

Remarks by
THE HON. ED SCHAFER
Secretary
U.S. Department of Agriculture

As prepared for delivery
at the

**UN FAO High-Level Conference on World Food
Security**

FAO Headquarters
Rome
June 3, 2008

Mr. Director-General, ladies and gentlemen.

It is an honor to represent the United States of America at this High-Level Conference on World Food Security.

Food security is an international issue that demands an international response. We see the current price crisis playing out in streets and homes around the world, and it demands our swift action.

No single nation or organization can solve this problem. It will take a collective effort.

As the world's largest donor of food assistance, the United States will continue to coordinate its own efforts closely with U.N. agencies, the G8, the World Bank, and other international partners.

The United States is deeply concerned by the current crisis. The United States has a long history of working closely with our international partners to support the vulnerable and save lives.

With other food security assistance programs, we are now projecting to spend nearly \$5 billion in 2008 and 2009 to fight global hunger.

President Bush announced the most recent action by the United States to respond to this crisis on May 1st when he requested \$770 million in new funds to support food aid and development programs.

When combined with the estimated \$200 million authorized on April 14th, this brings the U.S. response to nearly \$1 billion in additional funds to further ongoing U.S. efforts.

The United States is implementing an integrated, three-pronged strategy to combat rising food prices.

As a first measure, the President has committed to an immediate and expanded humanitarian response that targets the most critical needs globally and supports those individuals who are most vulnerable to rising food prices.

We will focus immediate humanitarian assistance on countries unable to meet minimum nutritional needs due to a lack of buying power—those with high poverty levels, a dependence on food imports, and significant food price inflation.

Second, we support urgent efforts to address the underlying causes of the food crisis.

Our approach will support the rapid increase of production and availability of key staple foods in developing countries that have the potential to become major producers in their regions.

As a first measure, the U.S. Agency for International Development plans to invest \$150 million in new activities ... with the goal of doubling production and trade of key food staples in targeted countries by 2013.

We urge other countries to join us in working to meet this goal.

A few weeks ago, I discussed the challenge of how to best increase agricultural productivity in developing countries with Dr. Norman Borlaug, the Nobel Prize winning agronomist whose work in advancing the Green Revolution is estimated to have saved a billion lives.

Dr. Borlaug reminded me of an invariable and fundamental truth—that we must methodically upgrade our agricultural production practices to meet the world's ever-expanding needs.

The longstanding issues of improving agricultural productivity, alleviating market bottlenecks, and promoting market-based principles require immediate attention.

We must encourage investment in fertilizer and seed marketing ... agricultural credit ... and improved post-harvest management to improve productivity.

By embracing new technologies and basic infrastructure, we can also help make agriculture more resilient to climate variability and climate change, and improve farm economies.

Therefore, we must invest in scientists and research institutions ... in market information and distribution networks ... and storage facilities ... and we must provide access to rural credit and livelihoods programs for farming families.

Let us work together to identify and introduce existing and new technologies with the potential to significantly boost crop yields.

In some countries, this may mean adopting the most recent Green Revolution technologies, such as hybrid varieties.

In countries with greater vulnerability to climatic or weather-related challenges, new biotechnology-based solutions are imperative to growing viable yields.

In any case, advancing food security must be built into all strategies and regulatory reforms.

In the U.S., technological innovations in corn production have accelerated historic yields over the last 10 years, while herbicide usage has declined by 29 percent and insecticide usage by 81 percent.

Technology will also play an important role in enabling farmers to respond and adapt to climate change.

The United States is leading efforts to build an Operational Agricultural Monitoring System that will enhance the current capabilities in the areas of agricultural monitoring ... famine early warning ... and food security.

Third, world leaders have a responsibility to allow markets to provide food efficiently ... without obstructing access or limiting safe technologies that produce it.

We ask all countries to allow the free flow of food and the technologies that produce food.

To achieve a more efficient global market, the United States is also working toward the conclusion of a successful Doha Development Round this year.

We are seeking an agreement that will reduce and eliminate tariffs and other barriers, as well as market-distorting subsidies for agricultural goods.

All countries should abide by global trading rules agreed to through the WTO and support sound, science-based evaluation and regulations to ensure the availability of safe, effective technologies.

We strongly encourage countries to lift trade-restrictive policy measures, such as export restrictions.

While they are designed to increase short-term food security in the countries imposing the restrictions, these policies make the situation worse.

They take food off the global market, drive prices higher and discourage farmers from responding to market signals and especially suppress farmer willingness to invest in their operations to increase production needed to feed their fellow citizens and neighbors.

Interventions to protect the poor—such as social safety net programs—instead of restrictions on trade—allow an economy to benefit fully from its agricultural productivity.

BROAD-BASED MACROECONOMIC FACTORS

We must continue to monitor the factors contributing to food price increases ... with the goal of preventing or minimizing global market volatility in the future.

The past 2 to 3 years have seen steep increases in energy costs ... rising prices for inputs ... surging freight rates ... poor harvests in major grain-producing countries ... and greater use of export restrictions which dampen the ability of local producers to respond to increased demand.

We have also seen a reduction in global agricultural research and development—a trend we should all work to reverse—as well as unprecedented, and most welcome, economic growth in developing economies worldwide.

Many concerns have been expressed about the impact of biofuels on food security.

However, increased biofuels production is but one of many contributing factors to increased food prices.

The use of sustainable biofuels can increase energy security, foster economic development especially in rural areas, and reduce greenhouse gas emissions without weighing heavily on food prices.

The U.S. continues to lead on this issue. A recently passed law requires that we minimize possible food security and environmental concerns, in part through significant investment in next-generation biofuel technologies that do not rely on grains and oilseeds used for food or feed.

Let there be no mistake, the United States is firmly committed to the sustainable production and use of biofuels both domestically and globally.

Economic growth in emerging economies has allowed millions of people to enter the middle class, creating wealth and opportunities for entire nations, with the benefits of this growth being widely shared. This is an extraordinary story.

The United States is eager to work with the international community to create an effective and productive global agricultural system to meet these rising needs, and adjust to the challenges ahead.

CONCLUSION:

Ladies and gentlemen, we must take action. We must be bold and innovative in developing our long-term strategies that address *all* the factors necessary to make food more plentiful, available, and affordable. We can all play a part by advancing a food market that allows agricultural products and food production technologies to circle the globe freely and efficiently.

Let us work together to ensure access to research and technology ... and most of all ... to increase the availability of food for all.

Thank you.