



INTERNATIONAL FOOD POLICY
RESEARCH INSTITUTE

Role of Emerging Countries in Global Food Security

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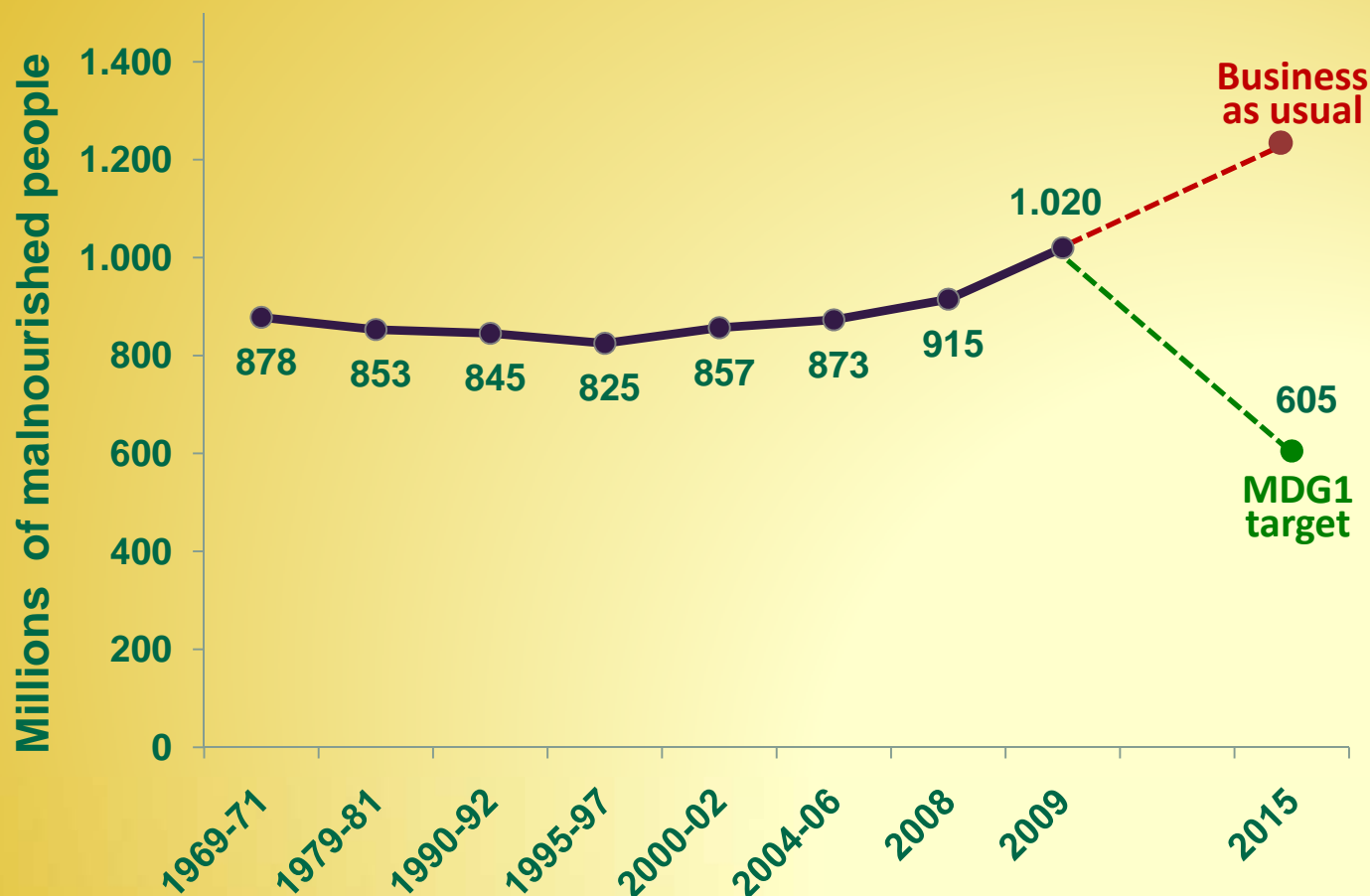
International Food Policy Research Institute

Center for Development Research (ZEF), Bonn, May 7, 2010

Key messages

- 1. Global food security is under stress**
- 2. Emerging countries have an important role to play in global food security**
- 3. Agenda for enhancing food security should integrate emerging countries more strongly**

MDG1 goal of cutting hunger: not on track

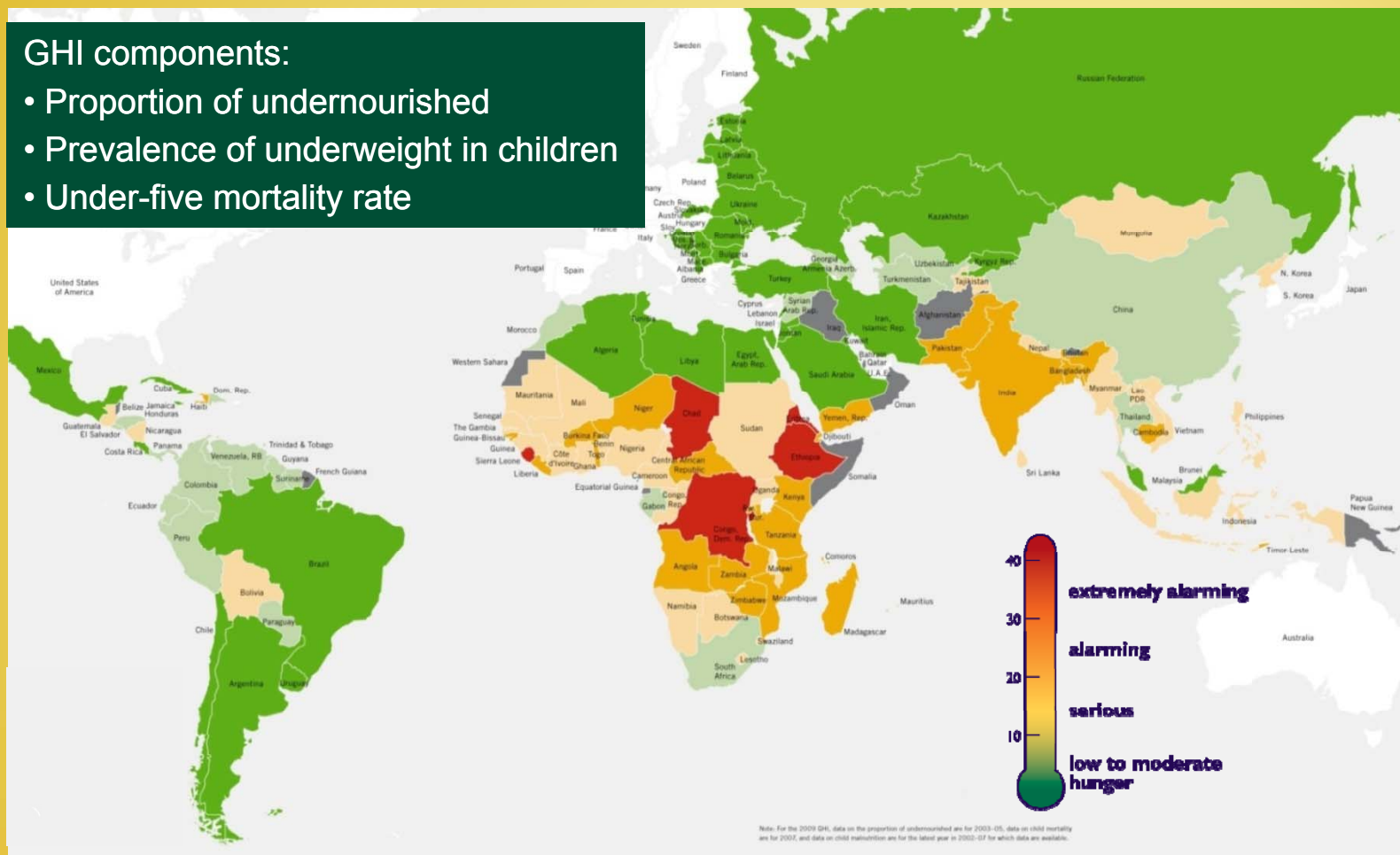


Source: FAO 2009 and author's calculations

2009 Global Hunger index: 29 countries have “alarming”/“extremely alarming” levels of hunger

GHI components:

- Proportion of undernourished
- Prevalence of underweight in children
- Under-five mortality rate



Source: von Grebmer et al. 2009

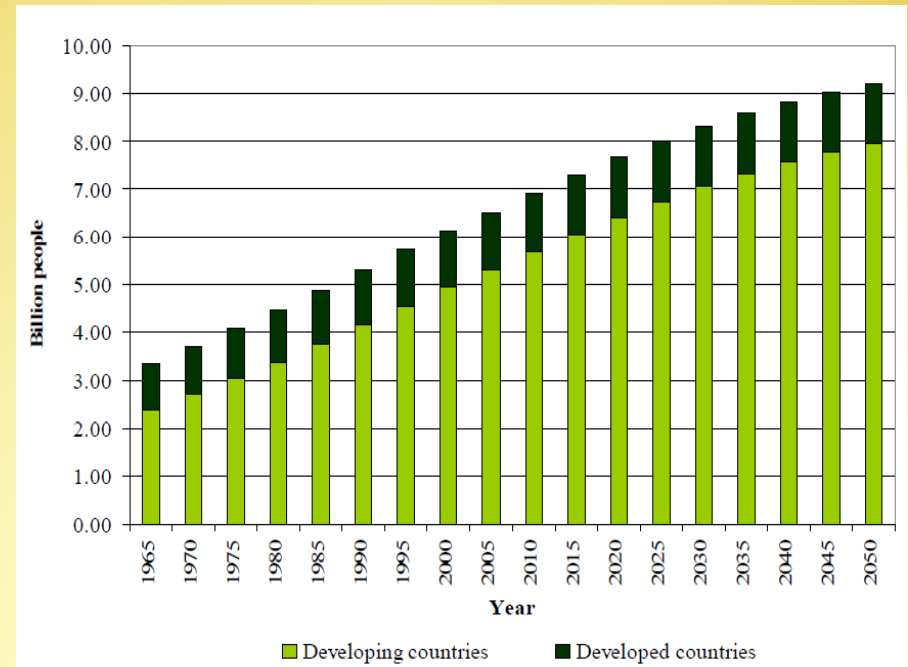
Stress factors

- **Population growth and demographic changes**
- **Land and water constraints**
- **Biofuel production**
- **Climate change**

Rapidly growing population and demographic change

World population reaches 9 billion by 2050

- All growth to come from urban areas
- Most growth to come from developing countries

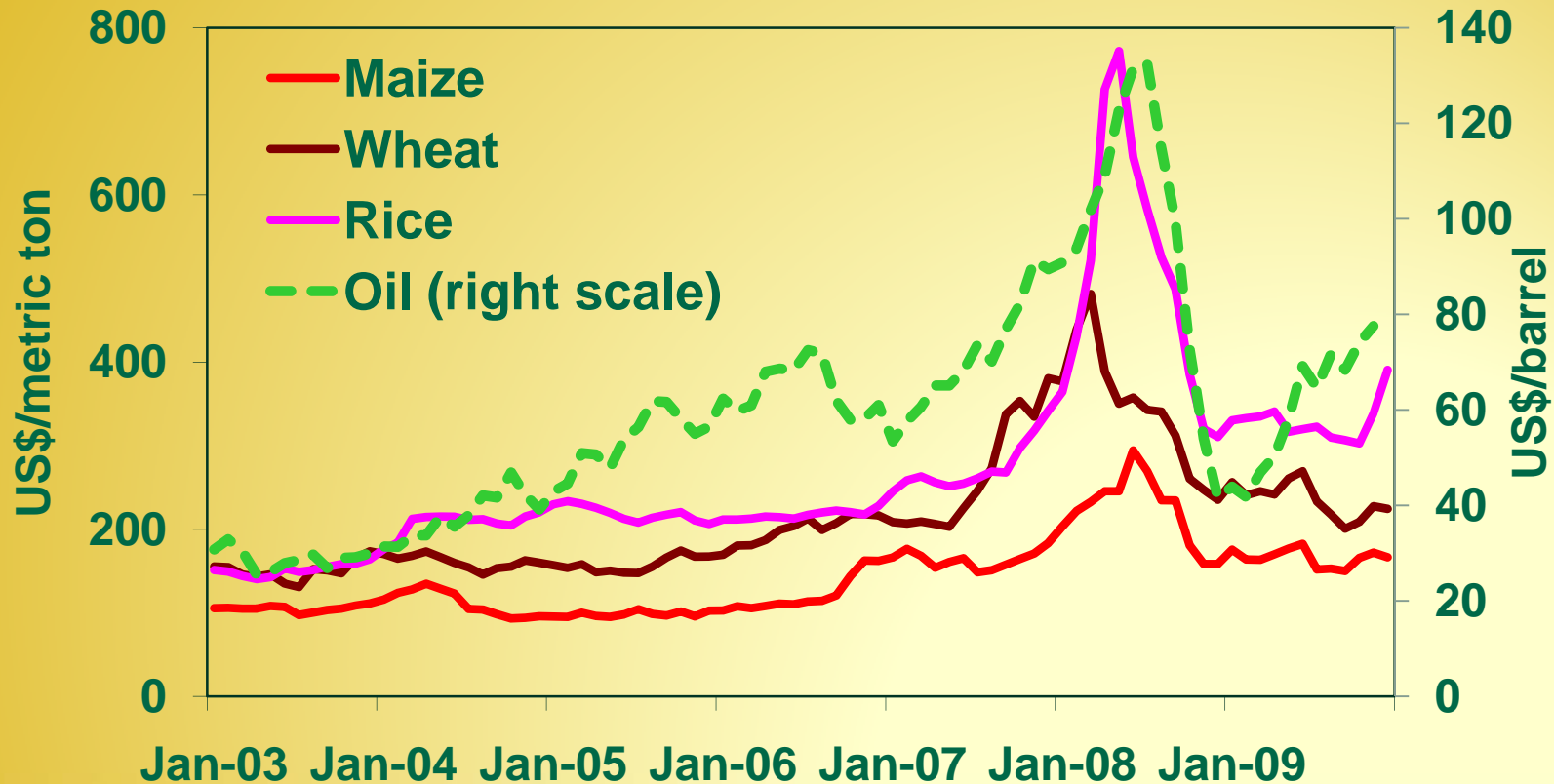


Source: FAO 2009

Larger and more urban population will demand more and better food

Food and oil prices: sharp rise in 2007-08

Prices are on the rise again



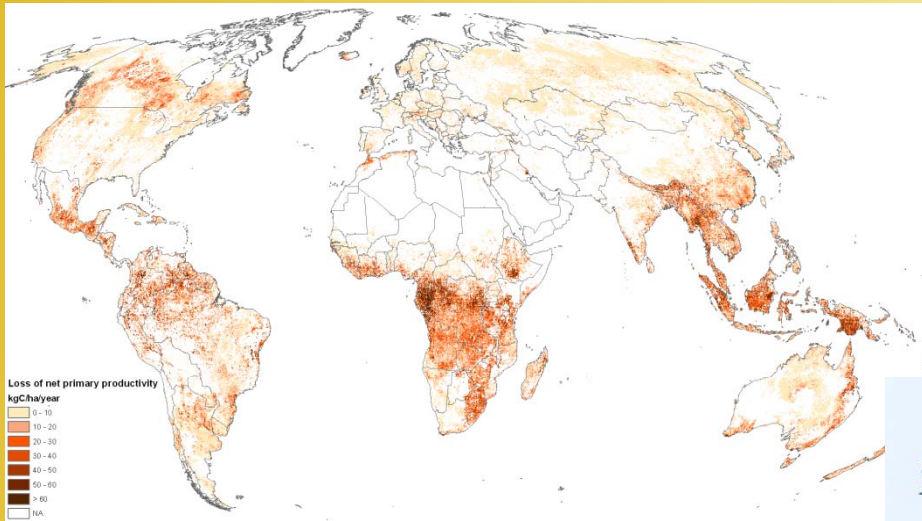
131.5 million more poor people due to food crisis

(Chen and Ravallion 2009)

Source: FAO 2009 and IMF 2010

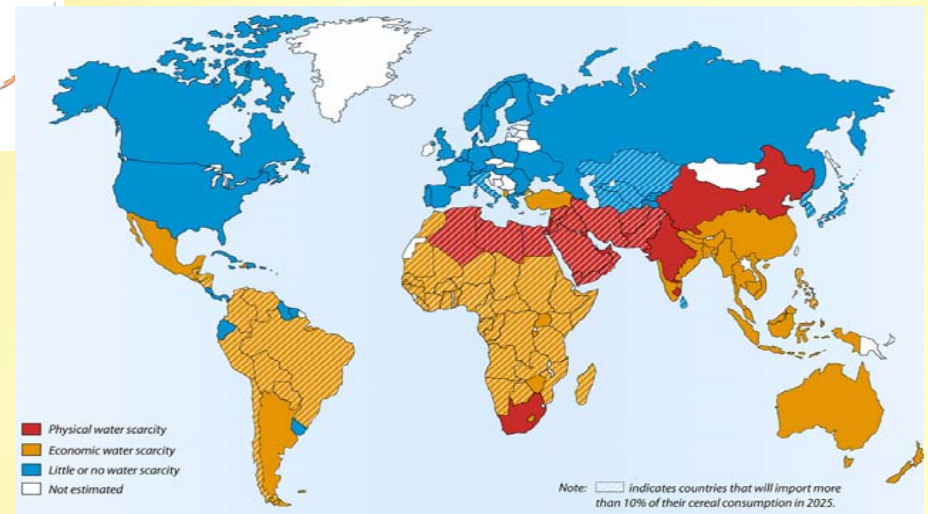
Land and water constraints: high and rising

Land degradation, 1981-2003



Source: Bai et al. 2007 (LADA, FAO/ISRIC)

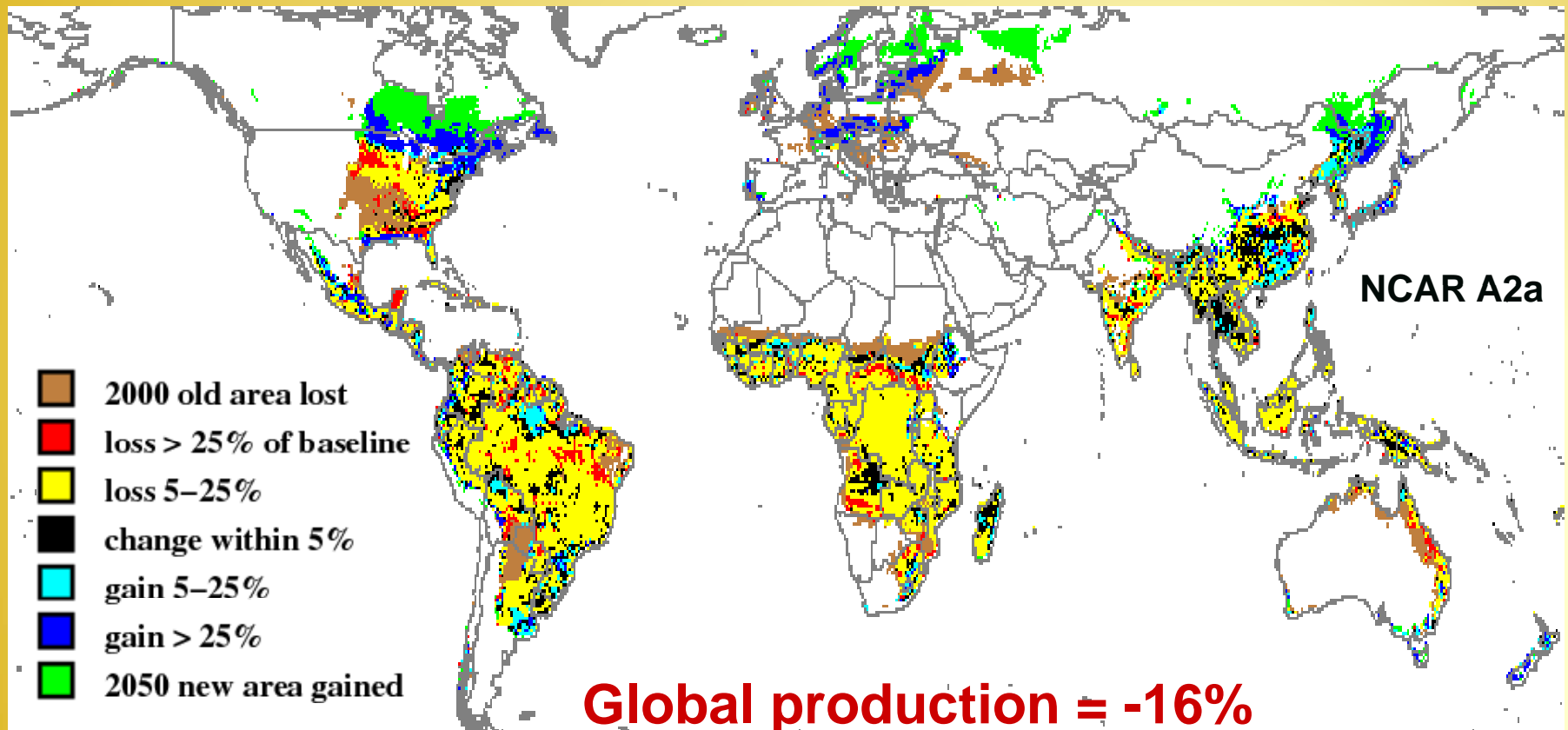
Projected water scarcity in 2025



Source: IWMI 2000

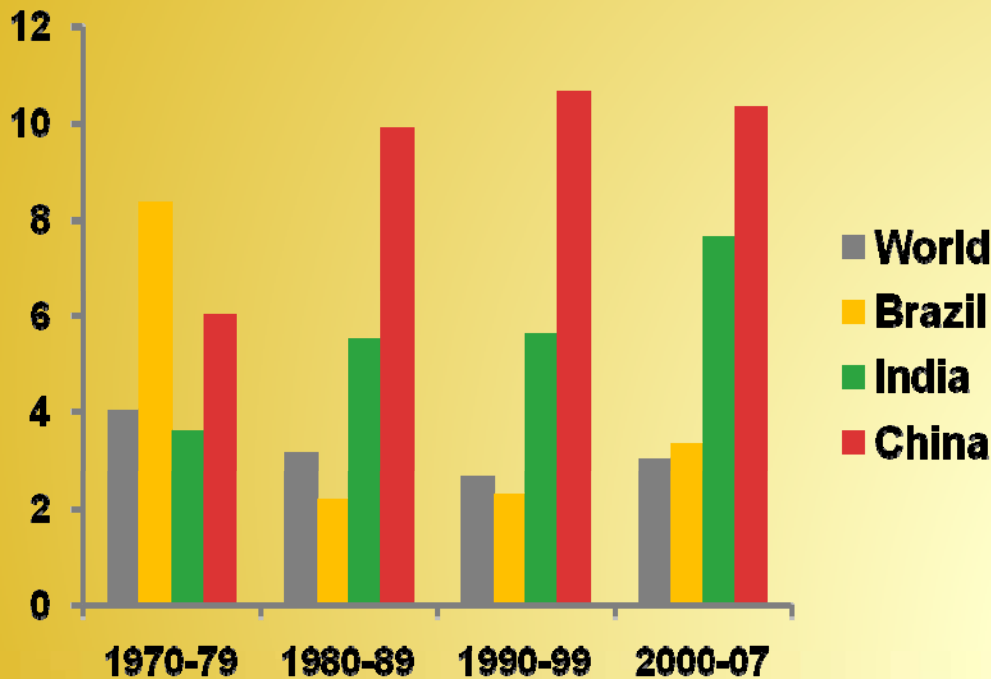
Climate change: additional pressure on food production systems

Climate change impact on production: Rainfed maize, 2050

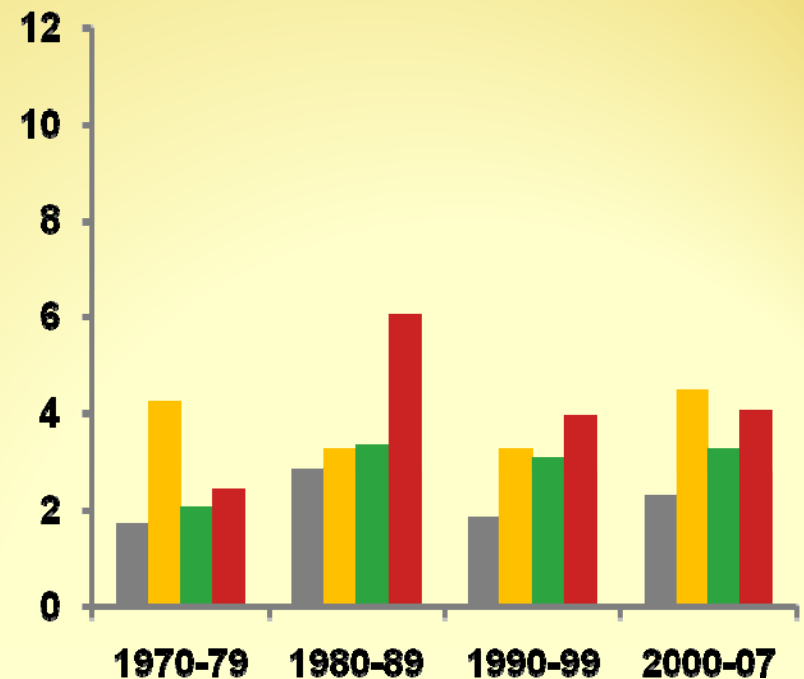


Emerging countries: strong economic and agricultural performance

GDP growth (%)



Agricultural GDP growth (%)

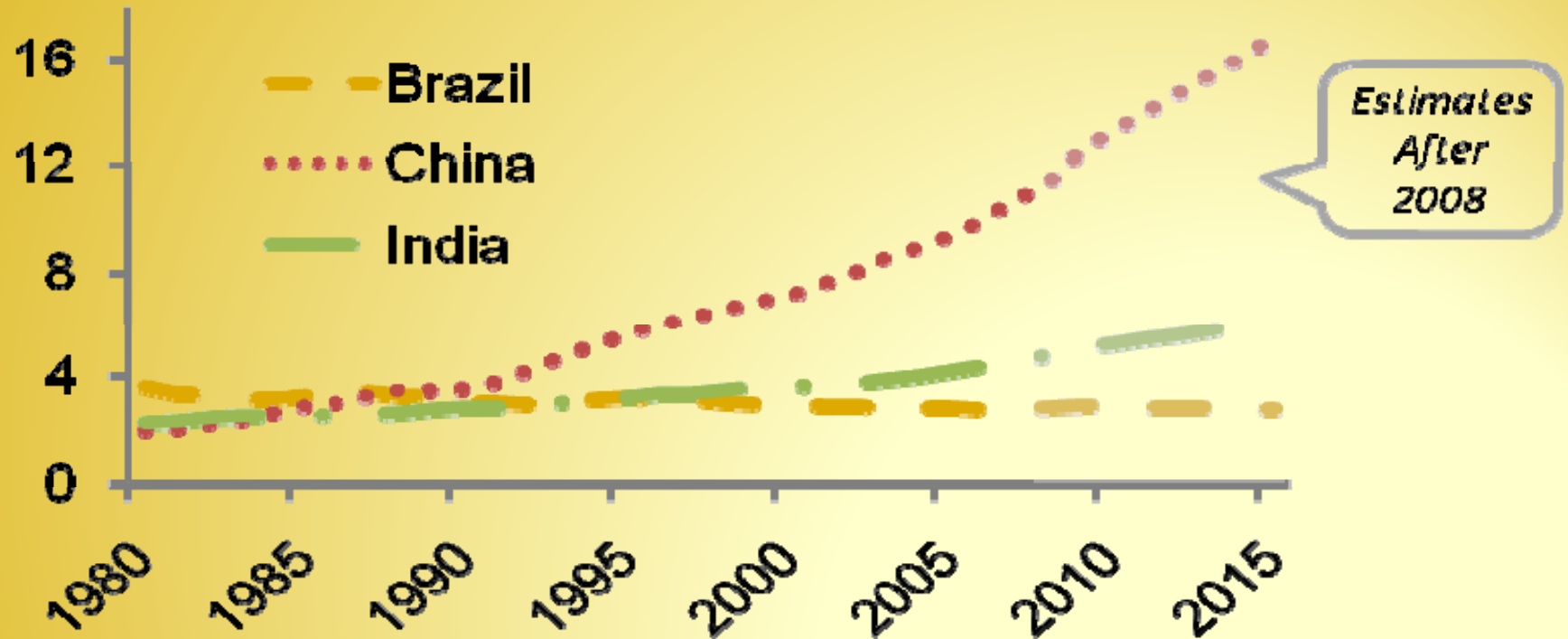


Source: World Bank 2009

Strong growth through diverse development pathways

Emerging countries: stronger role in global economy

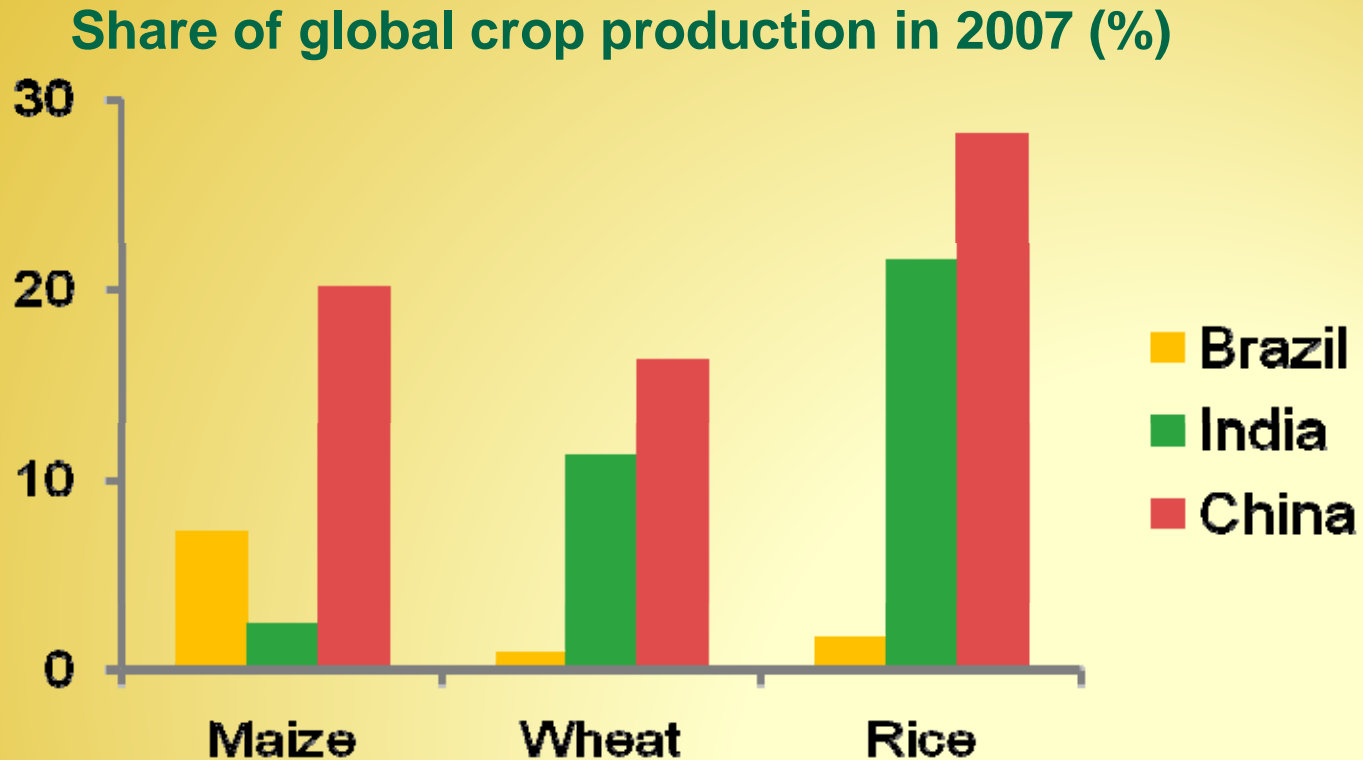
Share of world GDP (%)



Projection of the world's largest economies: China 2nd, India 3rd, and Brazil 8th

Source: World Bank 2009 and IMF 2009

Emerging countries: dominant role in global staple food production

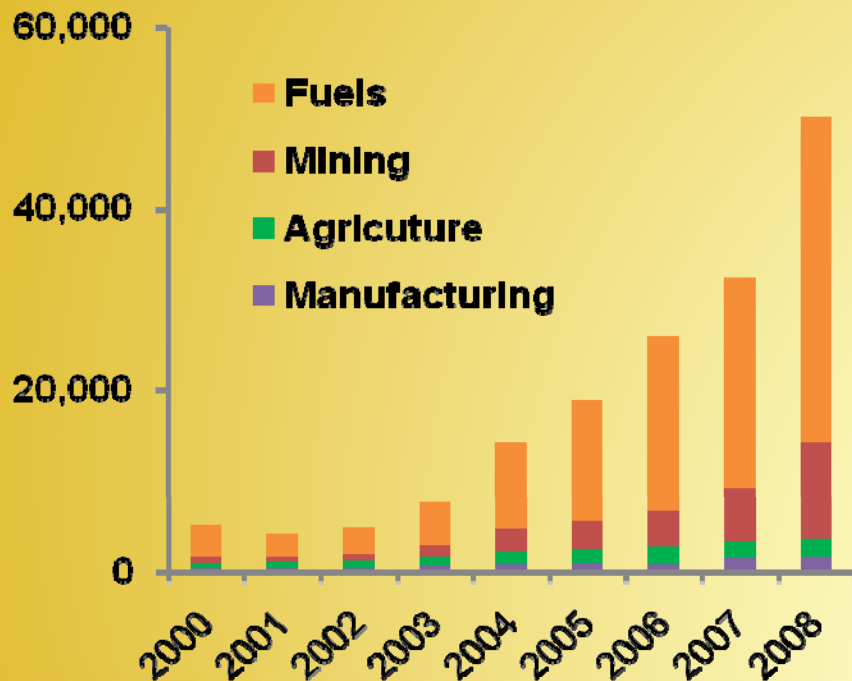


- **China & India: largest shares of wheat and rice production**
- **China, India, & Brazil: among top 6 producers of maize**

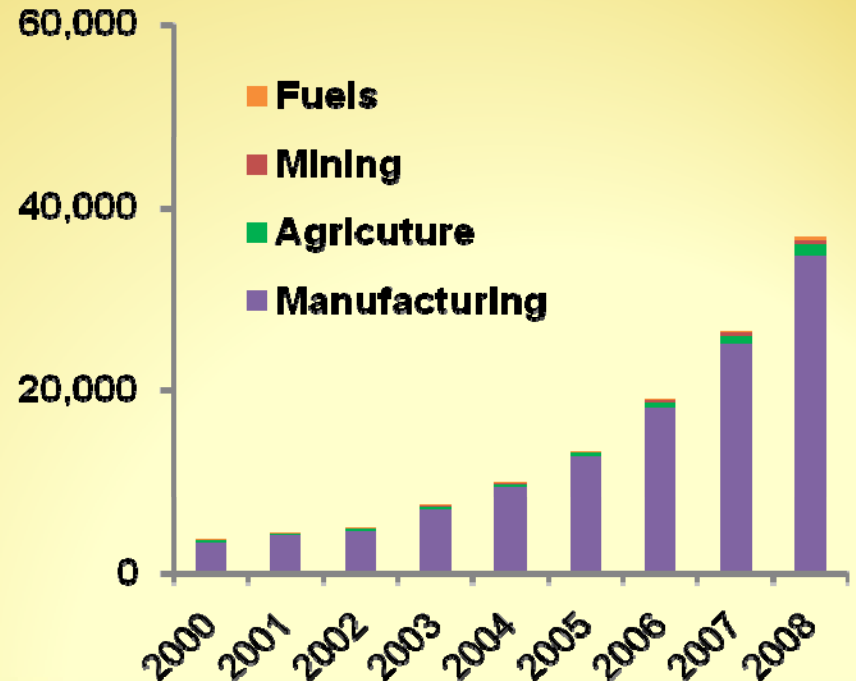
Source: FAO 2009

Emerging countries: increasing role in global trade

Exports from Sub Saharan Africa to China, US\$ millions



Imports of Sub Saharan Africa from China, US\$ millions

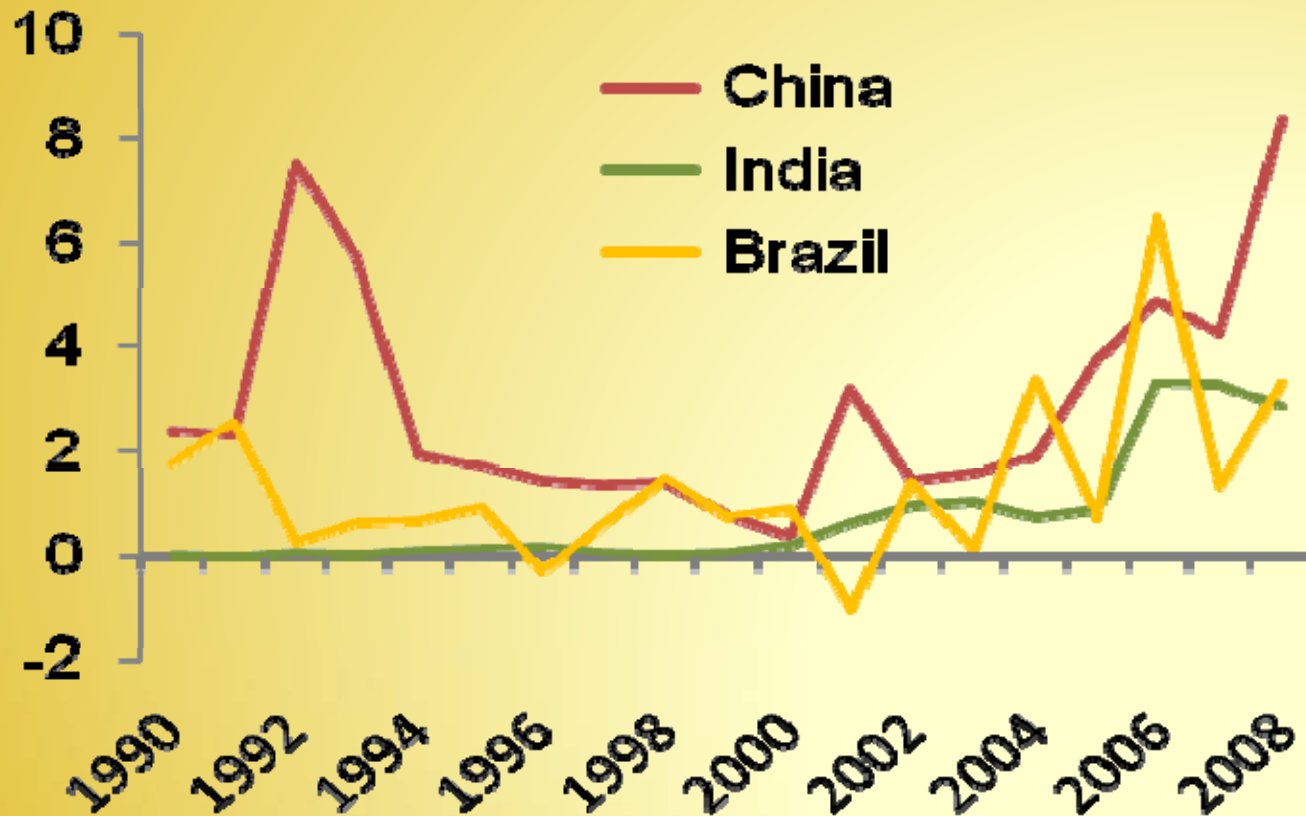


Source: UNCTAD 2009

- Possible impacts: Complementary and Competitive
- Goal: Achieve “win-win” outcomes

Emerging countries: increasing role in foreign direct investment

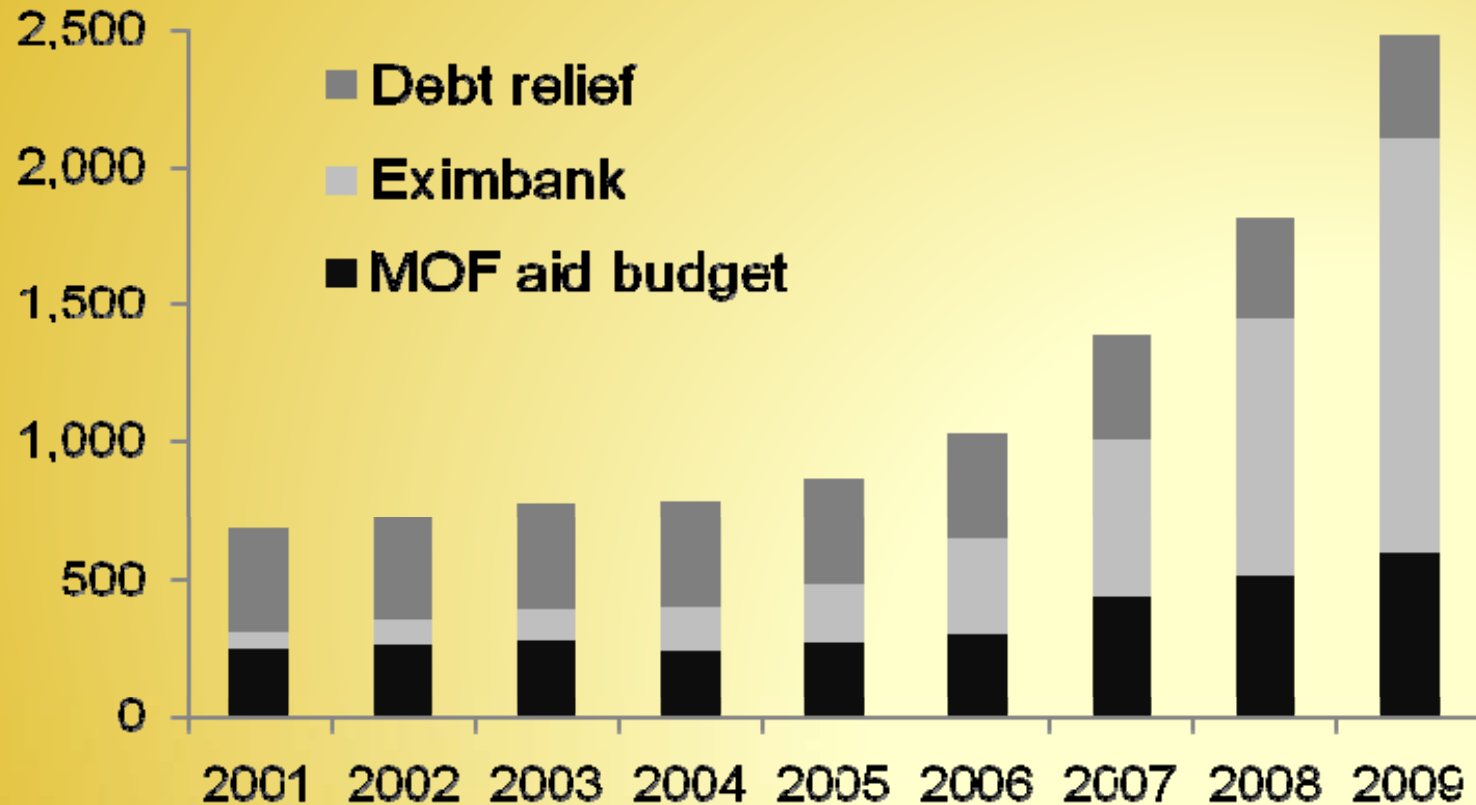
Share of developing countries' FDI from emerging countries (%)



Source: UNCTAD 2009

Emerging countries: increasing role in aid system

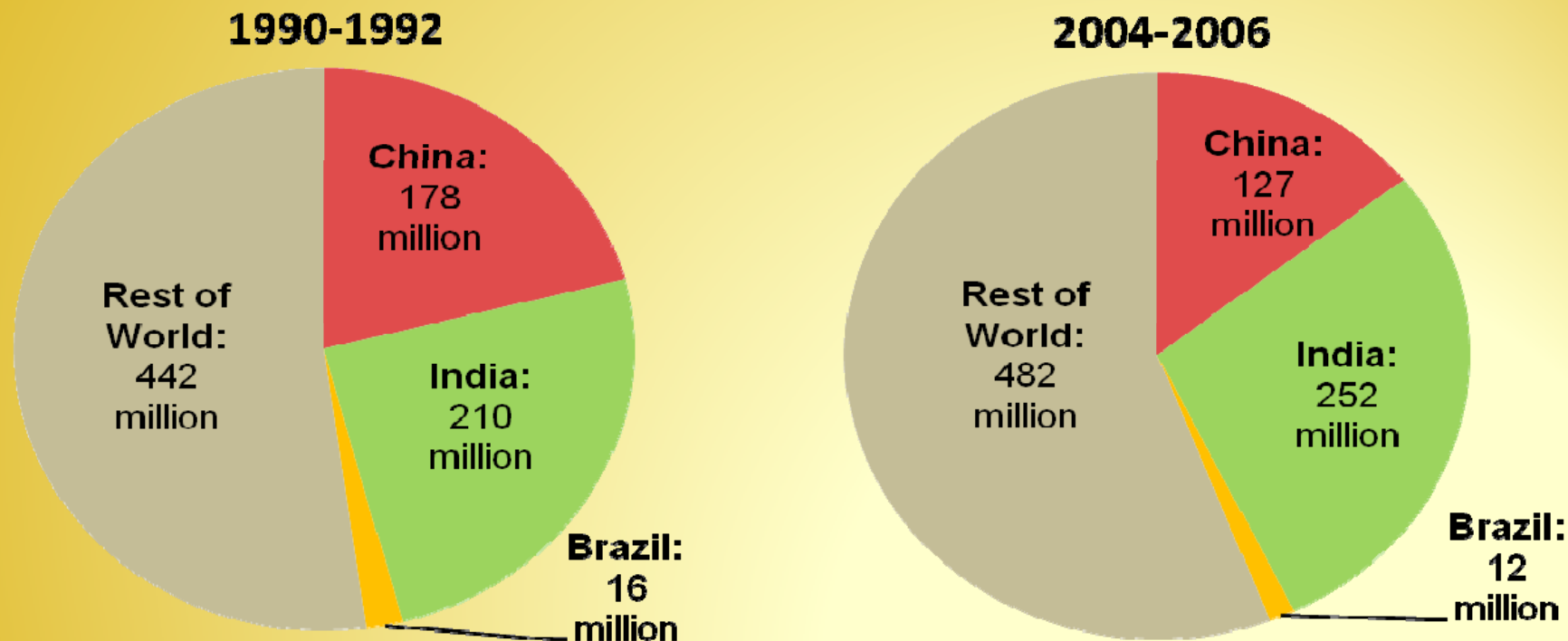
China's aid to Africa, US\$ millions



Source: Brautigam 2009

Food insecurity remains high in emerging countries

Number of undernourished



Source: FAO 2009

Most alarming: rising number of hungry in India

5 proposals for integrating emerging countries more strongly

1

Improve food security of emerging countries, particularly India

▪ **Safety nets**

- Ex ante and ex post risk management through conditional cash/food transfers, public works, insurance for poor, etc.

▪ **Improve smallholder productivity**

- Promote access to productive assets, inputs, services
- Increase agricultural R&D (“frugal innovations”); enhance distribution and accessibility of technologies

▪ **Link smallholders to market**

- Improve infrastructure and information technologies
- Support new institutional arrangements for vertical coordination

2

Promote mutually beneficial trade between emerging and developing countries

- Eliminate harmful trade restrictions
- Prevent resource exploitation and subsequent Dutch-disease effects on agricultural sector
- Develop capacity of developing countries to export more agricultural and value-added products

3

Increase pro-poor FDI from emerging to other developing countries

- Increase focus of FDI on:
 - Agricultural and rural development
 - Investments to link producers with markets and to build rural infrastructure
- Support arrangements that enhance long-term benefits while minimizing any potential harm

4

Improve coordination between emerging countries and other donors

- *“Competition is good for business”?*
 - Major consequences on bargaining power of recipient states → alternative sources of financing
- Engage emerging donors in dialogue at multilateral, regional, and sectoral levels
 - Promote inclusive process with emerging donors on *setting common standards* in aid system
 - *Share key experiences* on what has and has not worked
 - Use existing and new institutional structures

5

Support mutual learning of development experiences

- Diverse development experiences of emerging countries more accurately reflect current geo-economic and -political landscape
- Alternative to Washington Consensus and its successors:

Emerging countries have shown importance of

- **Broad-based agricultural development (China)**
- **Pragmatic and evolutionary trial-and-error approach (China)**
- **Targeted social safety nets (Brazil)**

Toward a food security agenda with increased engagement of emerging countries

1	Improve food security of emerging economies <ul style="list-style-type: none">• Increase smallholder productivity• Link smallholders to markets• Promote productive safety nets
2	Promote mutually beneficial trade between emerging and developing countries
3	Increase pro-poor FDI from emerging to other developing countries
4	Improve coordination between emerging countries and other donors
5	Support mutual learning of development experiences