

43rd Session of the Conference

Introduction to Item 12.2: Report of the 75th Session of the Committee on Commodity Problems (13-15 July 2022)

The 75th Session of the Committee on Commodity Problems (CCP) was held from 13 to 15 July 2022 in hybrid modality. The Report is submitted to the Conference under document C 2023/23.

The session covered the following four substantive areas: i) World agricultural commodity markets; ii) Policy matters; iii) Programmatic matters; and iv) Governance matters.

Under the item on “World Agricultural Commodity Markets”, the Committee expressed concerns about the soaring prices of food, energy and inputs, particularly fertilizers, and high transportation costs, resulting from the disruptions caused by the COVID-19 pandemic and, more recently, the war in Ukraine. The Committee expressed concerns about policy measures that are inconsistent with the principles of the World Trade Organization (WTO) and underlined the need for governments, in compliance with the WTO rules, to avoid export restrictions and other trade-distorting measures. It highlighted the importance of a freer, fairer, predictable, non-discriminatory and rules-based multilateral trading system under the WTO and consistent with its rules, for promoting agricultural and rural development and contributing to achieving food security and improved nutrition for all. The Committee stressed the potential serious implications of the current challenges for food security and sustainability, and expressed concerns about the increased risk of undernourishment for vulnerable populations, especially in Net Food Importing Developing Countries (NFIC) and Least Developed Countries (LDCs).

Under “Policy Matters”, the Committee reviewed the findings of the 2022 edition of the flagship report *The State of Agricultural Commodity Markets* (SOCO). The Committee underlined the role of trade in the needed transformation, as appropriate, towards more sustainable food systems and its contribution to world food security and the achievement of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs). It recognized the positive contribution of food and agricultural trade for promoting economic growth, social well-being and environmental sustainability objectives. Members underlined the need for trade policies to foster well-functioning, transparent and open global markets, especially in times of uncertainty and crisis, and emphasized the importance of improving agricultural productivity and efficiency and reducing trade costs to make trade an avenue for growth. The Committee also stressed the significance of investment in research, science and innovation and the importance of supporting developing countries. The Committee underlined the potential of regional trade agreements (RTAs), equipped with legally binding environmental provisions and well-developed institutions, to effectively address environmental externalities, and stressed that multilateral agreements can effectively address global environmental externalities. It highlighted the centrality of multilateral environmental agreements and international climate change instruments, in particular, the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement.

The Committee welcomed the agriculture-related outcomes adopted by WTO Members at its 12th Ministerial Conference and underlined the significance of multilateralism. The Committee also highlighted the importance of keeping markets open and ensuring smooth trade flows, and reaffirmed the importance of not imposing export prohibitions or restrictions in a manner inconsistent with relevant WTO provisions.

Under “Programmatic Matters”, the Committee acknowledged the identified global trends and developments foreseen to influence FAO’s work in commodity markets and trade in the context of the FAO Strategic Framework 2022-31 and the Medium Term Plan 2022-25 for achieving the SDGs, leaving no one behind, and endorsed the identified priorities for FAO’s work in this area. The Committee also expressed appreciation for the work conducted by the Global Information and Early Warning System (GIEWS) and acknowledged its increased importance and relevance, in particular in view of the increasing risks and uncertainties to world food security.

Under “Governance matters”, the Committee endorsed the Report of the 31st Session of the Intergovernmental Group on Oilseeds, Oils and Fats, hosted by Indonesia and held virtually on 4-5 March 2021 and 5 July 2022. It underlined the importance of sustainable production and trade of vegetable oils in support of the 2030 Agenda for Sustainable Development and its Goals, in particular taking into account the latest global food crisis. The Committee also endorsed the Report of the 24th Session of the Intergovernmental Group on Tea, held virtually on 23 February 2022.

Under the item on the Multi-year Programme of Work (MYPOW), the Committee highlighted the importance of the CCP adopting a food systems perspective in its work. It requested the Bureau to reflect on the need to review the name of the Committee and its harmonization in the different UN official languages, taking into account recent situational changes such as the growing focus on the positive contributions by commodity markets and trade. Furthermore, the Committee considered and approved the MYPOW for 2022-24.

The Committee elected the new CCP Bureau. I had the honour to be elected Chairperson. The other elected members are Argentina, Australia, Germany, Indonesia, Mauritania and the United States of America.

I am pleased to present to you the Report of the 75th Session of the CCP for endorsement and any guidance you may wish to provide.

Ambassador Yaya Adisa Olaitan Olaniran, Chairperson of the Committee on Commodity Problems