Africa, with the current food crisis as an entry point. The background note aims to facilitate discussions on this topic, with a few questions included. Ministers may choose to address any of these questions and should not feel obliged to address all of them. Ministers may also address any aspects of the issues they think relevant to the discussions.

The Roundtable discussion will be informal and there will be no delivery of official statements. Interventions will be limited to 3 minutes to encourage interactive discussions.

Ministerial Roundtable on Inter-linkages among the Thematic Issues, including Adaptation to Climate Change

(4:00 pm, 14 May 2008, Conference Room 2)

Introduction

The work of the Commission on Sustainable Development is characterized by its emphasis on addressing thematic issues in an integrated and balanced manner, taking into account linkages among thematic issues and cross-cutting issues. The reports of the Secretary-General and outcomes of the regional implementation meetings, as well as inputs by UN agencies and Major Groups, point to significant linkages among the issues of agriculture, rural development, land, drought, desertification and Africa, and the need for addressing the inter-locking relationships among these issues. This note discusses inter-linkages among the thematic issues, including adaptation to climate change, with the current food crisis as its entry point.

With an increasing number of developing countries facing a growing food crisis, Ministers need to address an inter-related set of questions – What went wrong? Why is it happening now? What were the warning signs? What are the prospects for resolving the crisis? What response measures are required – in the short-, medium- and long-term? This Ministerial Roundtable on “inter-linkages among the thematic issues, including adaptation to climate change” provides a timely opportunity for a critical look at the emergence of the food crisis with a view to arriving at an improved understanding of the linkages among the thematic issues of CSD-16.

Current situation

Recent updates from FAO indicate that international cereal prices have continued to rise in recent months. Prices of rice have registered further increases in the aftermath of export restrictions by traditional producers and exporters. By the end of March wheat and rice prices were about double the levels of 2007. Maize prices were more than one-third higher.

Impacts of world food price increases have been reverberating through many domestic markets. Prices of bread, rice, maize products, milk, oil, soybeans and others basic foods have seen sharp increases in a growing number of developing countries. Worldwide, 37 countries are currently facing food crises in need of international support, with two-thirds of them in Africa. The World Food Programme will need an extra \$755 million this year to meet its food aid target and this additional amount is likely to increase if food prices keep rising and the number of people in need of emergency food aid goes up.

Impacts

The Least Developed Countries and low-income food deficit countries suffer most, as their food import bills go up. Latest estimates by FAO suggest that the food import bill of the world's poorest countries is forecast to rise by 56 percent in 2007/2008, following a rise of 37 percent in 2006/2007. For low-income food-deficit countries in Africa, the cereal import expenditure is projected to increase by 74 percent in 2008/2009.

The poor and vulnerable groups in these countries are struggling to cope with the fallout of the food crisis. They are eking out a living by cutting down on their food intake and buying less

nutritious foods. More and more children are having one meal per day and are going to bed hungry.

Many countries have experienced social unrest as a result of rapid food prices rises and shortages of food supplies. If these circumstances continue, developing countries, especially LDCs and food deficit countries, will face additional barriers in meeting MDG hunger and poverty targets.

Inter-linked causes

How did the current food crisis come about? It seems that a number of related factors, rather than any single one, combined to contribute to the emergence of the current food crisis. Weather-related conditions, especially drought in some main food producing regions, have led to shortfalls in global food harvests. When coupled with gradual reductions in stocks, mainly of cereals, tightening supply in world markets triggered off accelerating price rises in 2007. Changing structure of demand, with shifts toward more meat and dairy products, has intensified demand for feed grains, reducing the land available for growing food crops. Increases in fuel prices have further raised the cost of production, including prices of fertilizers, as well as shipping costs. The emerging biofuels market represents a new and significant source of demand for some agricultural commodities, such as maize, oilseeds and palm oil, which have been predominantly used as food.

There are also longer-term factors behind the current food crisis. Public spending on agriculture relative to GDP has fallen in most regions in recent years, slowing down agricultural productivity growth. Official development assistance for agriculture has been falling in real terms since the 1980s, contributing to declines in investment in agriculture and rural infrastructure. Support for capacity-building and technical assistance to developing countries, including targeted support to small-scale farmers, in particular women, has likewise been scaled back. Agricultural exports from developing countries continue to face tariff hurdles, impeding their access to developed countries' markets. Drought and desertification, exacerbated by climate change, have reduced soil fertility in dry-land areas, home to nearly two billion of the world's population. Water shortages and inefficient water use have further constrained yield potentials.

Responding to the current food crisis and preventing future ones therefore call for an integrated, coherent and multi-pronged approach, addressing both immediate, short-, medium- and long-terms needs while tackling the inter-linked, underlying causes. Recent FAO forecast indicates that world cereal production in 2008 is likely to increase by 2.6 percent to 2,164 million tonnes, if favourable climatic conditions prevail. The projected harvest may help ease the tight supply conditions and provide the necessary time and space for formulating and implementing a coherent strategy addressing the inter-linkages among agriculture, rural development, land, drought, desertification and the special needs of Africa.

Questions for discussions:

1. How could the international community mobilize emergency funds to meet immediate emergency food aid requirements?
2. How could the international community reverse declines in investment in agriculture production and in rural infrastructure?
3. What measures should the international community take to strengthen adaptation to climate change, including in the area of land and water management, development of new crop varieties better adapted to changing climatic conditions, and early warning systems?

4. How can the international food and agricultural institutions, development institutions, international financial institutions and agricultural research centres work together to address the long-term needs of agricultural production in developing countries, in particular in Africa?
5. What measures should be taken to scale up support to small-scale farmers, in particular women?
6. What measures could be taken to make sure that biofuels production meets sustainability criteria?
7. What action can governments take to reinvigorate the agricultural trade negotiations of the Doha Round?
8. What measures can be taken to help foster implementation of the African 10-year framework of programmes on sustainable consumption and production adopted by the African Ministerial Conference on Environment, with its strong focus on agriculture and rural development?