



Food and Agriculture
Organization of the
United Nations



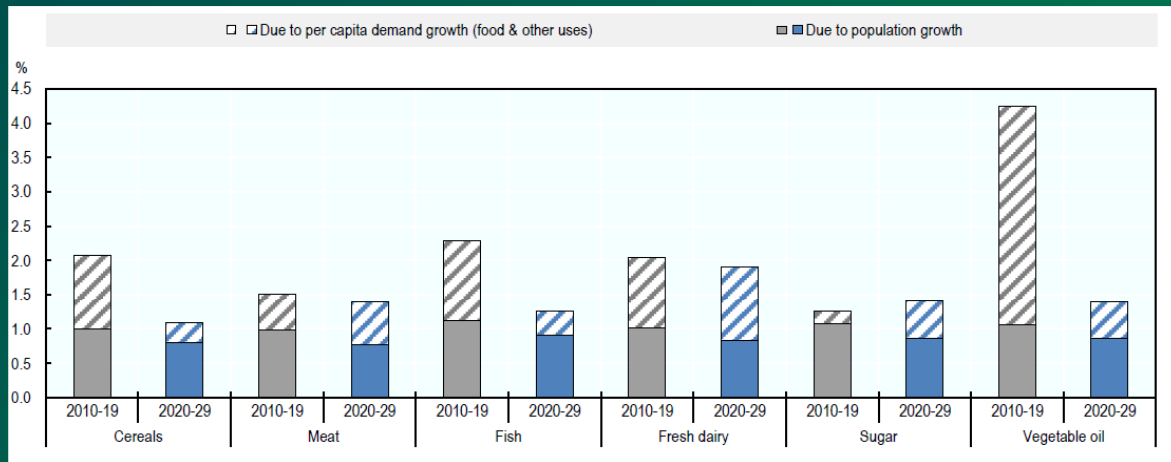
12 November 2020

Global Demand for Food – Opportunities and Challenges for Vietnam's Agricultural Products

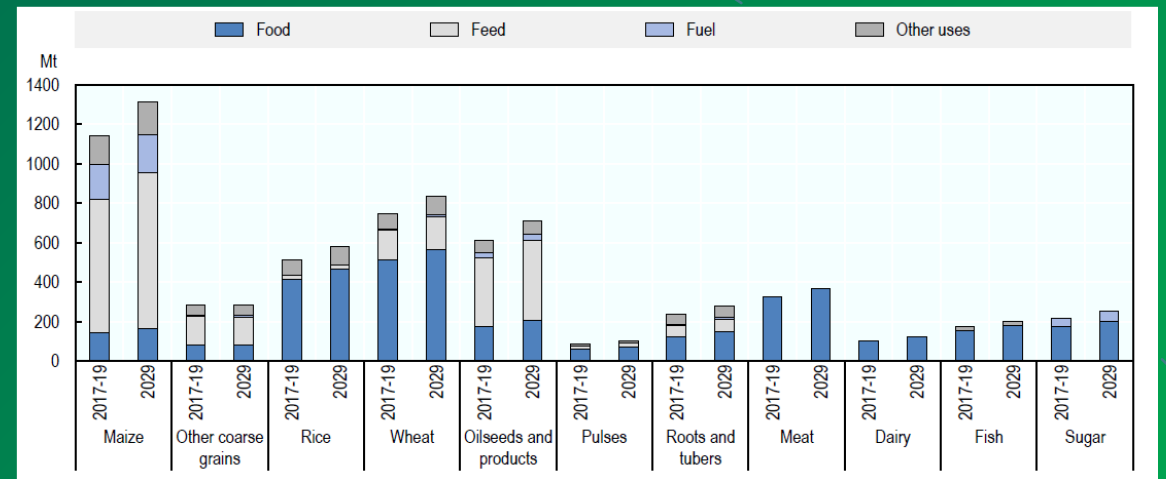
Nguyen Song Ha, Assistant FAO Representative (Programme), Viet Nam

Global food demand – medium to long term (1)

Annual growth in demand for key commodity groups



Global use of major commodities

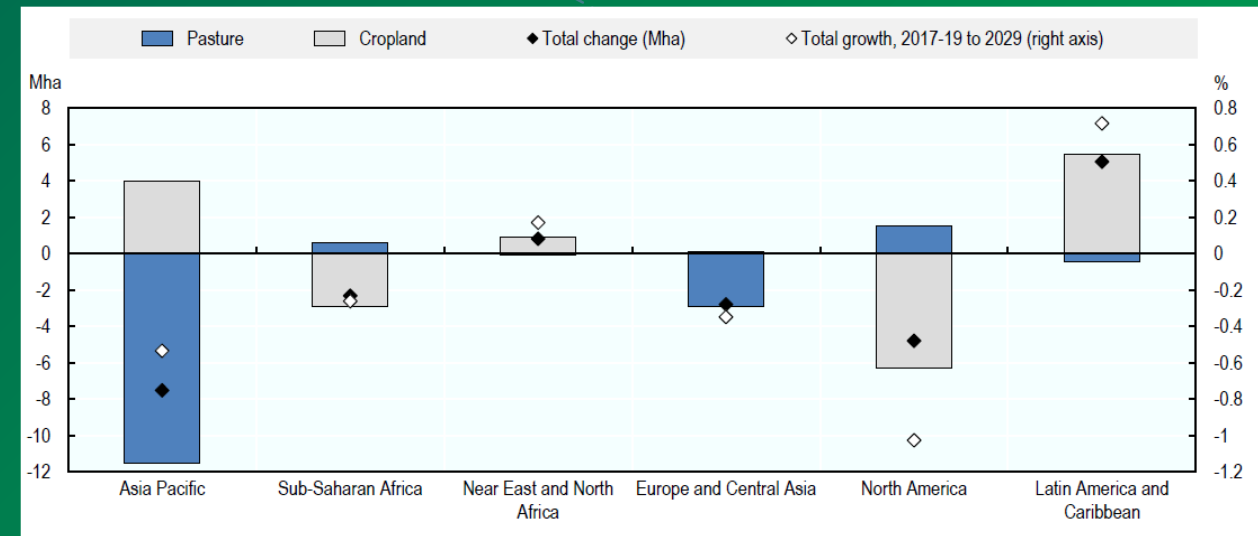
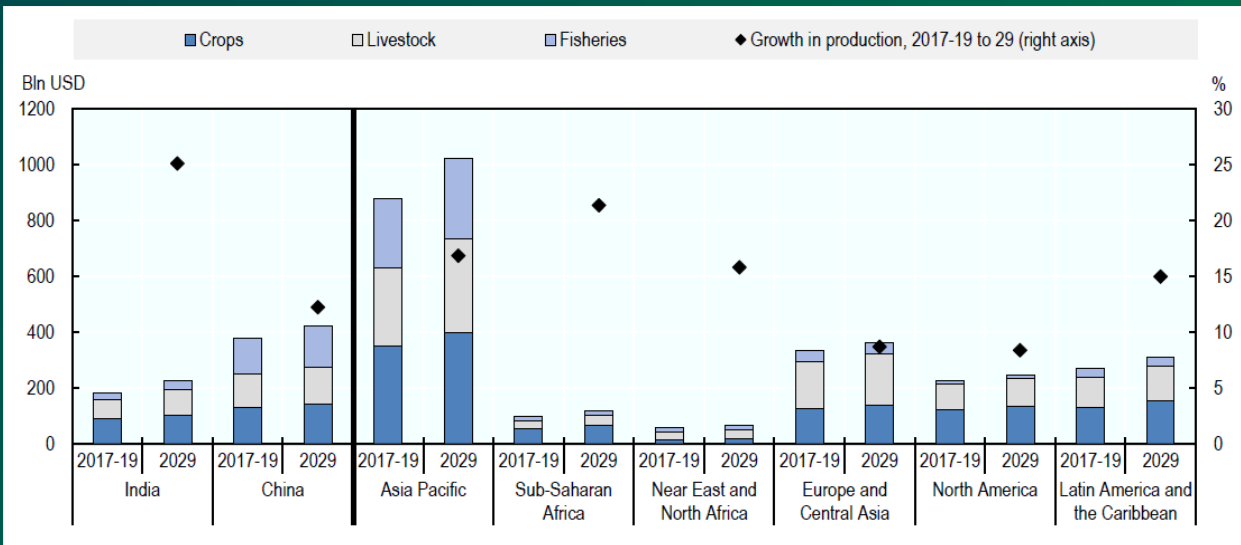


Source: FAO & OECD (2020)

Global food demand – medium to long term (2)

Regional trends in agriculture and fish production

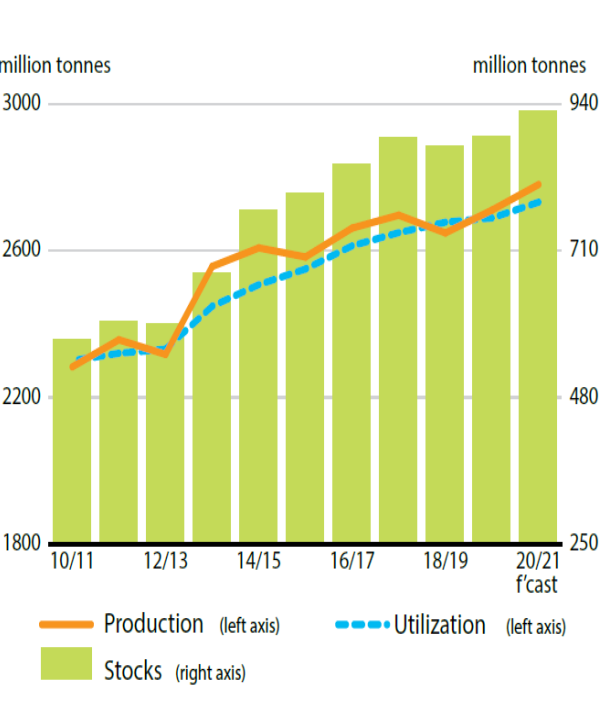
Change in agricultural land use



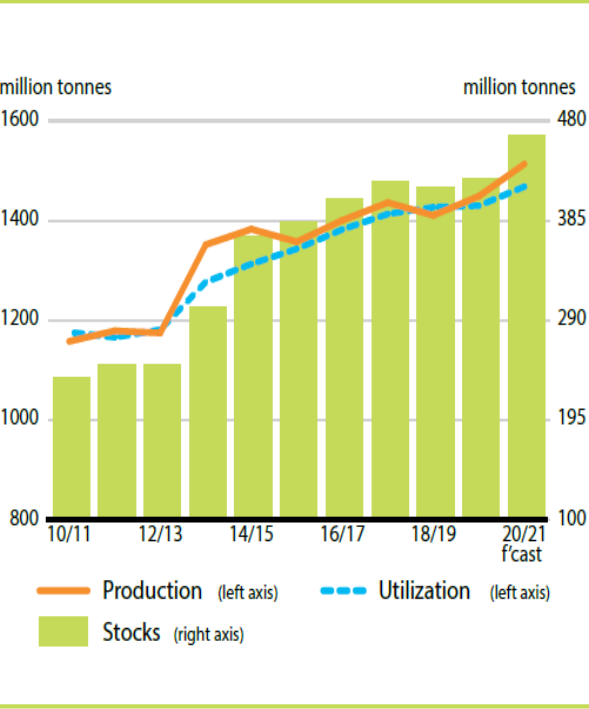
Source: FAO & OECD (2020)

Short-term food demand (under COVID-19 impact) (1)

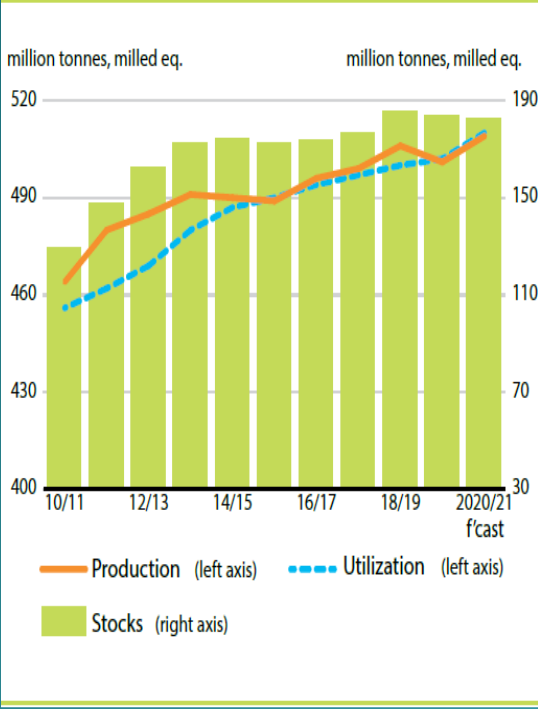
Cereal Grain Production, Utilization and Stock



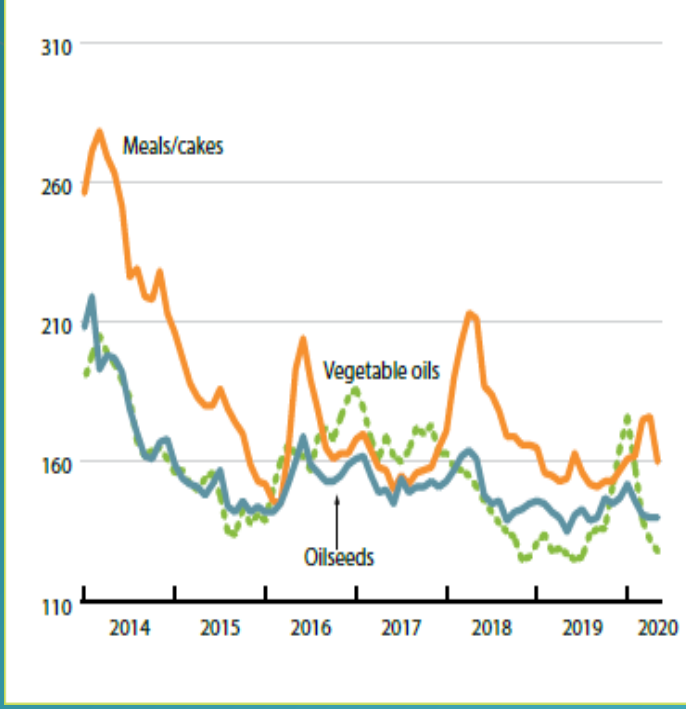
Coarse Grain Production, Utilization and Stock



Rice Production, Utilization and Stock



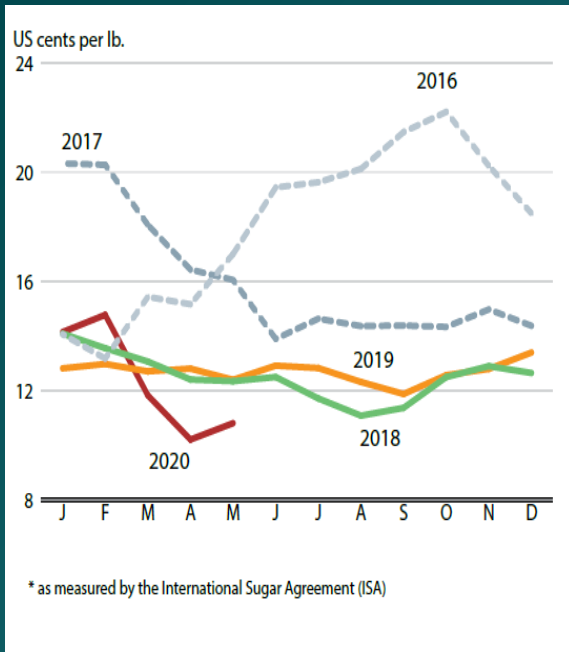
Price Indices – Oilseeds, Veg. Oils, Meals/Cakes



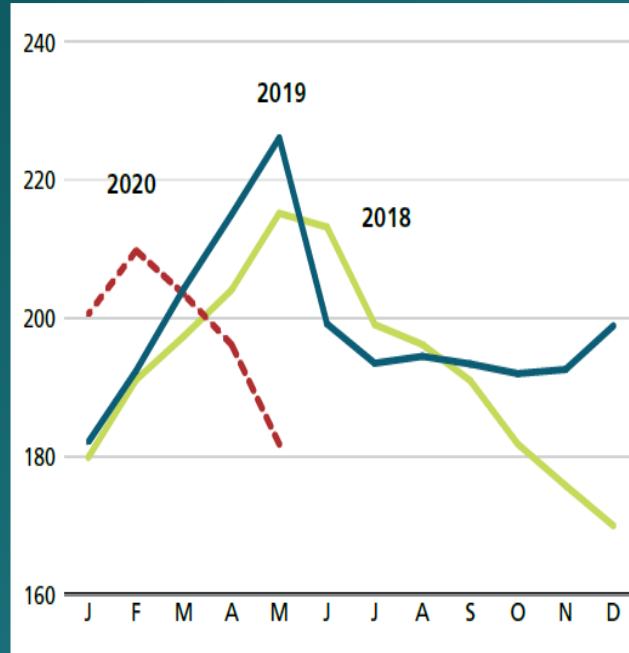
Source: FAO (2020)

Short-term food demand (under COVID-19 impact) (2)

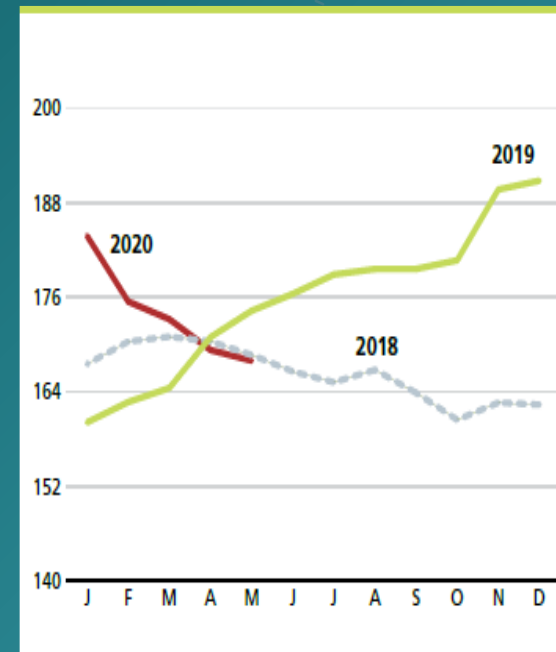
Sugar Price Index



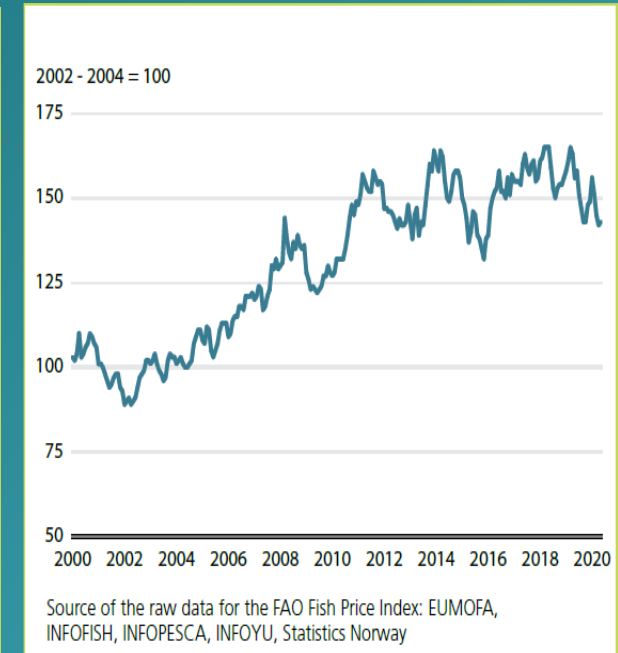
Dairy Price Index



Meat Price Index



Fish Price Index



Source: FAO (2020)

Key challenges

1. All-in-all trade in food and agriculture likely to contract in 2020, when credit markets are tightening. Not all countries have the fiscal means to manage the impacts of the pandemic which are highly dependent on food imports.
2. Supply chain disruptions due to large-scale lockdown present a major hurdle in international trade of food & agricultural products.
3. Food systems are being threatened by disasters and crises in various countries/territories, while limited R&D budget may hamper the modernization and investments in agriculture/extension.
4. Awareness of wildlife farming/consumption impacts on ecosystems and human health, as well as relevant law enforcement.

Opportunities & Recommendations for Viet Nam

Long/middle term:

- Farmers need to maintain and invest in productivity, with access to affordable credit.
- Greater diversification in agricultural trade equates to increased resilience
- Digitalization may help boost agriculture / logistics modernization and productivity.
- Quality and certification should be prioritized.

Response/Recovery from pandemic:

- Family farming provides 'social protection' means to ease unemployment impacts on livelihoods.
- Restrictions of trade in agricultural products would threaten food security.

Preparations of future food crises

- Plant-based product consumption, biosafety and biosecurity measures should be promoted
- Adaptation/DRR plan should be in place for agriculture & rural sectors, with an Early Warning/ Early Action (EWEA) system operationalized.

Special Notes on Digitalization

1. Digital technologies may facilitate compliance with regulations and standards for agricultural trade, provide farmers with quicker and reliable access to critical services from micro-insurance, extension, market, credit and finance services. They also contribute to reduced trade/ transaction costs.
2. Governments also need to ensure (1) security and quality of new technologies and services and prevent exploitation of vulnerabilities in the technology by unlawful actors; (2) data standards to address issues of data quality; (3) due consideration to whether new capacities to create, transfer, and analyze information for enforcement of rules & regulations.
3. However, new regulatory requirements on data should not create new barriers to trade, but provide competitive advantages to countries negotiating data agreements.



Thank You