

**Theses of the speech
at the 38th session of the FAO Conference**

(June 18, 2013, Rome, Italy)

Dear Mr. Chairman!

Dear Delegates!

First of all, on behalf of the Government of Ukraine, I would like to welcome the participants of the 38th session of the FAO Conference.

Over the recent years cooperation with FAO has become one of the main priorities of our country's foreign policy.

Ukraine remembers well what the hunger problem means. Therefore, our country will further support UN initiatives aimed at reducing poverty and hunger in the world, including increased production and trade of the safe and nutritious food.

We clearly see two major tendencies shaping the current global food markets.

First, it is the growing gap between agricultural supply and demand, especially for cereals. The world production of cereals does not fully meet global consumption and there is a gradual decline in world carry-over grain stocks.

Thus, possible production shock and reduced carry-over stocks lead towards greater price volatility in the increasingly linked global agricultural and commodity markets. This is indeed a very sensitive issue for many governments and private sector market players.

In this regard, we see the need to, first of all, build the capacity of farmers and agribusinesses to increase agricultural production in a sustainable manner. In the case of the grain sector, this applies to mainly improved plant breeding, sustainable crop production intensification as a result of better agricultural inputs, machinery, improvement in irrigation, post-harvest and transportation systems.

According to our expectations, the global cereal production could potentially increase from the current 1.8 - 1.9 billion tons to 2.1 - 2.3 billion tones by 2022.

However, the growth of the world's population from seven to nine billion people by 2050 would require further sustained increases in agricultural production. Therefore, we clearly see the need for more investment, especially in the emerging economies of the Black Sea Region, to increase agricultural production as they can do it without any major environmental consequences. This will also lead towards the improved economic availability of the food for importing nations.

We also see a need for a global seed-stocks for cereals as a prerequisites for solving the food problem in the world.

The second area requiring urgent attention includes joint action towards transparency, predictability and responsibility for our joint actions in global cereal markets.

In this regard, we welcome the G-20 initiative of the Agricultural Market Information System (AMIS), the secretariat of which is hosted by FAO. Ukraine is an active participant in the system and we believe that it would allow improving transparency and predictability of the global cereal markets. The system will also give an opportunity for countries to identify potential risks and relevant preventive measures

at early stages.

We have recently reinforced the public-private dialogue in the Ukrainian agriculture based on the principles of transparency, predictability as a move towards our common responsibility to domestic consumers and food importers.

We believe that this greater transparency at the national level would allow for a improved reliability of the food markets in the increasingly globalizing world trade .

On our side, the the transparent national cereals market of Ukraine would ensuring both country's own food security and facilitate achieving that for our trading partners. We will work hard to ensure that every consumer in every corner of the world is sure of the availability and high quality of the Ukrainian products.

Dear Mr. Chairman!

Honorable Delegates!

Ukraine is open for an active, enhanced and mutually beneficial cooperation. We believe that the **real** increase food production and its availability for the interest of the world community will be the product of this cooperation. It is currently the main priority of the national policy of Ukraine.

We are grateful to FAO for fruitful cooperation and we hope that our cooperation will be strengthened in the future!