

Special Session of ECOSOC on Food Prices

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Your Excellencies, the Presidents of the General Assembly and Security Council of the United Nations, Secretary General, Heads of States, Ambassadors, Distinguished Delegates, Ladies and Gentlemen, it is an honour for me to present a few remarks to you today from the perspective of CARE International, one of the largest civil society organizations working across 80 countries to address poverty and injustice.

CARE has a long history of involvement in poverty alleviation, and emergency relief. In particular, CARE is one of the leading non-governmental organizations in the area of food security. Our mostly local staff in Africa, Asia, Latin America, and the Middle East work closely with communities, local civil society, governments, the United Nations, and the private sector in many programs aimed at meeting both immediate needs for food, as well as promoting sustainable long-term solutions to hunger.

I will briefly talk about what we are seeing in communities we work with in developing countries with regards to the effects of hunger and food price rises; I'll offer an NGO perspective on the most important elements of the problem as well as some good practical solutions; and I will suggest some recommendations for member states, the UN and the private sector.

First of all, I believe it is important to put the current crisis caused by rapid food price rises in the context of the long-standing and deeper problems of global hunger and poverty. An estimated 1 billion people live on \$1/day or less and a recent report by IFPRI estimates that 162 million people (121 million of these in sub-Saharan Africa) live on \$0.50/day or less. These are the ultra poor.

Furthermore, the United Nations estimates that 850 million people worldwide suffer from hunger and this number is growing by 4 million more people each year.

So, even before the recent food price rises, there was a daunting problem. As we work with many of the poorest and most vulnerable communities – who are clearly the hardest hit by food price rises - we are already beginning to see the following effects:

- **Poor people are becoming even poorer**, as they must pay ever higher shares of their limited income for food - leaving even less money for education, health care, shelter, and other basic needs. Women and children are being hit hardest - in many countries, men's food needs are satisfied first, while women and children eat smaller amounts, and often forego the most nutritious food. For example, in one Asian country in which we work, the price of wheat has increased by 80% since March 07. The number of beggars in the streets of the capital city is increasing daily and many families have started to sell assets in order to buy food. Families are taking their children out of school to send them to work for food.
- **Rising rates of malnutrition**, as poor people shift to cheaper, less nutritious foods, or as they simply eat less. For example, people in some refugee camps have been on reduced rations that are as low as half of the prescribed 2300kCals per day because increased costs of buying and delivering food aid is beyond available budgets.
- **Food stress** in places that we previously would have thought unlikely. This is happening particularly in countries that have large numbers of people living in absolute poverty (below \$1/day), but where there have been no natural disasters, crop failures or conflicts. The urban poor are often the hardest hit.

- **Increasing migration** of people from rural to urban areas. In some parts of the Sahel region of Africa, we are seeing unprecedented levels of seasonal migration (Niger into Nigeria), further disrupting communities, agricultural production, education of children, and local markets.

Clearly the challenge for all of us is not only to address the effects of the food price rises, but we must redouble our efforts to address the longer-standing underlying causes of poverty and hunger. CARE believes that we need to ensure our efforts address both the immediate problem of price rises, as well as the underlying reasons for longer-term hunger and vulnerability:

From CARE's experience, I would like to suggest six areas of priority action:

1. First, we do of course need to address immediate term needs through making increased resources available quickly, with a particular focus on the most vulnerable:

While certainly resources are needed to ensure that existing food aid and other relief programmes can be funded, alternatives such as cash for work and other cash transfer schemes are equally important. Often food is available during a food crisis. The issue is that it is too expensive for the hungry to buy it. Buying food aid locally can help stimulate the local economy and keep farmers in work.

2. In the medium term, it is important to invest in expanded social protection programmes that can provide stable, predictable, and timely benefits for those who are not able to gain from development initiatives - children, the elderly and other vulnerable groups. We need to prioritize those situations where the risk of hunger is predictable. The international community should help national governments build effective social protection programs for their citizens.

For example, the Government of Ethiopia's Productive Safety Net Program is one of the best examples of social protection programmes that are ensuring vulnerable groups do not slip into crisis and have a base from which to build their longer-term livelihoods. CARE helps the Government of Ethiopia implement this programme in the regions of East and West Hararghe by providing cash and/or food to poor, vulnerable food insecure people in order to close the household food gap and lessen the need for households to sell their limited assets.

3. Longer-term, there must be a focus on supporting agricultural production and marketing, particularly for small farmers.

This requires the removal of policy obstacles, as well as greater investment by developing country governments, major donors, and the private sector to increase the productivity of small-scale farming and their integration into markets, especially in Sub-Saharan Africa. Poor farmers need the ability, coupled with incentives, to increase production. For decades, lack of attention to and investment in small farmers has blocked their potential.

For example, with support from the Alliance for a Green Revolution in Africa Partners (Bill & Melinda Gates and Rockefeller Foundations), CARE is providing small holder farm households in remote rural Zambia with an increased range of agricultural inputs and technologies at reduced prices by extending a network of agro input retailers through community agents and service providers. These rural dealers also provide a channel through which farmers can market their products, building a network that collapsed in remote areas when parastatal input supply and marketing systems were withdrawn.

4. We need to re-examine the role of bio-fuels:
 - We need to understand the impacts of the current commitments made on biofuels and revise these accordingly based on the consequences that we are now starting to see, such as: rising

food prices; countries moving from being net food exporters to importers; displacement of people; and so-on. There also appears to be little evidence that biofuels contribute to slowing global warming, but rather add extra pressure on increasing food prices.

- We therefore suggest that until a sufficient reexamination has taken place, governments should not move forward on any expansion on biofuel commitments.
- The responsibility to respond to the biofuels issue lies as much with developed as well as developing countries. In particular, developing countries need to re-evaluate the impacts of policies on people's food security, for example ensuring that poor communities are not displaced from land for biofuel production.

5. We need to acknowledge that climate change is likely to exacerbate the already mentioned problems, requiring urgent mitigation and adaptation responses.

For example, conservation agriculture in Zimbabwe: Simple technologies to more effectively use scarce inputs of water, fertilizer, seed and labor (e.g. mulching and planting basins) have been shown by an ICRISAT study to consistently increase average yields of crops by 50 to 200 percent in more than 300,000 farm households. Local farmers using conservation agriculture in arid regions saw significantly greater yields than neighbors who used traditional techniques, demonstrating that this is a valuable approach for countries in Africa that will suffer erratic rains due to climate change.

6. The international aid system needs to establish a more integrated and coherent approach to food security: NGOs have taken some important recent initiatives to bring different parts of the UN, NGOs, and the Red Cross/Crescent movement together to look at how we can work together better to address the problems of hunger:

For example, CARE played a leading role convening a food security forum last month in Rome, which looked at the question of how the aid system could better address hunger. The forum, which was attended by senior policy makers from over 30 NGOs, UN agencies and the Red Cross/Crescent made several recommendations including the need to establish more effective analysis and coordination mechanisms for the area of food security.

Another important NGO-led initiative is the campaign led by 'Action contre la Faim' for the creation of a global fund against hunger and malnutrition.

In summary, I would urge three things:

- That we ensure all of our efforts to address the problem of this food price crisis focus first on assisting the most vulnerable and poorest people;
- That we ensure whatever we do also addresses the causes of long-term hunger in a sustainable way;
- And that we strengthen efforts to bring together governments, the United Nations, the private sector and civil society to work together to address these most important problems.

Thank you very much.