

UNITED NATIONS SYSTEM CHIEF EXECUTIVES BOARD (CEB)

PRESS COMMUNIQUE

**“A UNIFIED UNITED NATIONS RESPONSE
TO THE GLOBAL FOOD PRICE CHALLENGE”**

We consider that the recent dramatic escalation in food prices worldwide has evolved into a unprecedented challenge of global proportions that has become a crisis for the world's most vulnerable, including the urban poor. This crisis has multiple causes, including rapidly increasing energy prices, lack of investments in the agricultural sector, rapidly rising demand for food, trade distorting subsidies, recurrent bad weather and environmental degradation, subsidized production of bio-fuels that substitute food production, and the imposition of export restrictions leading to hoarding and panic buying.

This challenge is having multiple effects with its most serious impact unfolding as a crisis for the most vulnerable. Mounting hunger and increasing evidence of severe malnutrition is evident and the capacities of humanitarian agencies to meet these needs is under severe strain, particularly as pledged funding remains undelivered. This situation is increasingly resulting in social tension as governments who find themselves powerless to address this global crisis come under mounting pressure. Inflationary pressures are rising and trade deficits are widening in a number of countries.

The Executive Heads of the United Nations specialized agencies, Funds and Programmes and Bretton Woods institutions, meeting in Bern on 28 and 29 April 2008 under the chairmanship of the UN Secretary-General, agreed on a common strategy in support of developing country governance to confront the global food crisis and have decided the following:

1. First, we must FEED THE HUNGRY

The rapidly escalating price of food is severely impacting the poor in developing countries, resulting in heightened vulnerability, reduced levels of nutrition with serious health impacts, and rising social tensions.

The CEB calls upon the international community to urgently and fully fund the emergency requirements of US\$ 755 millions for the World Food Programme and deliver on

its pledges and provide maximum flexibility to target the most urgent needs. This extraordinary appeal, together with WFP's voluntary funded budget and newly assessed needs. Without full funding of these emergency requirements, we risk again the spectre of widespread hunger, malnutrition and social unrest on an unprecedented scale.

2. Second, we must ensure FOOD FOR TOMORROW

Action must be taken to provide developing country farmers with the support required to ensure the next harvest. Escalating energy, fertilizer and input prices are leading farmers to plant less in the coming season and will lead to even more severe food shortages in the coming year.

The FAO Emergency Initiative on soaring food prices has called for US\$ 1.7 billion in funding to provide low income food deficit countries with seeds and inputs to boost production.

IFAD is making available US\$200 million to poor farmers in the most affected countries to boost food production by providing essential inputs.

The World Bank is exploring with its Board the creation of a rapid financing facility for grant support to especially fragile, poor countries and quicker, more flexible financing for others.

We need to address multi-faceted challenges in the short, medium and long terms.

The Short to Medium Term

The UN system will co-operate together in crisis response, the development of emergency safety nets and social protection of the most vulnerable and rapid employment and income generation programmes.

The UN system will fully deploy its capacity in the monitoring, quick assessment and analysis of the rapidly evolving food price trends and their impact on vulnerability to support the response of affected national governments.

At the country level, UN Resident and Humanitarian Coordinators, Heads of the World Bank missions, and the UN country teams will urgently meet also with WFP and other humanitarian agencies in affected countries to draw up support strategies for national governments and vulnerable populations and seek international support for their implementation.

The IMF will propose to its Executive Board additional financial support for countries facing serious balance of payment gaps as a result of higher food and oil prices.

The CEB calls upon countries that have imposed export restrictions on food that have reduced supplies and contributed to price hikes to urgently reconsider those policies.

The Medium to Long Term

The UN system will bring together its technical and analytical capabilities to fill research and knowledge gaps in order to support governments with the best information for agricultural decision-making to boost production and productivity.

As assessment of the diverse impacts of the crisis, the development of sets of tailored policy instruments and implementation capacity is required to underpin an effective policy response.

Domestic policy measures that correct distortions and do not jeopardize the supply response need to be put in place, together with budget support measures and balance of payments support for the most affected countries.

The CEB calls for a rapid conclusion of the Doha Development Round resulting in scaling down trade distorting subsidies that have damaged developing countries production capacity.

The Long-Term

The CEB underscores the urgent necessity to address the structural and policy issues that have substantially contributed to this crisis and the challenge posed by climate change to productive systems.

Further research must be undertaken on the impact of diversion of food crops to bio-fuel production and all subsidies to food-based bio-fuels should be reviewed.

We must make special effort to address the specific needs of Africa as the most affected region, including through relevant African programmes such as CADEP. To this end, we must put in place the requirements to realize the promise of a Green Revolution in Africa for which the UN Africa MDG Steering Group has estimated will require US\$8 to 10 billion annually.

The World Bank, IMF, IFAD and Regional Development Banks and relevant agencies of the UN system will collaborate to develop a long-term strategy, including the required macro-economic measures for increasing productivity, production and marketing in agriculture and ensure availability of and access to food.

Immediate action

In order to create a prioritized plan of action and coordinate its implementation, the CEB has decided that a Task Force on the Global Food Crisis be established immediately under the leadership of the Secretary-General and bringing together the Heads of the United Nations specialized agencies, Funds and Programmes, Bretton Woods institutions and relevant parts of the UN Secretariat.

Forthcoming Meetings

Forthcoming high-level gatherings, including the meetings of TICAD, of the Economic and Social Council, the G-8 Summit and the September High-Level Event of the General Assembly on MDGs, the ILO International Labour Conference on Rural Employment, all provide opportunities to strengthen political commitment to meet the challenge of this crisis.

In this regard, the UN Secretary-General calls on World Leaders to make every effort to participate in the High-Level Conference on Food Security in Rome on 3 to 5 June 2008.