

## UN Food Systems Summit+2 Stocktaking Moment

### SESSION REPORT

All session recordings will be available after the conclusion of the session. Please send the report of your session to Ms. Yota Nicolarea ([Panayota.Nicolarea@fao.org](mailto:Panayota.Nicolarea@fao.org)) and Mr. Thembani Malapela ([Thembani.Malapela@fao.org](mailto:Thembani.Malapela@fao.org)) by Tuesday 1<sup>st</sup> August COB

Type (click one):  HLS/PLENARY –  LEADERSHIP DIALOGUE –  SPECIAL EVENT

### *Trade for food systems transformation*

26 July 2023 : 10:30 – 11:30 CET

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Organization/country: FAO

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List of speakers, in all segments, and key messages

NAME AND TITLE OF SPEAKER	SEGMENT (opening, panel, closing, etc.)	KEY MESSAGES OR/AND RESPONSES TO QUESTIONS
1. Ms. Lauren Philips, Deputy Director, ESP, FAO	Opening	Ms. Philips opened the meeting by greeting and welcoming all the participants to the special event on "Trade for food systems transformation," jointly organized by FAO and UNCTAD. In providing the context to the meeting, she pointed out the crucial role of trade in the needed transformation of global agrifood systems to become more efficient, inclusive, resilient and sustainable. Then, she welcomed the eminent speakers of the panel discussion.
2. Ms Miho Shirotori, Acting Director, Division on International Trade and Commodities	Opening Remarks on behalf of UNCTAD Secretary-General Ms Rebeca Grynspan	Ms. Shirotori mentioned that UNCTAD was pleased to organize the event jointly with FAO. She pointed out the importance of open trade, particularly during times of crisis, for ensuring stability in global agrifood systems and food security. In this regard, trade-restricting measures, such as export restrictions, can negatively impact food security of the most vulnerable.

		<p>Ms Shirotori highlighted that several countries revert to export restrictions during crises and used as examples the COVID-19 pandemic and the war in Ukraine. She also referred to the issue of currency depreciation, highlighting that developing countries often face elevated bill of food and fertilizer imports due to national currency depreciations. Transport costs can also be a major expense when importing supplies from faraway places, requiring more ships and increasing energy prices.</p>
<p>3. Director-General Ngozi Okonjo-Iweala, World Trade Organization</p>	<p>Keynote Message</p>	<p>Ms. Okonjo-Iweala emphasized that open and predictable trade is an indispensable mechanism for people to access affordable food because "one in five calories consumed around the world is traded across an international border". Furthermore, she added that "farm trade rules and policies shape the incentives and influence production, investment and consumption decisions, which are at the centre of the food systems transformation." In her statement, she highlighted the WTO's extensive work towards tackling the food security crisis and improving the efficiency of food and agriculture markets over the past two years. She specifically mentioned the favourable outcomes of the 12th Ministerial Conference (MC12) held in June 2022, which included a declaration for immediate action on food insecurity and a decision to exempt the WFP's food purchases for humanitarian aid from any export restrictions. In conclusion, she put forward three requests to participants: a) use trade as a tool in your toolbox to solve agrifood systems problems; b) urge your trade colleagues to deliver results in the ongoing WTO agriculture negotiations; and c) make full use of the WTO as a tool to transform food systems and help meet the Sustainable Development Goals.</p>
<p>4. The Honourable Vatimi Rayalu, Minister for Agriculture and Waterways, Fiji</p>	<p>Panel</p>	<p>The Minister noted that the agriculture sector has become increasingly crucial for income generation and food security in Fiji due to the devastating impact of the COVID-19 pandemic on the tourism industry. The government of Fiji is collaborating with development partners to strengthen the linkages between the agriculture and tourism sectors, which will help local farmers and the economy.</p>

		<p>Fiji currently depends on imported produce to fulfil the tourism sector's demand for fresh fruit, vegetables, meat, seafood, and dairy products. However, this comes with challenges, such as high transportation costs and limited access to technologies.</p>
<p>5. H.E. Josefa Leonel Correia Sacko, Commissioner for Rural Economy and Agriculture, African Union Commission</p>	<p>Panel</p>	<p>Ms. Sacko underlined that the implementation of the African Continental Free Trade Area (AfCFTA) is a top priority for the African Union this year. She noted that it is a powerful tool that is expected to become operational soon, as this agreement is considered one of the largest free trade areas in the world and has been described as a global economic engine.</p> <p>Agriculture is a crucial economic sector for Africa, accounting for 70% of the continent's GDP. Therefore, it is vital for food security, employment, and exports. Agricultural trade is particularly important, and AfCFTA is expected to increase trade in food products by 20-30 percent. Currently, African trade faces high barriers compared to other regions, but this trade agreement is set to lower them. Small-scale farmers will be connected with the value chains, making this agreement even more beneficial for the African economy.</p>
<p>6. H.E. Ambassador Miguel Jorge García Winder, Permanent Representative of Mexico to FAO</p>	<p>Panel</p>	<p>Ambassador Winder commenced his remarks by stating the need to focus on the crucial role of trade and consider how we can make it more beneficial for everyone. There are several key factors that we need to consider to achieve this. The first is to shift the perception of trade and ensure that it is seen as a positive force for all. Secondly, to ensure that trade is fair and equitable for everyone involved. At present, only a few are benefiting from trade, and this needs to change. He also noted the need to address critical issues such as gender, child labour, and trade-related socio-economic factors. He underpinned that the focus should be on setting a new agenda that takes into account the balance of power and addresses environmental standards in a way that is fair and equitable for all countries. As he highlighted, transforming agrifood systems is essential not only for food security but also for the future of our planet. We need to think creatively and find innovative solutions to address these challenges.</p>

<p>7. Mohammad Abdur Razzaque Minister of Agriculture, Bangladesh</p>	<p>Panel</p>	<p>The Minister pointed out that trade plays a significant role in the agrifood transformation in Bangladesh. To meet the growing demand for food, the country imports commodities such as maize from international markets. As the economy grows, there is an increased need for animal-source products. The crisis in Europe has resulted in higher prices, but subsidies have been raised to prevent production from being affected. Several initiatives have been taken to ensure major food products are available to meet domestic demand, including providing safe and nutritious food, improving infrastructure and the business environment, facilitating trade, addressing barriers, and enhancing market participation. These efforts aim to make the system more efficient and transformative.</p>
<p>8. Mr John Clarke, Director for International Relations, Directorate-General for Agriculture and Rural Development (DG AGRI), European Commission</p>	<p>Panel</p>	<p>Mr. Clarke emphasized that the significance of trade has evolved to include promoting sustainability and other vital objectives. He noted that the EU is taking action across various levels. At bilateral level, the EU works with partners to encourage trade that meets climate change goals and production standards. For instance, the new trade agreement with New Zealand includes sustainable production practices for getting market access for beef. At the global level, the EU partakes in summits and the World Trade Organization to reform agricultural subsidies and eliminate export restrictions that harm food-importing countries. He added that the EU acknowledges the essential role played by the WTO and trade policies in promoting sustainability. Finally, Mr Clarke underscored that the EU is implementing measures to prohibit importing products produced through practices such as deforestation and forced labour into the EU markets.</p>
<p>9. Mr Jean-Marie Paugam, Deputy Director-General, WTO</p>	<p>Panel</p>	<p>Mr. Paugam noted the importance of maintaining effort against export restrictions, in particular after the end of the Black Sea Grains Initiative, as the most effective way to keep prices under control is through unimpeded trade. In the short term, reforms to fishery subsidies and completing part 2 of the agreement on overfishing and overcapacity, in the WTO context, are necessary.</p>

		He also underscored the importance of implementing significant reforms to trade-distorting public stockholding at non-market prices in the short term. This has been a contentious issue among WTO members, but finding a balance between production and trade is crucial for food security. The cooperation of both agricultural and trade ministers, alongside political will, is required to achieve these goals.
10. Ms Olga Algayerova, Executive Secretary, United Nations Economic Commission for Europe	Panel	Ms. Algayerova emphasized the importance of recognizing that Agenda 2030 is interconnected and cannot function in isolation. Prioritizing safety at every step of the value chain is crucial for consumer protection, trade facilitation, and inclusive market access for farmers. This involves embracing sustainable production practices and adhering to established standards. She also noted that traceability within the supply chain is essential as it promotes diversity and builds resilience in agrifood systems. The impact of the trade of fresh fruits and vegetables cannot be underestimated. Electronic trade facilitation and digital tools are essential to streamline processes, mentioning as an example the blockchain technologies which can enhance traceability and transparency in supply chains.
11. Mr Joachim von Braun, Professor for Economic and Technological Change at the Center for Development Research (ZEF), Bonn University	Closing Remarks	Mr. Braun highlighted the significance of rules-based trading system in addressing climate change and achieving SDG 2. A comprehensive approach driven by global cooperation is vital for transforming the agrifood system, and we must prepare for this opportunity. Trade facilitation and investment in capacity building are central to this transformation. He also noted the importance of considering the impact of food trade on land and water to avoid harming the environment. While trade policies are necessary, trade alone cannot achieve social and economic goals. Therefore, transparency and fair pricing are essential, particularly in extreme situations.

Interventions from the floor : No Interventions were made during this event

SPEAKER	QUESTION OR KEY POINT OF INTERVENTION

Overall summary, conclusions and recommended actions (max 250 words)

1. International trade should form an integral part of national and global agrifood systems, as it enables balancing global food deficits and surpluses and contributes to satisfying the other dimensions of food security, thereby contributing to SDG 2 on Zero Hunger.
2. Recent shocks in global food markets, such as extreme weather events, the global pandemic, economic downturns and the war in Ukraine, together with volatility in energy markets, have posed serious challenges to the sustainability of global agrifood systems and highlighted the importance of keeping trade open and predictable. The impacts of shocks are uneven, generally hitting small and remote countries harder than others.
3. In the context of climate change, open and well-functioning global markets can strengthen the adaptation role of trade and promote food security and better nutrition in countries adversely affected by increasing temperatures and extreme weather events.
4. International cooperation and collaboration among all the stakeholders at the national level are necessary conditions for the successful contribution of international trade to food security and sustainable development.