

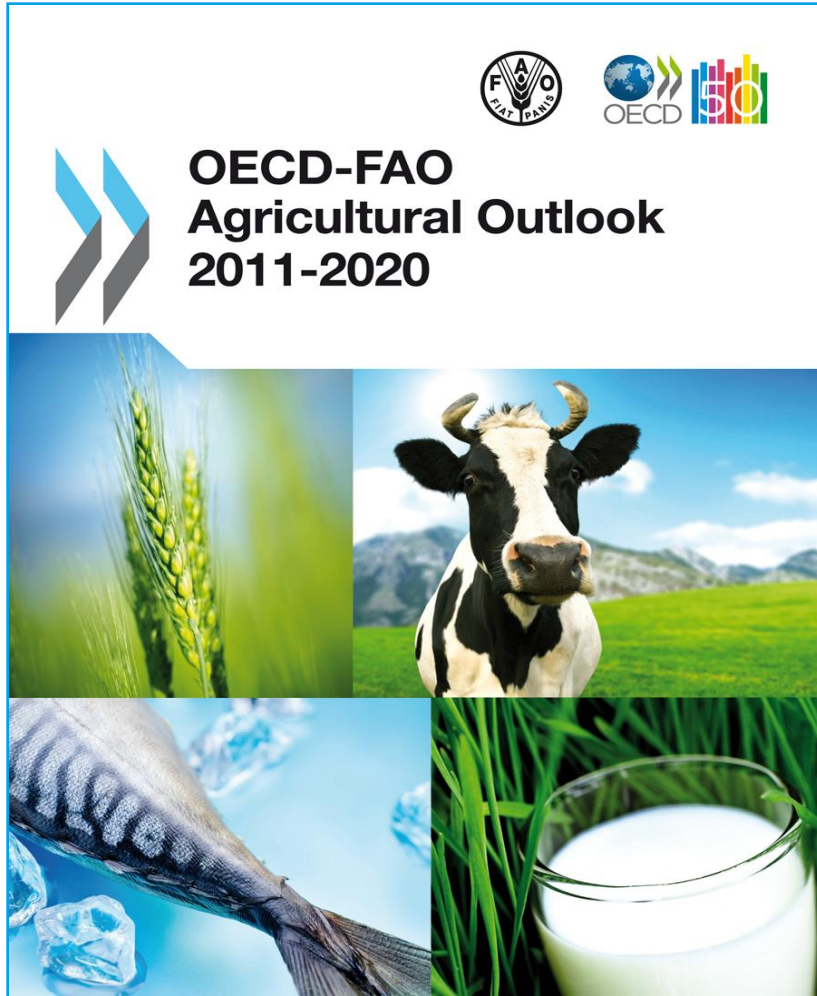


Prospects and Challenges

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OECD Trade and Agriculture

World Agricultural Forum, 28 November – 1 December 2011, Brussels

Global medium-term consensus



Good prospects...

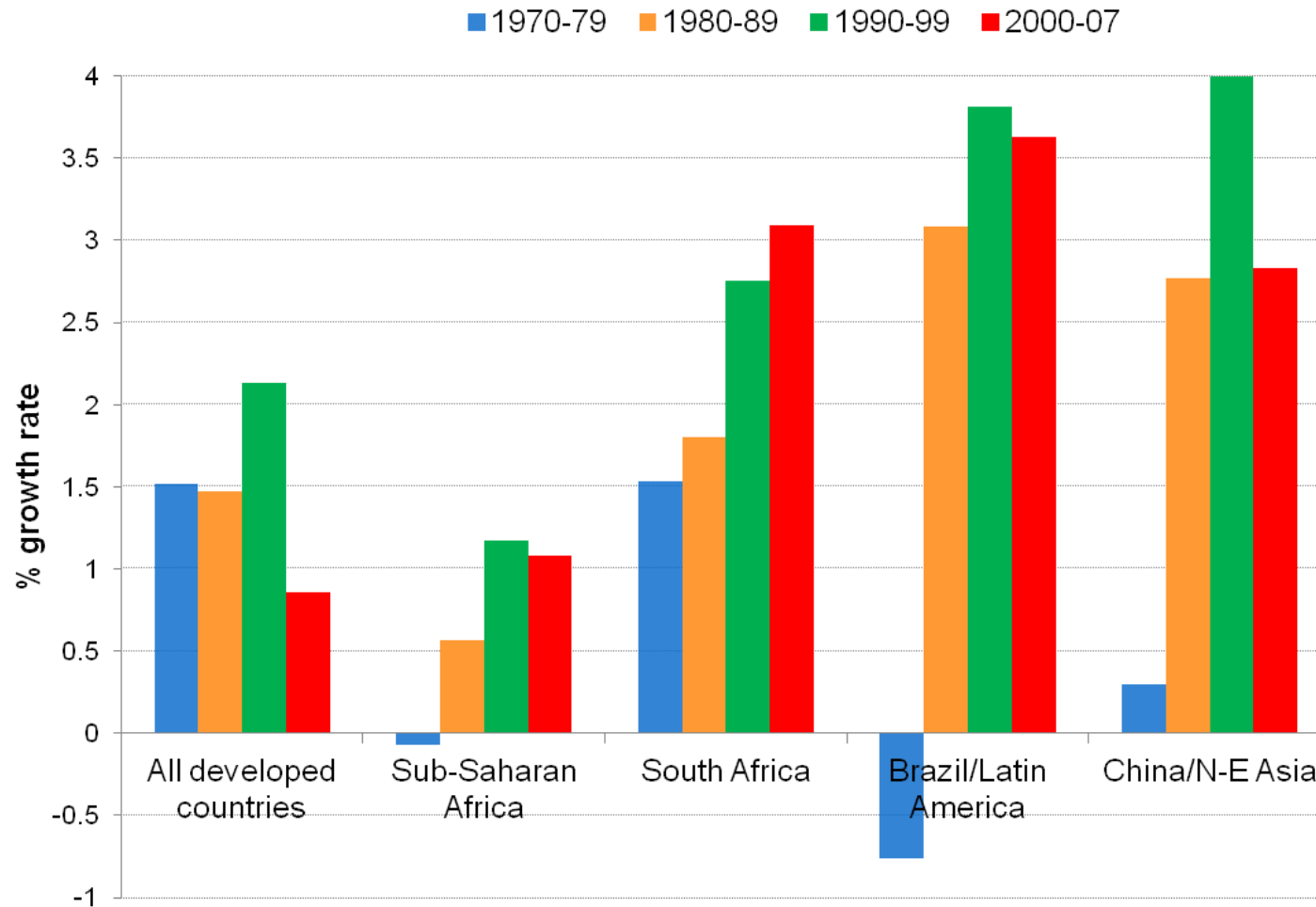
- Higher average prices
- Rising demand
- Expanding trade

But...

- Rising production costs
- Increasing volatility
- Resource constraints
- Slower productivity gains

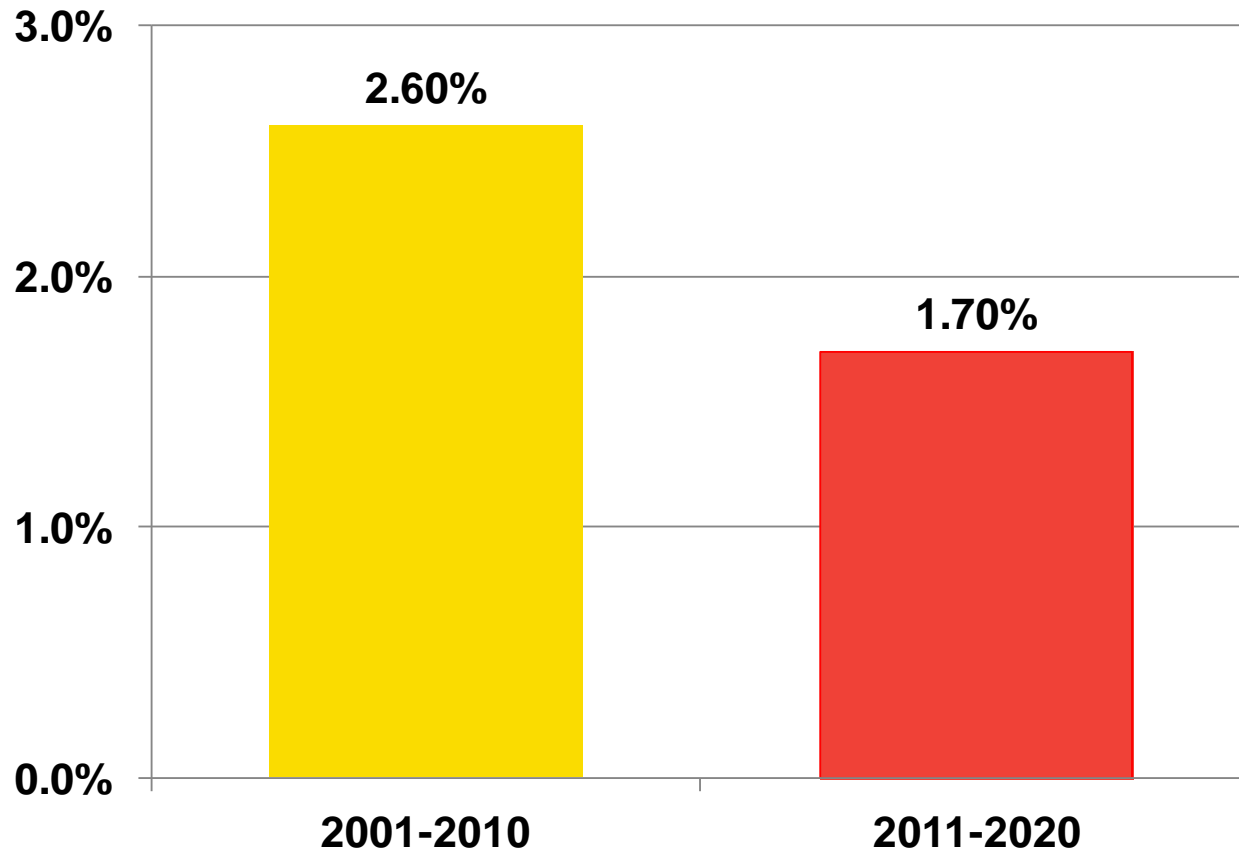
Agricultural TFP growth is slowing

Average annual growth rate by period (%)



Slower projected global output growth

Global agricultural production growth



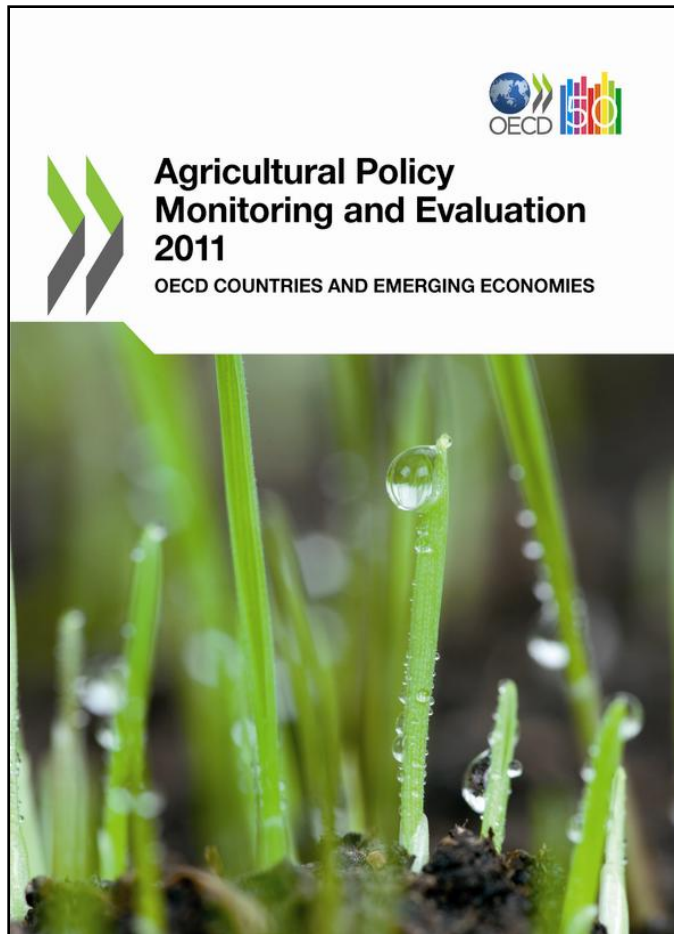
The need to increase productivity growth

Improving agricultural productivity growth is not an option to consider — it is an essential requirement for increasing global food supplies on a sustainable basis

- Growing demand for food, feed and fuel
- Limited availability of land
- Increasing costs
- Climate change



The challenge for governments



Governments need to link policies to priorities

- Invest in innovation
- Improve resource use efficiency
- Facilitate producer risk management

The challenge for developing countries

- Invest in education and extension
- Reduce/remove distorting ag/trade policies
- Develop better functioning markets
- Adapt research and innovation to smallholders



The challenge for industry

Building a sustainable food chain

- Private sector leadership
- Private - public partnerships
- Strengthen B2B cooperation
- Monitor progress – metrics
- Invest in private sector R&D

