

High-Level Task Force on the
Global Food Security Crisis

Outcomes and Actions for Global Food Security

*Excerpts from “Comprehensive Framework
for Action”, July 2008*



A Way Forward on the Global Food Security Crisis: An Overview of Outcomes and Actions

The High-Level Task Force (HLTF) on the Global Food Security Crisis was formed in 2008 to create a plan of action for addressing the current crisis and coordinate its implementation. The Comprehensive Framework for Action (CFA) responds to this request by providing governments, international and regional agencies and organizations and civil society groups a range of outcomes and actions which could form the basis of responses to the crisis.



The Crisis

Nearly a billion of the world's poor and vulnerable people – 15% of our total population – are in danger because they cannot be sure of getting the food that children and adults need for healthy and productive lives. Many of them go to bed, and wake up, hungry. They are unable to realize their right to food. As was evident during the dramatic food price spikes in 2008, the cost of food is now so volatile as to threaten people's food and nutrition security and create a host of humanitarian, human rights, socio-economic, environmental, developmental, political and security-related challenges. The world is experiencing a global food security crisis. Unless action is taken now, we will see a reversal in the critical gains made in recent years toward reducing poverty and hunger as outlined in the Millennium Development Goals (MDGs). This requires an urgent comprehensive, coherent, and coordinated response.

Volatile food prices result from the cumulative effects of long-term trends, more recent supply and demand dynamics, and responses. While some commodity price levels have stabilized of late, over the medium to long term food prices are expected to remain significantly higher than their 2004 levels, posing a continuing challenge to poorer people.

The global food crisis is exposing existing and potential vulnerabilities of households, governments and the international system to food and nutrition insecurity. Already before the rapid rise in food prices, some 854 million people worldwide were estimated to be undernourished. The crisis has driven another 100 million more people into poverty and hunger. While risks may be more pronounced in urban areas, they are significant in rural areas as well, where globally 75

percent of the poor reside. Most of the rural poor are smallholder farmers whose capacities to benefit from high food prices are severely constrained by lack of inputs, investment and access to markets. High food prices, together with rising fuel prices, have also contributed to increases in observed inflation rates which adversely affect the balance of payments of net food-importing countries and their response capacities. Lastly, rising food prices bring the threat of unrest and political instability, particularly in institutionally fragile countries.

Long-Term Vulnerability

The crisis also underscores the urgent need to improve food and nutrition security worldwide, systematically and sustainably, by going well beyond the immediate emergency response. Scaling up safety nets that improve productivity and promoting agricultural investments that focus on smallholder farmers and rural development can turn agriculture into a vibrant economic sector with positive effects on poverty reduction. Increased productivity must be accompanied by investment into local and regional market development and adjustments of distorting trade practices. At the same time it is vital not to lose sight of the need to move towards fully sustainable models of agricultural production and to avoid environmental damage. Comprehensive, targeted social protection systems that achieve universal coverage of vulnerable groups and link to other basic social services will build resilience to future shocks. All are crucial steps in realizing the right to food beyond the immediate emergency context. Finally, there is a clear opportunity for international leadership in adopting a renewed strategic stance on key issues, such as agricultural trade, biofuels, and management of food price risks, to tackle food market volatilities.

The Comprehensive Framework for Action (CFA) presents two sets of actions to promote a comprehensive response to the global food crisis. Both require urgent attention. The first set focuses on meeting the immediate needs of vulnerable populations. The second set builds resilience and contributes to global food and nutrition security. In order to support these two sets of actions, the CFA also suggests strengthening coordination, assessments, monitoring, and surveillance systems. These actions are neither exhaustive nor exclusive. They are intended to guide assessments and strategies developed at the country level and support international coordination efforts.

A Twin-Track Response

To meet the immediate needs of vulnerable populations, the CFA proposes four key outcomes to be advanced through a menu of different actions: **1) emergency food assistance, nutrition interventions and safety nets to be enhanced and made more accessible; 2) smallholder farmer food production to be boosted; 3) trade and tax policies to be adjusted; and 4) macroeconomic implications to be managed.** Each outcome has a menu of actions from which to choose.

To build resilience and contribute to global food and nutrition security in the longer-term, four additional critical outcomes are put forward: **1) social protection systems to be expanded; 2) smallholder farmer-led food**

availability growth to be sustained; 3) international food markets to be improved; and 4) international biofuel consensus to be developed.

Given the immediate consequences of the food crisis, especially for vulnerable groups, countries have already mobilized resources to provide additional food assistance and other safety nets, assist farmers to maintain and boost productivity in the next growing seasons, and begin implementing policy reforms to improve access to food and agricultural inputs. In many countries, the members of the High-Level Task Force (HLTF), regional development banks, bilateral agencies, local and international Non-Governmental Organizations (NGOs) and the Red Cross/Red Crescent Movement have been supporting these efforts.

The CFA outlines that leadership will need to come at all levels. At the country-level, national governments, supported by donors, technical agencies, the private sector, civil society and NGOs will need to take concerted action. The CFA identifies modalities that can be adapted by countries to achieve improved food and nutrition security outcomes: establish country-level 'partnerships for food' which build on existing mechanisms and programs, ensure ongoing shared assessment and analysis, consolidate actions to avoid overlaps and identify gaps, review existing monitoring mechanisms, and promote effective public communications.

At the regional-level, the CFA encourages partnership with regional and sub-regional organizations, and with the regional development banks to enhance coordination of analysis, monitoring and responses to the food crisis according to context. Finally, at the international-level, a strong global partnership focusing on nutrition, food security and smallholder agriculture must support intensified actions by all stakeholders in a comprehensive, coordinated, and coherent manner. This is vital as many factors underlying the food crisis are global in nature and require actions across country and regional borders. The HLTF will continue to support country and regional coordination, and offer a center of gravity for closer cooperation at the global level. The global partnership has been called for by the African Union and G8 in July 2008, as well as other political bodies including the European Union. The HLTF could facilitate its evolution and assist by monitoring and assessing of progress made with implementing the CFA.

The financial implications related to this crisis will be considerable, will exceed the response thus far, and will require substantial political and financial commitments, from national governments first and foremost, but also from the private sector, civil society and the international system. Existing studies estimate the global incremental financing requirements for food assistance, social protection, agricultural development, budget and balance of payment support at between US\$ 25 – 40 billion per annum to maintain progress towards achievement of MDG 1. Approximately one third of such amounts would be needed to finance immediate requirements in terms of food assistance, agricultural inputs and budgetary and balance of payments support, and two thirds to invest in building longer-term resilience and contributing to food and nutritional security. As the CFA is not an investment program, it does not provide for detailed costing. In order to be more precise, governments, their non-governmental partners, and HLTF agencies are estimating country-specific needs on the basis of prioritized national plans to ensure food security for all.

Public spending and private investment must be scaled up immediately. This will be critical to creating a positive policy, institutional and physical environment

for private sector involvement and investments, in order to ensure the longer-term recovery of agriculture as a viable sector of a country's economy.

In the Comprehensive Framework for Action, the HLTF calls on developing countries to allocate additional budgetary resources for social protection systems and to increase the share of agriculture in their public expenditure. Recognizing developed countries' intention to increase their Overseas Development Assistance (ODA) to 0.7% Gross National Income, and emphasizing the need for additional financial sources to improve food security, sustainably, the HLTF urges donor countries to double ODA for food assistance, other types of nutritional support and safety net programs, and to increase the percentage of ODA to be invested in food security and agricultural development from the current 3% to 10% within 5 years (and beyond if needed) to reverse the historic under-investment in agriculture.

The HLTF also appeals for more flexibility and predictability in funding of food assistance and safety nets, an exemption to export restrictions for humanitarian food purchases, unhindered movement of humanitarian food across and within borders and better access to food stocks through establishment of physical or virtual humanitarian food reserves.

Increased allocations should be additional to current funding levels and not divert resources from other critical social sectors necessary to achieve the MDGs, such as education and health. Actions to achieve CFA outcomes will make use of institutional and financial systems to deliver at the country level, along the provisions of the Paris Declaration on Aid Effectiveness. At the global level, the HLTF will promote synergy in responding to the crisis, including more predictability and flexibility in funding, through joint advocacy efforts.

The outcomes and actions identified in the CFA can only be achieved through partnership at all levels. The HLTF will continue to provide leadership and coordination in this respect, to help national Governments and affected communities address what constitutes a global challenge.

Outcomes and Actions

In order to respond to these threats and opportunities two sets of actions have been identified. While both sets of actions require urgent attention, the first set is focused on outcomes to address the immediate plight of vulnerable people as both consumers and producers of food. The second set provides the basis for outcomes that address structural issues, build resilience and contribute to sustainable improvements in global food and nutrition security. It is also acknowledged that a series of actions is needed towards strengthening and coordinating assessments, monitoring and surveillance systems in order to meet all outcomes.

Meeting Immediate Needs of Vulnerable Populations

Four basic outcomes have been identified to improve access to food and nutrition support and increase food availability. Each outcome is supported by a list of immediate actions to be taken.



1. Emergency food assistance, nutrition interventions and safety nets enhanced and made more accessible

- **Ensure that emergency needs are fully met**, including by scaling up food assistance, nutrition interventions, and safety net programs, such as school feeding and job creation schemes, to address hunger and malnutrition in the most vulnerable populations.
- **Protect basic consumption needs of the poor**, including unconditional transfers to vulnerable groups, such as the elderly and disabled, internally displaced persons, refugees, female headed households, orphaned and vulnerable children. Assistance can be provided in the form of food aid, vouchers or cash transfers, taking into account the nutritional and dietary needs of recipients, local food market conditions and financial infrastructures. Unconditional transfers can go hand in hand with self-targeting programs which engage beneficiaries in training, asset and job creation. Channeling food assistance via women should be encouraged and opportunities to improve program efficiency should be pursued.
- **Scale up nutritional support through safety nets to meet specific food and nutrition needs of vulnerable groups and prevent longer-term health consequences.** For instance, mother and child health programs can address nutritional deficiencies with focused preventative and treatment programs, using multi-micronutrient supplementation for pregnant women and nursing mothers as well as timely complementary feeding for infants and young children with quality foods and nutrient products. Assistance can be provided in conjunction with improved access to primary health care services and a campaign to promote breastfeeding, food hygiene and dispel inappropriate

food taboos and restrictions. Nutrition interventions should follow a coordinated approach.

- **Support management of under-nutrition, including therapeutic feeding to treat severe acute malnutrition of children.** Capacity building is required in improved management of moderate and severe under-nutrition and the provision of adequate supplies of therapeutic foods through community-based interventions.

Topic: Safety Nets

*For a detailed discussion of **Safety Nets in the Context of the Food Crisis**, see “Comprehensive Framework for Action,” page 7.*

- **Promote school feeding to address hunger among children, improve their enrolment and attendance in school.** As in the case of mother and child health programs, school feeding can make use of micro-nutrient fortified foods, though nutrition may not be the primary objective of the intervention. School feeding may further serve as a platform to reach out to other needy household members through take-home rations.
- **Adjust pensions and other social protection programs with broad coverage to account for food prices in cases where these are not indexed to cost of living or are adjusted only on an annual basis.** Such adjustments can be an important, visible response by government, which does not require additional implementation capacity. Food insecure people who do not benefit from existing schemes should be integrated as quickly as possible.
- **Allow free and predictable flow of assistance to countries most in need.** The current donor practice of earmarking contributions may inadvertently result in cutbacks of humanitarian projects in those countries in need which are short of donor support. The recent crisis has encouraged a number of donor countries to partially or fully un-earmark contributions and to provide more assistance in the form of untied cash. Others have come through with multi-year commitments. Such increased funding predictability and flexibility in the use of resources should be encouraged.
- **Ensure that local purchases of food for humanitarian purposes are exempt from export restrictions** and extraordinary export taxes, and ensure unhindered and safe movement of humanitarian food within and across borders.

Topic: Local Food Purchase

*For a detailed discussion of **Local Food Purchase**, see “Comprehensive Framework for Action,” page 9.*

- **Explore the possibility of the establishment of actual or virtual humanitarian food reserves.** This would facilitate a rapid response to fast-developing humanitarian situations as well as building confidence in markets.

2. Smallholder Farmer Food Production Boosted

- **Provide productivity-enhancing safety nets to poor smallholder farmers** by supplying critical inputs such as locally adapted quality seeds, fertilizer, animal feed, small irrigation pumps, and veterinary drugs and services. Technical advice, market and price information, local seed multiplication and targeted interventions for women farmers, ethnic minorities and other vulnerable groups should be included. Restrictions on imports and other taxes should be reduced. For landless rural poor people, a similar package could be provided together with access to small cultivation plots for market or kitchen gardens.
- **Rehabilitate rural and agricultural infrastructure to help remove infrastructural barriers to domestic trade and flows of food.** Expanding ongoing efforts to rehabilitate small scale irrigation structures, storage facilities, rural roads, soil conservation schemes to restore soil fertility. These initiatives can be supported by cash or food for work programs.

Topic: Agricultural Production

*For a detailed discussion of **Agricultural Production for Food Security**, see “Comprehensive Framework for Action,” page 10.*

- **Reduce post-harvest crop losses and improve household and community based food stocks** through pest and disease control and post harvest support for storage rehabilitation, supply of small scale silos, small processing equipment and improvement of storage techniques, and by reinforcing extension services with inputs, refresher training and logistics.
- **Remove artificial constraints to domestic trade throughout the food chain in order to link smallholder farmers to markets**, including removal of bureaucratic barriers to transporting and trading inputs and food, “informal” taxation, etc. Such interventions could address quality of produce; reliability of supply; efficiency improvements; waste reduction; collective marketing; investments in small-scale market infrastructure; value addition activities such as rural processing; and facilitation of contractual arrangements between smallholders and companies.
- **Improve animal health services.** In many countries, animals are an important source of power for plowing, harvesting and transport, and of food and nutrition. Animals can also serve as an informal means of savings and generation of cash for input, investment and food purchases. The availability and quality of animal health services and medicines and feed are important to protect smallholder assets and to support crop production, nutrition and livelihoods.

Topic: Food-Fuel Poverty Nexus

*For a detailed discussion of **The Food-Fuel Poverty Nexus**, see “Comprehensive Framework for Action,” page 10.*

3. Trade and tax policy adjusted

- **Immediately review trade and taxation policy options and their likely impacts on the poor**, consumers and farmers, as well as implications for government revenues, international food markets and commitment to enhanced international trade.
- **Use strategic grain reserves to stabilize prices in countries with existing stocks**, particularly where they can be channeled to food assistance programs and to dampen price fluctuations. Grain reserves require good stocks management and market information to ensure effectiveness of price response in the market.
- **Avoid generalized food subsidies which have high fiscal costs and divert public resources from support to the poor.** While some programs try to improve efficiency by focusing on specific foods or qualities of foods more likely to be consumed by the poor, these programs are difficult to administer and often encourage smuggling of the subsidized food items to neighboring countries. These programs, once in place, are generally politically difficult to phase out when better targeted mechanisms are developed or when food prices fall.

Topic: Export Management

*For a detailed discussion of **Export Management**, see "Comprehensive Framework for Action," page 12.*

Food exporting countries:

- **Minimize use of export restrictions which in food crisis situations may increase volatility of international prices**, depress incentives for farmers to invest in food production, encourage smuggling, and undermine progress towards multilateral trade reforms and freer trade in the agriculture sector.
- **Reduce restrictions on use of stocks to support humanitarian needs and international trade in periods of significant market turmoil.** This benefits all countries through reduced price volatility.

Food deficit and importing countries:

- **Reduce import tariffs and other restrictions, as appropriate, on food commodities and agricultural inputs.** While trade liberalization generally has a positive overall impact on an economy, governments should anticipate the impact on the domestic agricultural sector, including smallholder farmers, as well as government revenue losses and balance of payments effects.
- **Improve efficiency of trade facilitation to reduce cost and time required for import of critical food and agricultural inputs.** These costs can often be significantly reduced through rapid upgrading of documentation and procedures, and infrastructure improvements.
- **Temporarily reduce VAT and other taxes on food and critical agricultural inputs where taxes represent a significant proportion of**

the retail prices. Tax reductions are generally less difficult to administer than a subsidy program. However, governments need to anticipate the potential side-effects of public revenue losses to avoid negative longer-term impacts on other priority expenditures in support of poverty reduction and economic growth.

4. Macro-economic implications managed

- **Hold down core inflation and inflation expectations by setting a sufficiently firm monetary policy stance** to prevent spillover of higher food and energy prices into more generalized inflation. Central banks and monetary authorities can prevent the pass-through of large shocks as a result of volatile food (and energy) prices from generating persistently higher inflation by holding down core inflation and inflation expectations through setting and sticking to sufficiently firm monetary policy stance. For developing countries, this may be particularly challenging as a tight monetary policy could induce slower growth or provoke a recession. However, the repercussions of allowing rising inflation through accommodative monetary policy will be even more damaging to growth prospects and the progress made in reducing poverty in many developing countries.
- **Assess the impacts on the balance of payments and feasibility/sustainability of a reserve drawdown.** Some countries will be able to finance higher net food imports from their reserves—at least initially. This will give time to adjust the composition of demand and to stimulate domestic agricultural production. However, net food importing developing countries with insufficient reserves, rising import bills and deteriorating terms of trade (i.e. the unit value of imports rising faster than the unit value of exports) will need balance of payments support, or risk currency depreciation which would further raise the domestic price of food.
- **Mobilize external support to finance additional food imports.** For countries with inadequate reserves, additional resources must be mobilized rapidly to pay for food imports. Such resources can come from either bilateral donors or international financial institutions in the form of grantbased humanitarian aid, increases in ODA or direct balance of payments support.
- **Ensure adequate levels of foreign exchange reserves,** including through reducing non-essential imports by the government, and/or increasing exports once immediate food import needs are met.
- **Assess and comprehensively cost all fiscal measures taken in response to the rise in food prices.** All measures, whether in the form of additional public expenditure on support programs for producers or consumers, or tax or import tariff reductions, need to be accurately costed for immediate and medium term consequences. Some governments will need external assistance in the form of budget support to fiscally cope with the crisis.

Topic: Inflation and Food Prices

*For a detailed discussion of **Inflation and Food Prices**, see “Comprehensive Framework for Action,” page 14.*

Building Longer-Term Resilience and Contributing to Global Food and Nutrition Security

Four basic outcomes have been identified to address the underlying factors which have driven the food price crisis. Each outcome is supported by a list of actions to be taken now to yield long-term results.



1. Social protection systems expanded

- **Strengthen capacity to design and implement social protection policies and programs** to provide the basis for introducing and/or scaling up existing targeted assistance programs. Countries need to be prepared with the policy framework and technical capacities to rapidly respond to crises so that the programs and policies adopted are well designed and become an asset in reducing poverty following any crisis, rather than a fiscal and political liability which is difficult to wind down or replicate.
- **Move towards more efficient programs** as the mechanisms for beneficiary selection and the toolbox for effective program delivery are fine-tuned and improved, in accordance with country-level capacity. Ensure accountability and transparency in the use of resources as a means to increase civic responsibility and confidence in the equity and effectiveness of social protection systems.
- **Identify alternatives to unconditional assistance** through linkages to other social sector programs, using a combination of food and cash inputs. Conditional transfers can be based on means testing to assist specific population groups. Food/Cash-For-Work, for example, are forms of conditional transfer that can effectively engage the unemployed, yet able bodied, in the rehabilitation of small scale infrastructure and agricultural assets with lasting benefits for the community, while at the same time covering the immediate needs of participants. Food/Cash-For- Training is yet another form of conditional transfers. It assists people in adopting skills, (re-) entering the labor market and becoming more self-sustainable. School feeding can be an effective incentive to improve school enrolment and attendance among children, in

particular girls. In order to enhance the nutritional aspect of the program, it should aim at integrating food and nutrition education into the school curriculum.

- **Improve the quality and diversity of foods channeled through nutrition interventions to highly vulnerable groups.** Promote closer involvement of medium and small scale businesses in producing micronutrient fortified foods at the country level. Support should be given to the production of high nutritional quality products, e.g. horticultural products.

2. Smallholder Farmer Food Production Growth Sustained

- **Improve the enabling policy framework by reviewing current macroeconomic, budget, trade and sectoral policy** impacts on incentives for smallholder production and development of input and output markets serving smallholders. National and international stakeholders should promote macroeconomic, agriculture and food policies conducive to increasing public and private sector investments in food supply and that acknowledge the critical role of smallholder farmers (especially women).

Topic: Urban Food Security

*For a detailed discussion of **Food Security for the Urban Poor and Balanced Regional Growth**, see “Comprehensive Framework for Action,” page 15.*

- **Stimulate private investment in agriculture in order for agriculture to serve as a sustainable and competitive source of growth and jobs** for the national economy, and a prime driver of agriculturerelated industries and the rural non-farm economy while protecting the environment. This entails creating a more conducive climate for investment, including well defined and transparent business regulations, contract enforcement, improvements in basic transport, communication and power infrastructure, and investments in basic education and health services. Effective public investment in rural development should provide the basis for increasing private investments in businesses which provide inputs and services to smallholders, as well as expansion of agricultural marketing and processing enterprises which integrate smallholders into domestic and international food supply chains.

Topic: Sustainable Food Production

*For a detailed discussion of **Sustainable Food Production Systems: Soil Fertility and Conservation Agriculture**, see “Comprehensive Framework for Action,” page 18.*

- **Ensure secure access to and better management of natural resources**, including land, water, and biodiversity. An ecosystems management approach must be mainstreamed into national agriculture plans. This includes the development of transparent, equitable, gender-sensitive and context appropriate

natural resources policies such as integrated water resource management (IWRM). In addition, a transparent land tenure policy for managing land effectively while securing access to land rights for communities or individuals, particularly marginalized groups (e.g. indigenous people, women) is critical to long term sustainability and growth. The better defined and more secure tenure or use rights, the more sustainably those resources are managed. Natural resource management policies should consider issues of biodiversity, ecosystem management, and environmental governance.

- **Invest in agricultural research on food crops, animal production, and inland fisheries.** Promote technology dissemination for improving food security in the context of climate change. Specific efforts should be made to develop research on orphan food crops such as the tropical roots and tubers (cassava, yams), and neglected grains (millet, sorghum); to devise and disseminate technologies for improved soil fertility (e.g. conservation agriculture); and to support adaptive research within the food chains using already known technologies. This implies promoting approaches to information, knowledge sharing and learning that are better adapted to the needs of small farmers (e.g. farmer-to farmer exchange, farmer field schools.)

Topic: Development of Private Sector Market Linkages

*For a detailed discussion of **Development of Private Sector Market Linkages with Smallholders**, see “Comprehensive Framework for Action,” page 19.*

- **Improve rural infrastructure such as roads, irrigation and electrification to remove bottlenecks in marketing, reduce transaction costs and boost productivity.** To stimulate private investments, infrastructure needs to be properly targeted to support food production and marketing. Investments need to be financially efficient and sustainable with provisions for operation, maintenance and depreciation/renewal.
- **Ensure sustained access to competitive, transparent and private-sector-led markets for food produce and quality inputs, focusing on the key food commodity chains** (from producer to consumer) and their stakeholders (producers, traders, processors, government, etc.). Include privatesector- based networks of agricultural input dealers (e.g. seed, fertilizer, equipment, animal feed) tailored to the needs of smallholder farmers. Strengthen market linkages, especially between farmers and food traders and processors (through e.g. contract farming). Promote fairer distribution of value added among value chain actors by developing food processing, packaging, distribution and marketing enterprises.

Topic: Agricultural Technology

*For a detailed discussion of **Agricultural Technology**, see “Comprehensive Framework for Action,” page 21.*

- **Support development of producer organizations.** Strengthened farmer and producer organizations enable smallholders and other actors in the food chain to reduce costs, manage common resources and learn together. Producer organizations also need support at local, national and regional levels to improve bargaining power in policy dialogue and within food value chains.
- **Strengthen access of smallholders and other food chain actors to financial and risk management instruments to increase farm-level investments, boost productivity, and enhance assets.** Agricultural financial services remain underdeveloped. There is a need to expand the outreach of rural financial institutions and to develop new products for food production and marketing that enable investments while reducing risks. Examples include leasing, insurance (for risk mitigation, including for climatic risks), matching grants, warehouse receipt systems, commodity-based financial products, and overdraft facilities for input dealers. Financial services should be delivered along with good practice principles by professional financial institutions; governments should avoid interfering in the provision of credit at retail level.

Topic: Speculative Investments in Food Markets

*For a detailed discussion of **Regulating the Role Speculative Investments in Food Markets**, see “Comprehensive Framework for Action,” page 21.*

3. International food markets improved

- **Reduce/eliminate agricultural trade distortions**, in particular subsidies and market restrictions, in higher income countries which undermine incentives for farmers in lower income countries and impede progress on the broader free trade agenda.
- **Rapidly complete the Doha Round of trade negotiations** to provide an enhanced set of agreed rules for a more transparent and fair international trading system, taking into account the food security, livelihood security and rural development needs of developing countries. The WTO Marrakesh Decision on the Possible Negative Effects of the Reform Process on LDCs and Net Food Importing Developing Countries could be used to effectively assist these countries during a transitional period of higher food prices stemming from the implementation of the reforms.

Topic: Ecosystems are Key to Food Security

*For a detailed discussion of **Ecosystems are Key to Food Security**, see “Comprehensive Framework for Action,” page 21.*

- **Implement “Aid for Trade” to strengthen capacity of developing countries to engage in and realize benefits from international trade**

in food products. This can include building capacity to utilize the provisions of trade agreements effectively and design and implement appropriate policies, assistance with supply constraints as well market access impediments such as quality and phytosanitary standards, labeling and other market access requirements.

- **Strengthen analysis and oversight of food commodity and futures markets** to limit scope for speculation to increase price volatility. Additional analysis is urgently needed to assess evidence that speculative investments by financial funds seeking to hedge inflation and the weakening of US dollar may have increased volatility of agricultural, gold and oil markets. Given the direct impact of volatility in food markets on the poor, the analysis may point to the need for additional precautions to ensure that the use of these markets for quick financial gain does not dominate their role as a means for agricultural markets to manage their own risks.

Topic: Food Stocks

*For a detailed discussion of **Food Stocks**, see “Comprehensive Framework for Action,” page 21.*

- **Build capacity for international financial markets to better meet needs of lower-income countries** through development of price and weather risk transfer instruments which can reduce the fiscal impact of responding to a food crisis by shifting the risk to financial markets while ensuring that appropriate market safeguards are in place to limit speculation-driven volatility. Pilot activities linking lower income countries to futures and options markets, commodity exchanges, weather indexed bond markets and weather reinsurance markets need to be scaled up, and include intermediation support from international financial institutions.
- **Support development of regional or global mechanisms for improving emergency access to food** through stocks sharing and reduced restrictions on the release of stocks to other countries under emergency conditions, including humanitarian crises. Efforts to rebuild and improve the management of household, community and national stocks should be complemented with regional and global stocks and related mechanisms to ensure food access. Stocks should be released strategically to support programs which facilitate food access to the most vulnerable population and dampen price fluctuations. Use of options contracts, “virtual stocks” or similar mechanisms could address past difficulties in predicting costs and ensure timely delivery. Food stocks management should improve with closer involvement of the private sector.

4. International biofuel consensus developed

- **Prepare a common reference framework for sustainable biofuel development and enforcement mechanisms.** Sustainability principles should be based on an internationally agreed standard that satisfies international trade law requirements, and should take into account environmental, social and institutional factors. For example, ensuring sustainable use of natural resources, particularly land and water, and reducing in greenhouse gas emissions; generating

benefits for local communities; and undertaking stakeholder consultation in the preparation of biofuels investments.

- **Develop biofuel guidelines and safeguard measures that minimize adverse impacts on global food security and the environment, to mitigate risks of biofuel development in the short and medium term.**

Guidelines should build upon good practices, including ex-ante assessments of the impacts of policies or commercial activities that use food crops as feedstock, or change land ownership and use, as well as assessments of impacts of biofuel production on food prices at national and global.

- **Re-assess biofuel targets, subsidies and tariffs to reduce pressures on grain and oilseed demand and food prices** and allow the potential benefits of biofuels to be gained without the negative consequences. Phasing out production subsidies, combined with simultaneous tariff reductions, would allow biofuels to be produced from the most efficient feedstock and by the lowest cost producers.

- **Facilitate private investments in biofuel production in developing countries to diversify energy sources and reduce volatility** in both food and energy markets, provided that appropriate safeguards are in place for vulnerable groups. Many developing countries have a comparative advantage in biofuel production—such as sugar cane, sweet sorghum, jathropa, palm oil, and others, including also from second generation stocks such as sugar cane residue. Countries may need assistance to design adequate market and regulatory frameworks for private sector investments.

- **Promote research and development, knowledge exchange and capacity building** such as accelerating research and development for first generation technologies for non-food biofuel crops as well as second-generation technologies, especially those adapted to developing countries, which are focused on cellulose from stalks and leaves, and waste and residues rather than food sources. Studies on efficiency improvements for biofuels should also be strengthened.

Supporting Information Systems

Stronger assessment, monitoring and surveillance systems are needed to better prepare for tomorrow's crises and to ensure that actions taken by governments and the international community are minimizing risks and mitigating the effects of high food prices on the most vulnerable. The CFA identified the following outcome supported by a list of actions:



Global information and monitoring systems strengthened

- **Establish better coordination of information systems to facilitate a comprehensive analysis and response to the global food crisis.** Currently there are several complementary or overlapping information systems which, together, can provide a systematic understanding of countries at-risk and trends in food markets across the different dimensions of poverty, vulnerability, production and trade. At the same time, this information needs to be comparable with other national and international programs and link to decision-makers as well key civil society stakeholders such as smallholder farmers, in order to help ensure progress towards the outcomes and objectives of the CFA.
- **Carry out comprehensive assessments and monitoring in selected most vulnerable countries,** including an analysis of all factors, policies and trends which may impact food price levels and transmissions, local food availability, access and utilization.
- **Undertake an analysis of health and nutrition impact of the increased food prices.** The analysis should determine how many people are affected by food and nutrition insecurity and indicate which groups are most affected (age, gender, livelihood and geographical area (urban/rural). It will be based on data collected through a variety of sources, capturing households' incomes, expenditures (food and non-food), food sources, food consumption patterns and coping mechanisms. It will also include the expected impact of the measures on international trade on the diet and health of the populations affected by the food crisis

- **Conduct health and nutrition assessments and set up a nutritional surveillance system**, focusing on highly vulnerable groups, such as pregnant women, children under the age of three, the elderly and those suffering from infectious diseases. Assessments should account for nutritional deficiencies that have a range of causes, including insufficient access to quality foods, care, hygiene, water and diseases.
- **Analyze the policy options for easing pressure on food prices and identify programmatic approaches for channelling immediate assistance** to improve the food and nutrition security of vulnerable communities. Policy and programmatic options should be based on country and regional capacities and those of international aid partners and the assessment of risk management capacities at different levels (regional, national, community and households).
- **Review contingency plans** and strengthen early warning systems to take account of risks, impact, capacities and response mechanisms.

Resources & Useful Links

Comprehensive Framework for Action

<http://www.un.org/issues/food/taskforce/Documentation/CFA%20Web.pdf>

Food crisis: Scarcity amid plenty (DESA News, vol. 12, No. 5)

<http://www.un.org/esa/desa/desaNews/v12n05/feature.html#food>

Health Impacts of the Global Food Security Crisis (World Health Organization)

http://www.who.int/food_crisis/en/index.html

Millennium Development Goals (MDGs)

<http://www.un.org/millenniumgoals/>

Right to Food

http://www.fao.org/righttofood/index_en.htm

ReliefWeb

<http://www.reliefweb.int/rw/dbc.nsf/doc100?OpenForm>

Secretary-General's High Level Task Force on the Global Food Security Crisis

<http://www.un.org/issues/food/taskforce/links.shtml>

Special Meeting of ECOSOC on Global Food Crisis - New York (20 May 2008)

<http://www.un.org/ecosoc/GlobalFoodCrisis/index.shtml>

UN Economic and Social Development

<http://www.un.org/esa/>

UN Special Rapporteur on the Right to Food

<http://www2.ohchr.org/english/issues/food/index.htm>

High-Level Taks Force Participating Organisations:

Food and Agriculture Organization (FAO), International Fund for Agricultural Development (IFAD); International Monetary Fund (IMF); United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (OHRLLS); United Nations Conference on Trade and Development (UNCTAD); United Nations Development Programme (UNDP); United Nations Environment Programme (UNEP); Office of the United Nations High Commissioner for Refugees (UNHCR); United Nations Children's Fund (UNICEF); World Food Programme (WFP); World Health Organization (WHO); World Bank; World Trade Organization (WTO); Department of Economic and Social Affairs (DESA); Department of Political Affairs (DPA); Department of Public Information (DPI); Department of Peacekeeping Operations (DPKO); the Special Adviser on Millennium Development Goals (MDGs); and the Organisation for Economic Co-operation and Development (OECD).

