

# KAIRAT UMAROV

Deputy Minister of Foreign Affairs, Republic of Kazakhstan

## **Philippe Chalmin, Professor, Paris-Dauphine University, founder of the Cercle Cyclope**

Nous allons changer de pays et je propose ensuite qu'on réserve la discussion et les questions. Nous avons vu dans un des plus grands pays de la planète en termes de population, une politique agricole très ancienne remontant et se fondant sur les bases du gandhisme (autosuffisance, etc.).

Passons maintenant à un pays récent (1990). On se souvient, dans nos livres d'histoire, de la campagne de Krouchtchev pour les terres vierges du Kazakhstan.

Aujourd'hui, le Kazakhstan est un des grands exportateurs mondiaux : c'était l'année dernière 16 millions de tonnes de blé et entre 8 et 10 cette année – suivant les sources.

C'est un cas de figure totalement différent et donc je serais heureux que Monsieur Umarov (Secrétaire d'Etat aux Affaires étrangères) nous en parle.

## **Kairat Umarov**

Chairman, excellencies, ladies and gentlemen, first of all I would like to compliment IFRI for their excellent arrangements for the conference and the hosts for their warm hospitality. I think that with the provision of all necessary conditions for successful work, I think we have to deliver good results in terms of our discussions and deliberations.

This gives us quite a valuable opportunity for discussing one of the key issues of our times, ensuring food security. The aggravation of the global food problem in the 21<sup>st</sup> century is mainly caused by the disproportion in the high population growth rate and insufficient food supply resulting from a reduction in the basic resources needed for agricultural production. We have already witnessed a wave of food riots around the world. Global meltdown and the food crisis have jeopardised all the efforts of the international community to meet the humanitarian challenges.

Today the problem of hunger poses a new threat. Previously it was a consequence of drought or other natural disasters, whereas now it is caused by the high cost of food. 40 countries around the world are experiencing food shortages; more than a billion people are experiencing water shortages, and this figure will triple by 2025. World energy prices are growing rampantly, pushing up the prices of all kinds of goods, including food. According to the UN, world food prices increased by 83% over the last few years, while the size of food reserves have fallen to their lowest level over the past 30 years.

Less than a month ago, the international community, represented by the UN General Assembly, reaffirmed its responsibility for implementing the Millennium Development Goals, including the eradication of extreme poverty and hunger. The fact that this problem has been actually discussed in the past two years in the global and regional forums is reassuring. The international community recognises that the increasing numbers of hungry and poor people in the world is simply unacceptable, but despite international efforts, world food security is yet to be improved.

More than a billion hungry people testify to the fact that the international community has failed to mobilise necessary resources and fulfil obligations undertaken in such documents as the International Bill of Human Rights, the



Convention on the Rights of the Child, the Universal Declaration on the Elimination of Hunger and Malnutrition, and the Rome Declaration on World Food Security.

Therefore, we support the reform of the entire management system for world food security. We believe that strengthening the FAO and other UN-based institutions, as the UN system at large, should be the focus of our attention and should be given full political support. We need to improve vulnerability assessment procedures and early warning systems for a new food crisis and the subsequent rapid response mechanism to tackle such problems. It is vital to create proper social and economic conditions for the effective application of concrete social security measures. Global governance of world food security in the framework of existing institutions should be strengthened; it should ensure the coordination of all measures and actions in addressing such complex issues.

There should be a system of world food security to ensure the coordination of policies among such sectors as agriculture, economy, environment and social protection, as well as to monitor the activities being conducted. Policy coherence will allow priorities to be specified in global and national development strategies, and attract investment from private and public institutions to improve agricultural productivity and environmental and social protection.

The existing distribution of wealth has for a long time been testing the stability of the global balance, and no one can guarantee that this delicate balance will not be broken in the near future. We all realise that, without reaching global economic balance, it is impossible to achieve sustainable development of the global system. Economic imbalance creates fertile ground for illegal immigration, extremism and the growth of social tension.

Kazakhstan believes that, in this regard, it is vital to complete the Doha round of negotiations to eliminate agricultural subsidies and tariffs in the developed countries to promote agricultural development in the least developed and developing states, otherwise it would be extremely difficult to achieve progress on this issue. Kazakhstan shares the concern about food security in the world, and finds it is necessary to implement a coherent, overall approach in the fight against hunger through the support of national strategies and coordination of international organisations.

We believe it is extremely important to use the potential of countries with large reserves of land, water and other natural resources. Kazakhstan is among these nations, and we closely follow the situation in the agricultural and food markets. The President highlights the development of the agricultural sector as the key to economic and socio-political stability in society. Starting this year, the state agricultural policy is being based on the national programme for intensified industrial innovation and development.

Kazakhstan is taking steps to modernise and enhance the productivity of the agricultural sector, and that policy has already yielded tangible results. Political and economic stability and a healthy social environment have helped to restore the country's food producing capacities and strategic stocks of agricultural products.

Kazakhstan was the grain-basket of the former Soviet Union, but after the chaos of the breakup we lost over half of our production; we are making great efforts to restore it today. The state pays great attention to education and technical training, upgrading the material and technical base, increased application of advanced technologies in agriculture, attracting investment and bringing its legislative framework to international standards.

Over the past few years, the area of water saving technologies has increased from 12% of 60% in grain production, and we are increasing the use of irrigation technologies. Nowadays programmes are being implemented for upgrading agricultural machinery, increasing profitability and productivity of the agricultural sector. We are building and enlarging grain terminals to expand the geography of grain exports. All types of animal husbandry are being developed, and virtually unlimited natural grasslands of 180 million hectares allow us to produce competitive and environmentally friendly livestock products. We implement investment projects for feeding sites, setting up new facilities and modernising existing veterinary laboratories. Kazakhstan has the potential to double the number of livestock and substantially raise productivity in this sector.

Currently, Kazakhstan not only ensures its own food security, but it also becomes a reliable supplier of food products for export. The Government's measures, in general, are aimed at increasing the attractiveness of agriculture and raising its efficiency, which should have a positive impact on food security and the macroeconomic situation in the

country and beyond. For example, Kazakhstan is among the top ten global exporters of wheat and flour; it produces high quality wheat with high protein and gluten content. That makes Kazakhstan one of the world leaders in flour exports, with 2.5 million tonnes being projected for this year; we have been in the leading position for the last four years.

Additional investment in the agricultural sector and the introduction of new agricultural technologies could help the country to increase the exports of such products and continue to overcome the food crisis. For example, as of 11 October this year, Kazakhstan collected 13 million tonnes of grain, and this year was quite a difficult one, of which about eight million are for export. Kazakhstan intends to expand its cooperation with the World Food Programme, and considers that it is appropriate to include Kazakhstani producers into the supply end of this programme. Kazakhstan provides humanitarian aid, including food, on a regular basis to the countries affected by emergencies.

Today the leading countries and the whole international community need to take resolute steps to develop new forms of international cooperation which can stabilise the world economy and overcome the global imbalances. Strengthening cooperation on food security is vital and timely. An important issue is increasing investment in sustainable technologies, improving the quality of farmlands, and increasing crop productivity. Based on the experience of my country, we believe that food security should be addressed with a combination of market self-regulation and state support of the agricultural sector. Technological innovation is required, along with increased productivity, through increased access to new technologies and investment resources.

The development of the agricultural sector is impossible without creating a fair and competitive global trading system and increasing investments in agricultural research and development. We believe it is necessary to consolidate all this existing potential to secure sustainable development in the world, otherwise, as opposed to the Roman decisions, the number of people will not reduce by 2015, but will increase.

Kazakhstan is committed to meet this challenge. Thank you for your attention.

### **Philippe Chalmin**

I have one question. Who owns the farms in Kazakhstan? Have you gone back to a system of family farms, or have you kept them as state or private entities?

### **Kairat Umarov**

It is interesting to note that there were big collective farms in rural areas in the former Soviet Union. There was a radical reform of the agricultural sector after independence; all the collective farms were disbanded, and today we have smaller private farms. However, the tendency lately is for these smaller farms to get back together, because to work these huge fields you have to rent or buy costly machinery. That is why smaller farms are getting together and renting or buying the machinery for use in the farming process. Therefore, we are seeing smaller farms being enlarged; they are still private, but they are bigger.

### **Philippe Chalmin**

Do you have any foreign investment, like what is happening in the Ukraine, particularly investment from China?

### **Kairat Umarov**

We do not have any presently. We would like to attract investment into the agricultural sector, because we think that it is a very attractive proposition in terms of return on investment. China is not a party to any of these ventures, though the interest is there. Chinese workers are very hard-working, and they would like to be in Kazakhstan, which has the same landmass as India but with just 15 million people. We are looking for technologies from Europe and other countries which could be of help to us.