

The future of world food security

Investing in smallholder agriculture – an international priority

The food and financial crises of 2008 plunged many people deeper into poverty and hunger. Today, with the future of food security more precarious than ever, governments around the world are finally focusing on agriculture and taking the first steps towards medium- and long-term solutions. Their efforts will be more effective if they include smallholder agriculture in their response.

The 1996 World Food Summit in Rome defined food security as existing “when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life”.

At the time, it seemed realistic to expect to halve the number of chronically undernourished people by 2015. This goal was at the heart of the Rome Declaration on World Food Security, and formed the basis of the first Millennium Development Goal to halve the proportion of people living in extreme poverty and hunger.

But today, food security for all seems to be more ambitious than ever: the Food and Agriculture Organization of the United Nations (FAO) projected that world hunger would reach a historic high in 2009, with 1.02 billion people going hungry every day.

The roots of this dire situation go back 30 years, when investment in agriculture started to decline because of the growing perception that it was unprofitable. In 1979, aid to agriculture was 18 per cent of total assistance. By 2007, it was just



Good quality seeds can make all the difference to a farmer's harvest, but it is rare for poor farmers to have access to the best seeds. In Haiti, IFAD financed the distribution of seeds to help poor farmers increase their yields and improve the island's food security.

4.6 per cent. Domestically, government investment in agriculture in developing countries also fell in this period, by one third in Africa and by as much as two thirds in Asia and Latin America.

In many developing countries, particularly low-income countries, decreased investment was accompanied by a policy vacuum. Governments dismantled older, costly instruments that had supported agriculture, but did not replace them with new, more effective ones.

While food prices today may no longer be at peak levels, they remain higher than their 2000 to 2005 averages. The global economy is still weak. Prices are likely to remain volatile for the foreseeable future because of their close link to energy prices, which have a direct impact on fertilizer and transportation costs.

In addition, the world's population is expected to rise from 6.7 to 9.1 billion by 2050, with most of the growth in

developing countries. Burgeoning populations mean more demand for food, at a time when agricultural land is being increasingly used for biofuel production. At the same time, climate change is expected to put an extra 49 million people at risk of hunger by 2030, and 132 million by 2050.

Clearly, robust and carefully targeted investment is needed, along with comprehensive policy frameworks at global, regional and national levels. There are signs that world leaders are ready to act. In July 2009, the G8 summit in L'Aquila produced a Food Security Initiative that will focus on making developing country agriculture more productive and sustainable. The initiative promises to mobilize US\$20 billion to strengthen global food production and security.

This pledge is an important first step, but even more will need to be done if we are to double food production in developing countries to meet projected demand by 2050.

KEY FACTS

- There are more than 1 billion hungry people in the world.
- Climate change is expected to put 49 million more people at risk of hunger by 2030.
- Around 1.4 billion people live on less than US\$1.25 a day.
- The world population is expected to reach 9.1 billion by 2050.
- Food production will need to nearly double by 2050 in developing countries.
- About 40 per cent of the world's arable land is degraded to some degree and will be further affected by climate change.
- There are about 500 million small farms in developing countries, supporting around 2 billion people.
- GDP growth generated by agriculture is up to four times more effective in reducing poverty than growth generated by other sectors.
- Development aid to agriculture was 4.6 per cent in 2007, compared with 18 per cent in 1979. The growth rate of agricultural productivity has dropped from around 3.5 per cent in the 1980s to about 1.5 per cent today.
- Poor people spend between 50 and 80 per cent of their income on food.

LINKS

IFAD

www.ifad.org

FAO

www.fao.org

WFP

www.wfp.org

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

www.un.org/issues/food/taskforce/

Seeds of Hope for Haitian Farmers

www.ifad.org/media/press/2009/19.htm

IFAD Stories from the Field

www.ifad.org/story/index.htm



IFAD is an international financial institution and a specialized United Nations agency dedicated to eradicating poverty and hunger in rural areas of developing countries.

International Fund for Agricultural Development
Via Paolo di Dono 44, 00142 Rome, Italy
Tel: +39 06 54591
Fax: +39 06 5043463
E-mail: ifad@ifad.org
www.ifad.org, www.ruralpovertyportal.org

September 2009

The importance of smallholder agriculture

There are about 500 million smallholder farms worldwide supporting around 2 billion people. In many developing countries, smallholder farmers produce most of the food consumed.

Smallholder farmers are often extremely efficient producers per hectare and can contribute to a country's economic growth and food security. For example, Viet Nam has gone from being a food-deficit country to being the second largest rice exporter in the world. It achieved this largely through developing its smallholder farming sector. In 2007 the poverty rate fell below 15 per cent from 58 per cent in 1979.

In order for smallholders farmers to help improve world food security, they need secure access to land and water – as well as to rural financial services to pay for seed, tools and fertilizer. They also need roads and transportation to get their products to market, and technology to receive and share the latest market information on prices. They need agricultural research and technology to improve their resilience to rapid economic and environmental changes and to raise agricultural productivity. And they need stronger organizations, so they can have greater bargaining power in the marketplace and can influence national, regional and global agricultural policies.

Above all, they need a long-term commitment to agriculture from their own governments and the international community, backed up by greater investment.

What is IFAD doing?

As an institution dedicated to combating poverty and hunger in the rural areas of developing countries, all IFAD-funded programmes address food security in some way. IFAD has supported nearly 350 million poor rural people in the past three decades.

In Haiti, for example, an IFAD-funded programme has helped kick-start food production by poor farmers after a hurricane in 2008 caused about US\$220 million in damage to food crops – at a time when high food prices were affecting the population at large. The 2008 winter planting produced US\$5 million in bean crops, helping to improve the food security and incomes of poor farmers.

In Ghana, IFAD has financed projects to boost the production and processing of many food crops including cassava, maize and yams. By promoting improved varieties, better practices and public-private partnerships along the food chain – from the field to the market – the IFAD-funded country programme contributes significantly to more food production and better food security. IFAD has been the main donor supporting cassava – a staple of the Ghanaian diet – on a large scale.

At the international level, IFAD is playing an active role in the High-Level Task Force on the Global Food Security Crisis, established by the United Nations Secretary-General in April 2008. It now hosts the Rome hub of the task force secretariat.

IFAD also works with FAO, the World Food Programme (WFP), the World Bank and other partners. In this broad partnership, governments play a vital role in guiding international efforts to ensure an effective, efficient and coherent response to the challenge of global food security. But IFAD's key partners are poor rural people and their organizations.

CONTACT

Roberto Longo
Policy Coordinator
Policy Division
IFAD
Tel: +39 06 5459 2002
E-mail: r.longo@ifad.org