United Nations Trade and Development (UNCTAD)

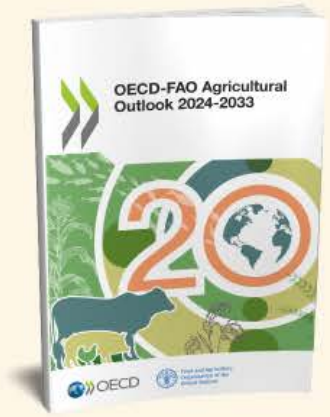
15th Multi-Year Expert Meeting on Commodities and Development
14-16 October 2024, Geneva

OECD - FAO Agricultural Outlook 2024-2033

Sergio René Araujo-Enciso
Markets and Trade Division – Economic and Social Development Stream
FAO

Food and Agriculture Organization of the United Nations

OECD



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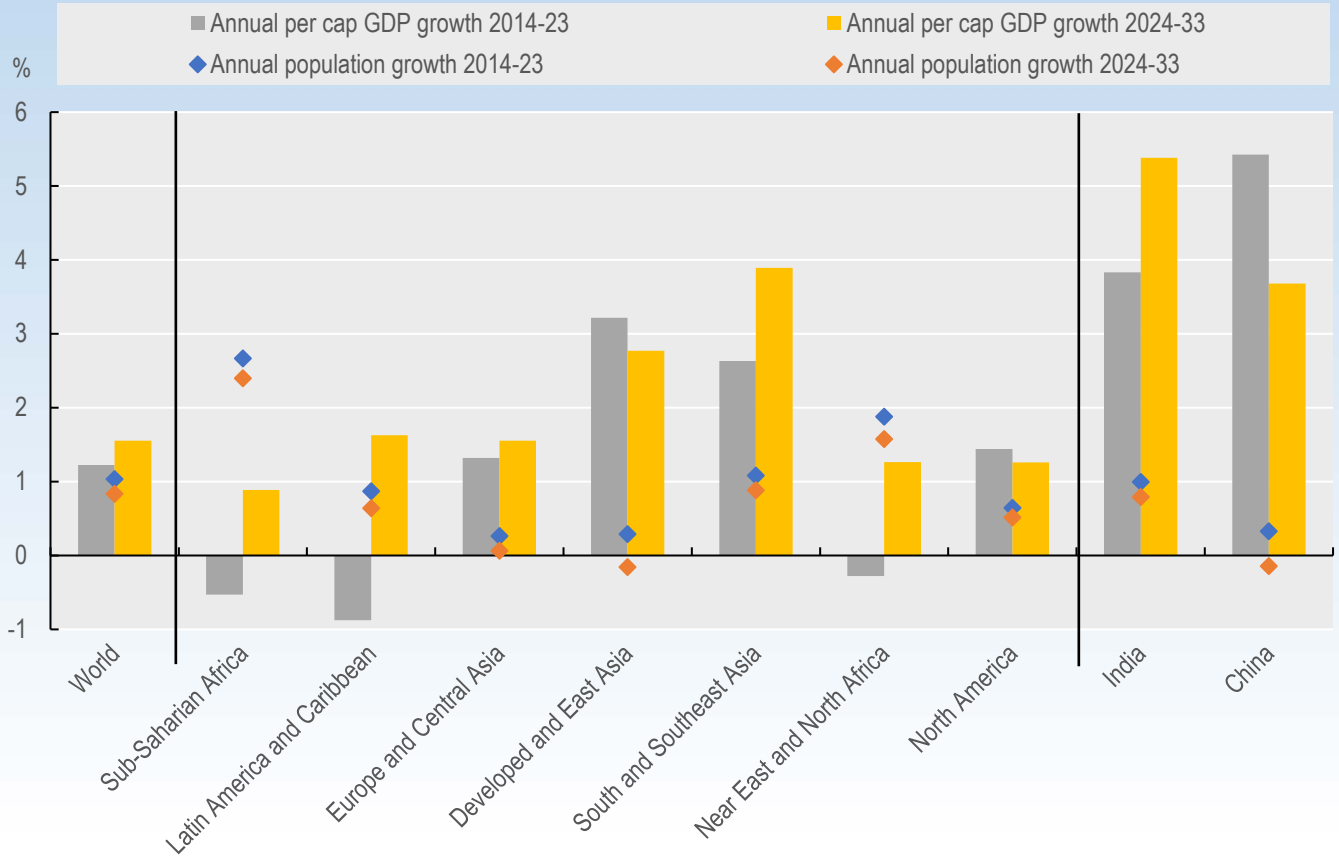
Macroeconomic and policy assumptions

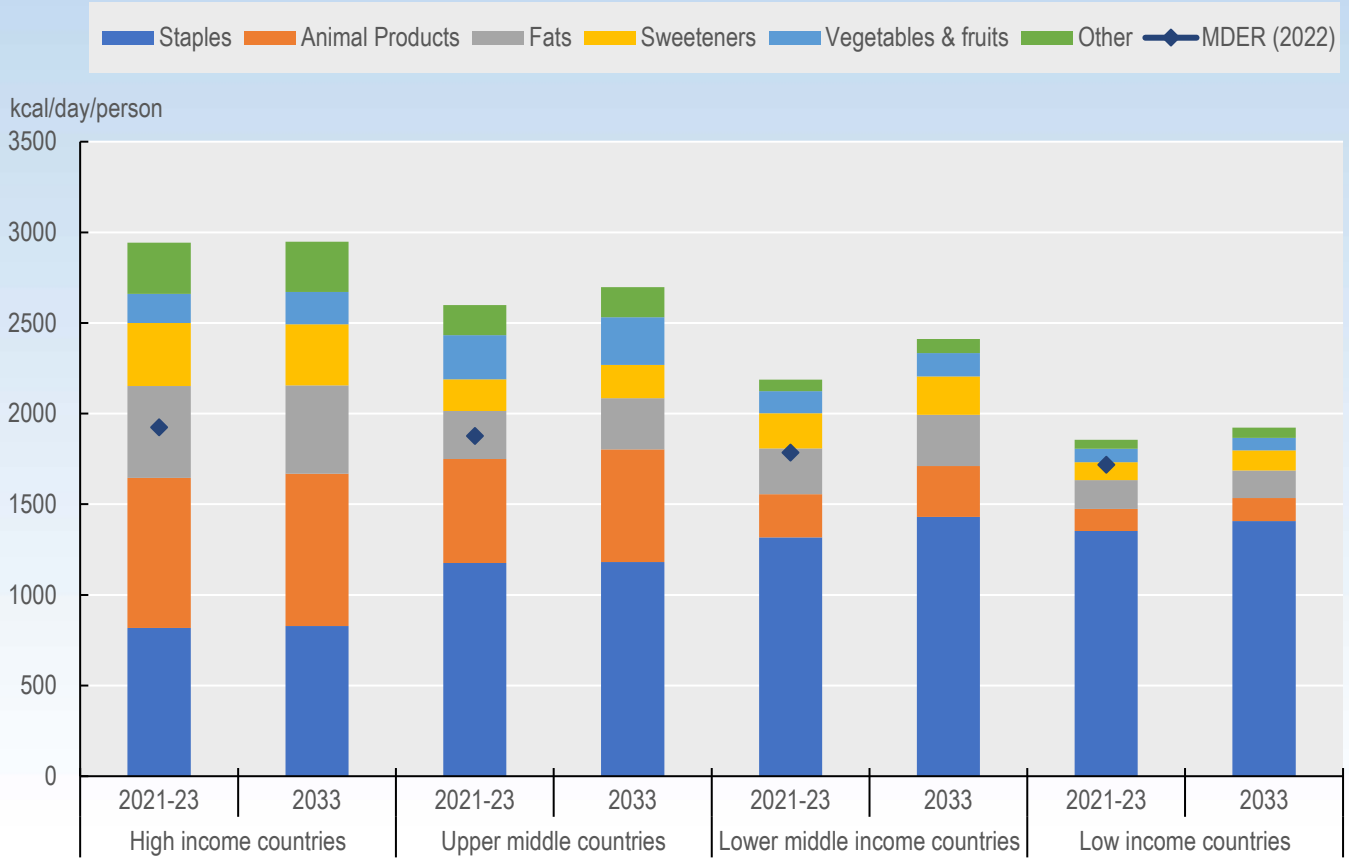
Annual GDP per capita and population growth rates



- Global average population growth rate of 0.8% p.a.
- Most rapid population expansion in Sub-Saharan Africa at 2.4% p.a., the population of China is expected to decline gradually.
- Global average per capita income growth at 1.6% p.a.
- Strongest economic growth in Asian economies.
- Prices of inputs have eased from their 2022 peaks and are projected to remain flat in real terms to 2033.

Consumption: calorie intake 2024-2033

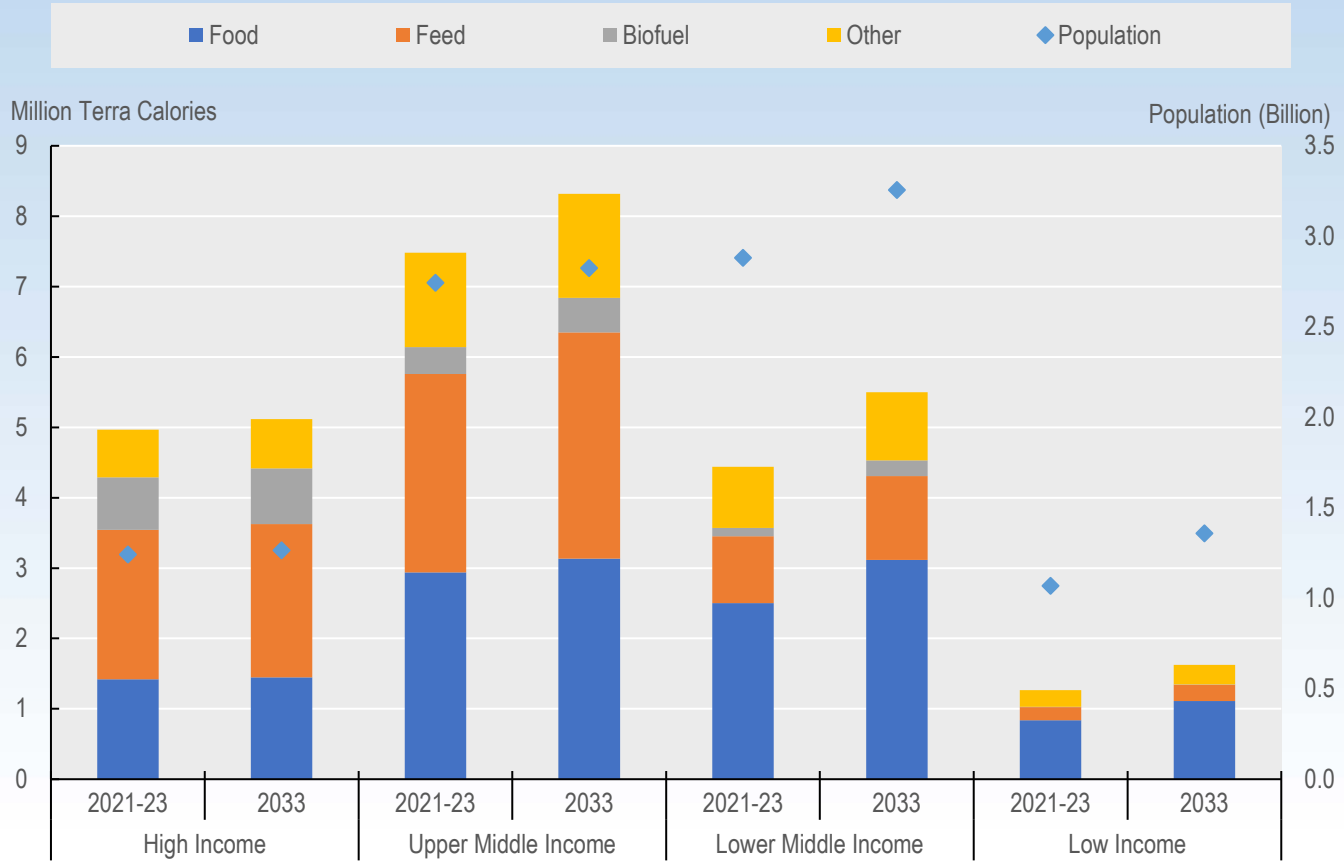
Contribution of food groups to total daily per capita calorie intake



- Calorie intake is expected to increase by 7% in middle-income countries, largely due to greater consumption of staples, livestock products and fats.
- Calorie intake in low-income countries will grow at 4%, too slowly to achieve the Sustainable Development Goal target of zero hunger by 2030.

Consumption: projected evolution for 2024-2033

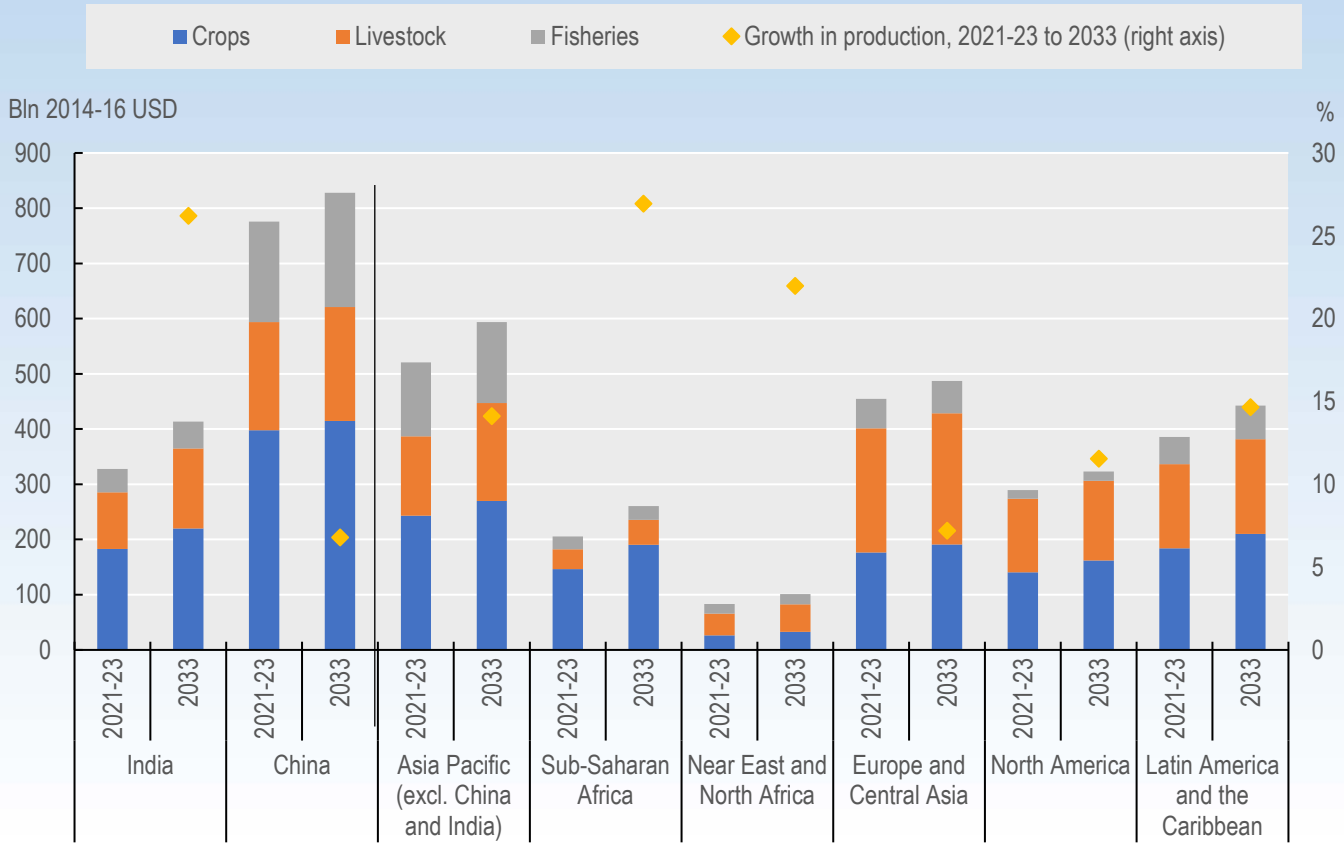
Use of agricultural commodities by type and region



- Total consumption of agricultural commodities and fish to grow by 1.1% p.a.
- Almost all the additional consumption in middle- and low-income countries.
- Growing and increasingly affluent populations with slowly evolving nutrition patterns are shaping the demand.
- Direct food use accounts for 42%, feed for 33%, biofuel for 7%, losses and other for 17% of total consumption.

Production: projected evolution for 2024-2033

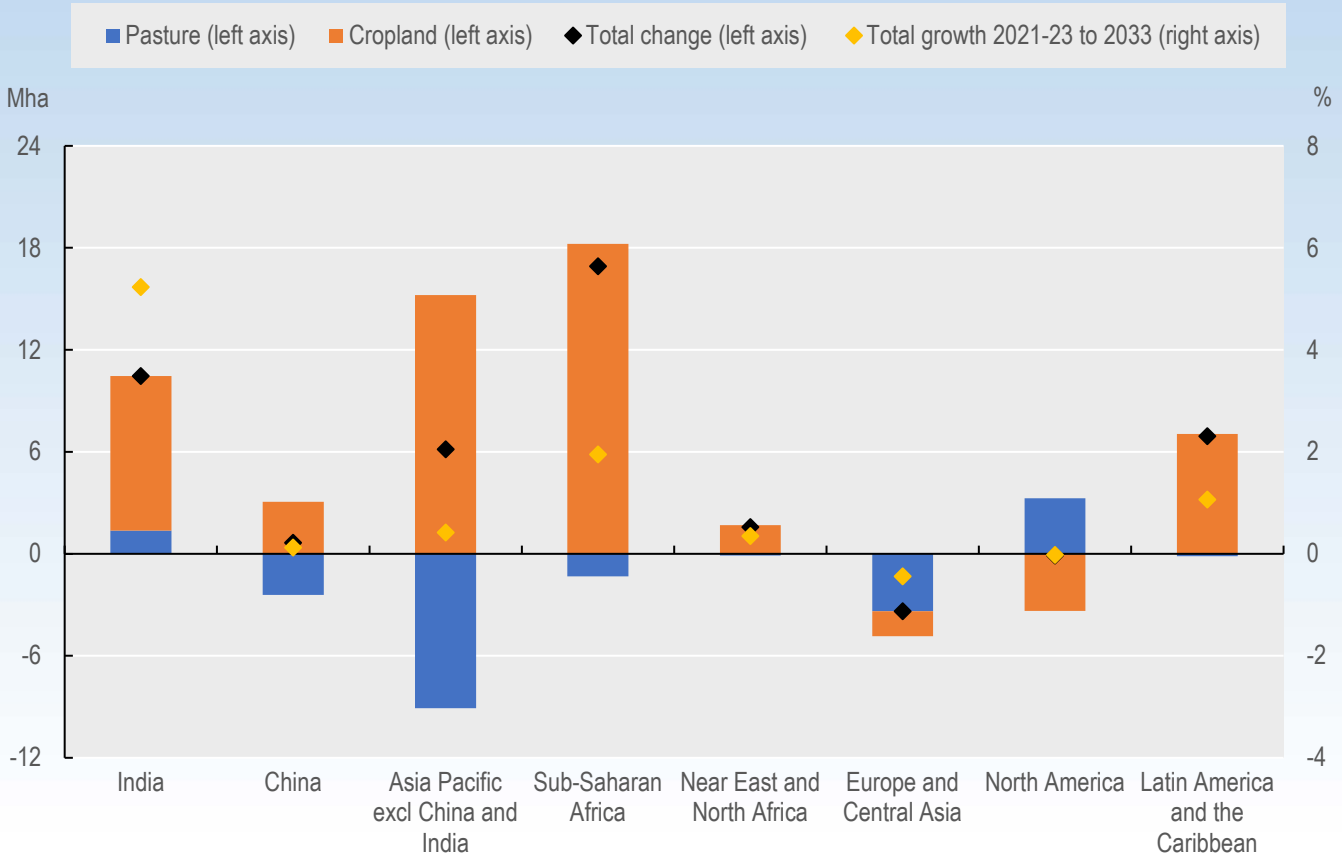
Trends in global agricultural production



- Growth in production by yield gains in low- and middle-income countries
- Only minor changes in land use.
- Livestock production will expand fastest
- Agriculture's global GHG emissions intensity will decline.
- The impacts of climate change.

Production: land use trends

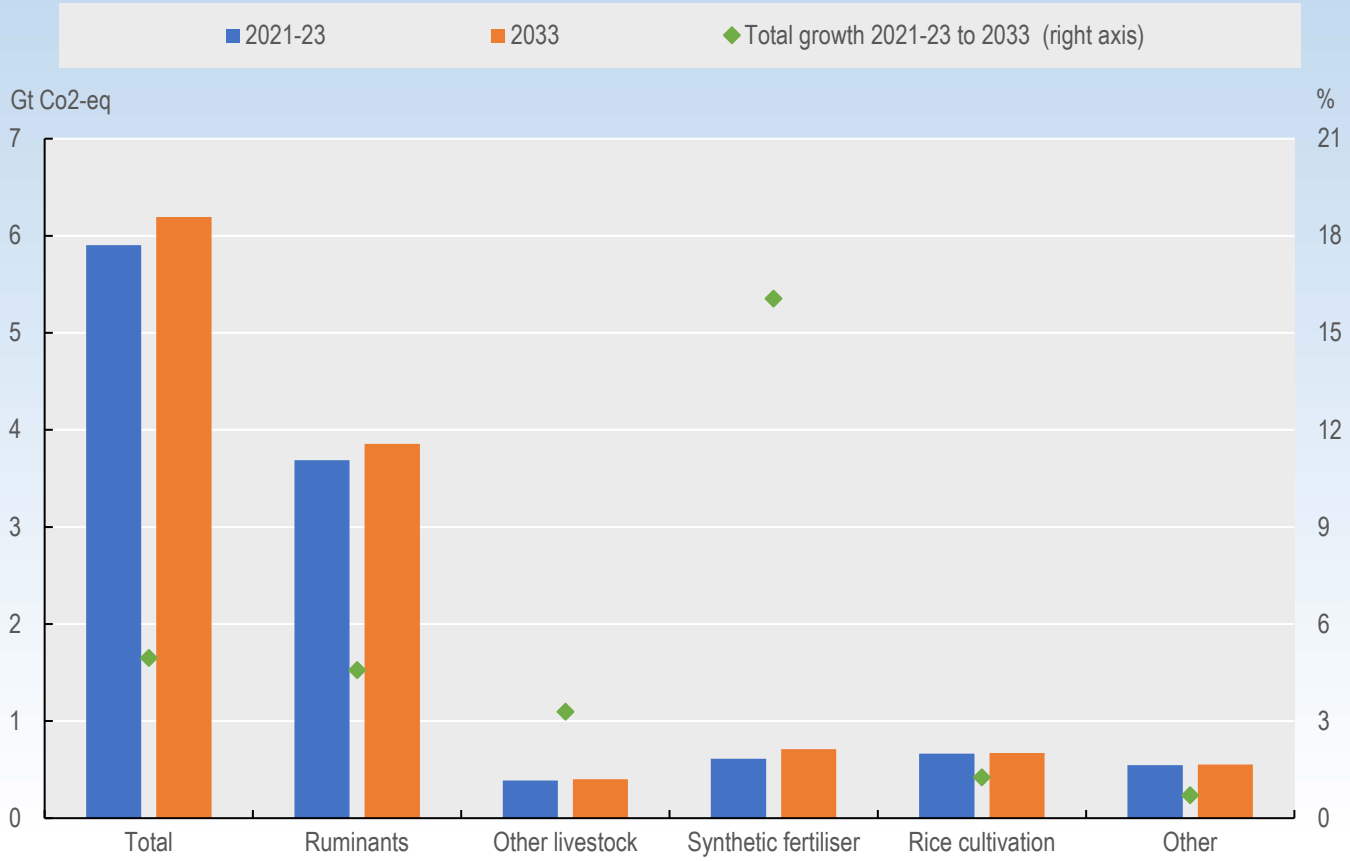
Change in agricultural land use 2021-23 to 2033



- Globally, agricultural land is not anticipated to increase.
- Increases in cropland will be offset by decreases in pasture.
- Cropland expansion to occur predominantly in Asia, Latin America and Sub-Saharan Africa and globally to contribute 15% of the growth in crop production.
- North America and Western Europe, cropland is anticipated to decrease due to stricter environmental regulations.

Production: commodity greenhouse gas emissions

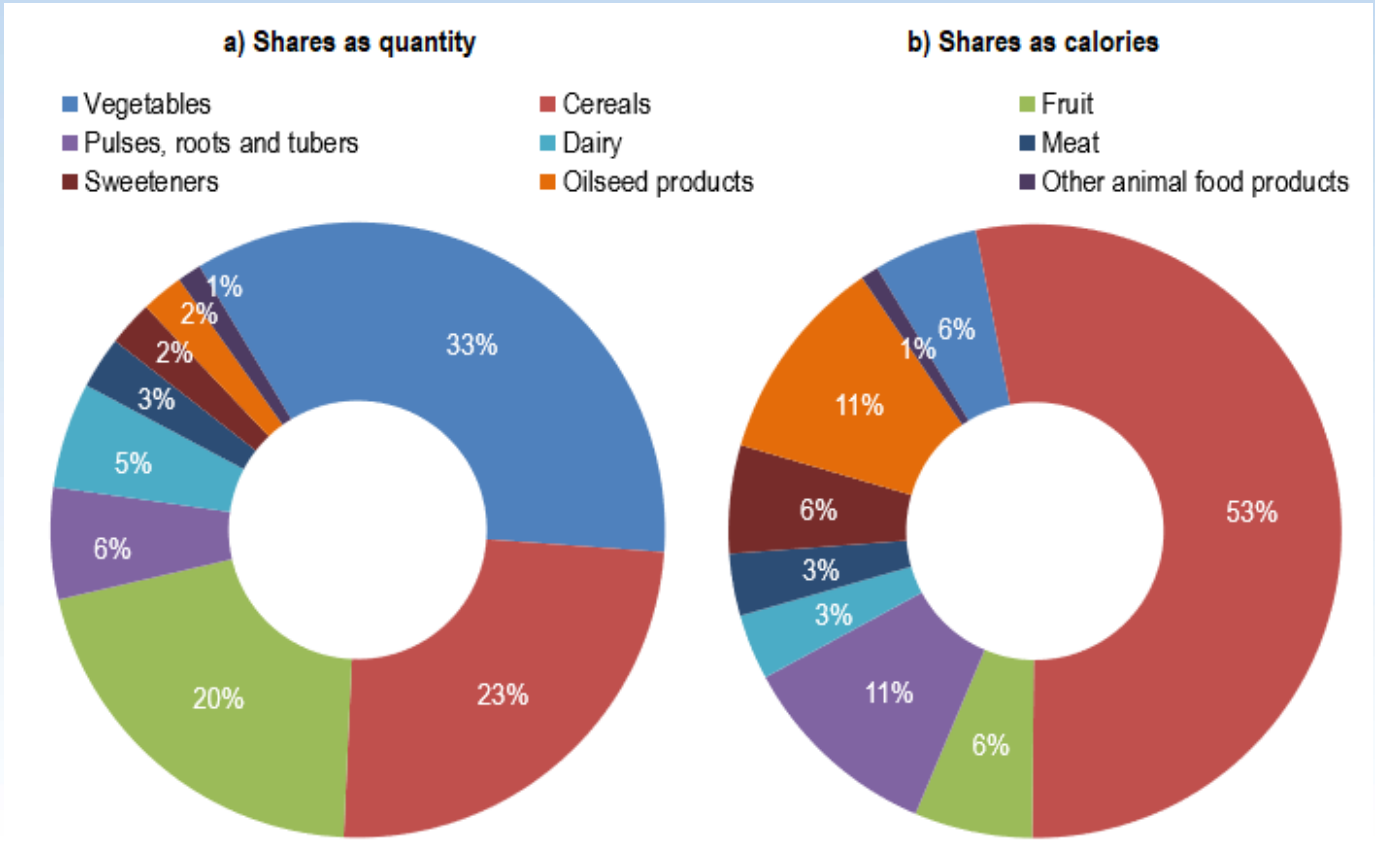
Direct GHG emissions from crop and livestock production by activity



- The Outlook follows the IPCC's Tier 1 approach.
- Growth in agricultural production to cause a 5% increase in direct GHG emissions over the decade.
- Livestock production will account for 62%, synthetic fertilizer use to contribute 34% to the increase.
- With unchanged paddy areas, the increase in GHG emissions from rice cultivation is curbed.

Food loss and waste

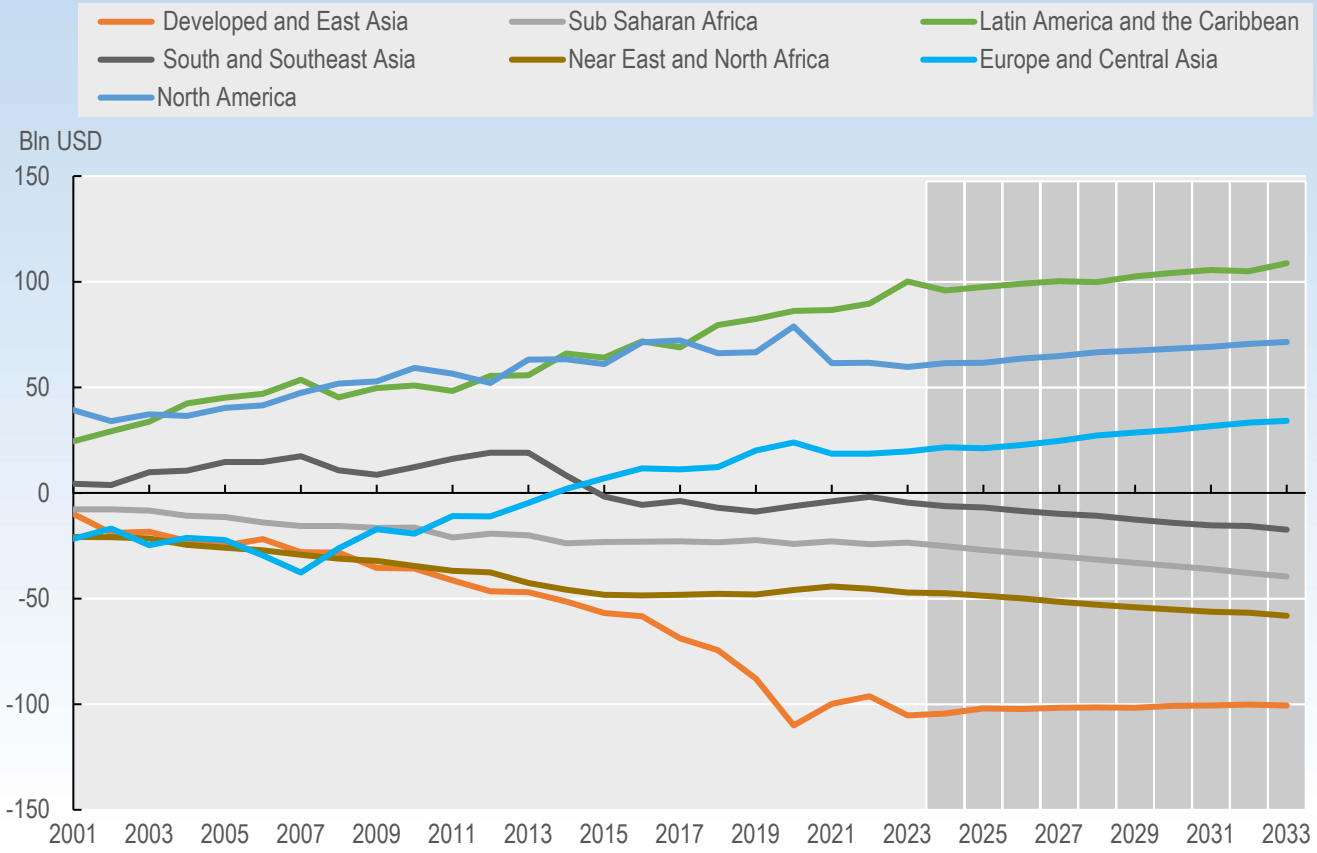
Shares of food loss and waste by commodity, 2021-2023



- Roughly one-third of the edible parts of food produced for human consumption, gets lost or wasted globally.
- By 2033, close to 700 Mt of food will be lost between harvest/slaughter/catch and retail, while a further 1 140 Mt will be wasted at retail and household levels.
- By 2033, 2.8 million terra calories will be lost and wasted, this is more than double the annual calorie consumption in low-income countries.

Trade: projected evolution for 2024-2033

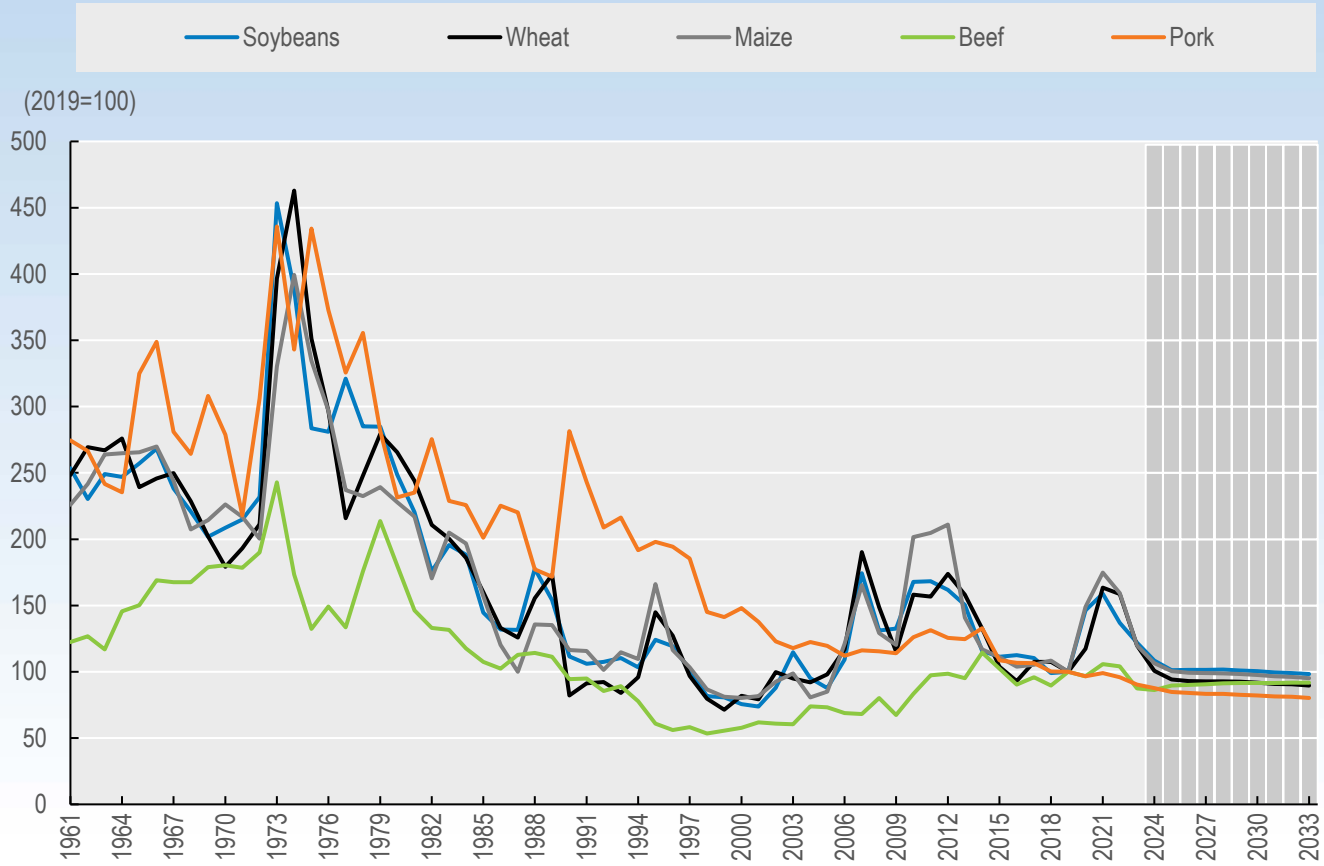
Net agricultural trade of main agricultural commodities by region, in constant value



- Growth of agricultural trade will slow down and export growth will stabilize.
- Shipments between exporting and importing regions will expand.
- Trade plays a crucial role in resilience.
- Box: *Role of trade in mitigating the impact of extreme weather events.*

Prices: projected evolution for 2024-2033

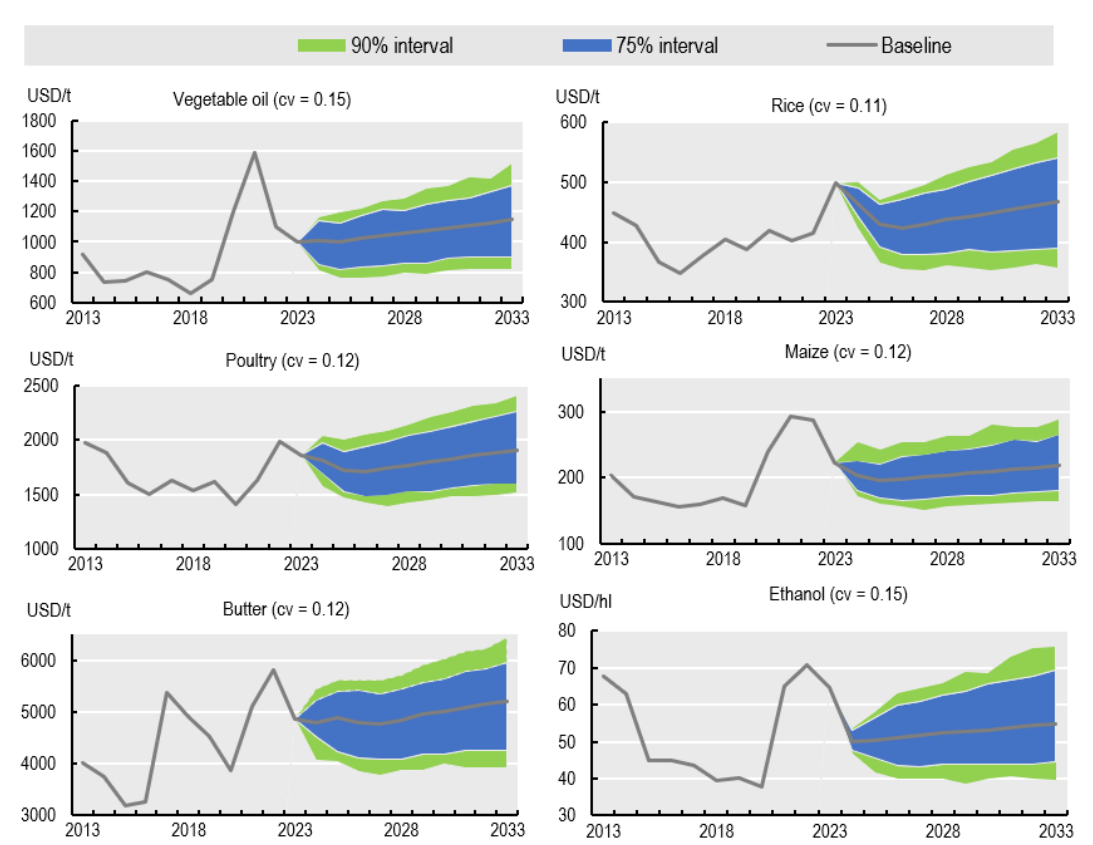
Long-term evolution of commodity prices, in real terms



- Prices have fallen from their peaks and are expected to fall more rapidly in the near term as the effects of the events underpinning their increases subside.
- A slight fall in real international reference prices for main agricultural commodities is projected over the next ten years.
- The actual varies based on specific transport costs, local currency movements, trade policies and the degree of integration of domestic markets into the global trading system.

Prices: stochastic simulations

Baseline and stochastic intervals for selected international reference prices



- A partial stochastic analysis indicates the sensitivity of the baseline price paths to underlying uncertainties.
- The analysis includes the variability in global macroeconomic drivers and specific agricultural crop yields.
- The results provide an expected price range and the associated probabilities for deviations from the baseline.
- Price risks are mostly evenly distributed between the high and low sides.

Thank you!