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OECD-FAO Agricultural Outlook 2023-2032
The outlook for global food and agricultural markets

By

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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.
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Macroeconomic and policy assumptions

Moderate economic growth and curbed inflation

• Population growth slows down to 0.8% p. a., strong regional differences remain.

• Global per-capita income growth to slow initially and then average 1.7% p.a.

• In OECD countries, inflation subsides and averages 4.4% p.a. over the decade.

• Crude oil prices projected at $82/bbl in 2023, returning to $98/barrel in 2032.

• Policies held fixed and weather does not fluctuate year-by-year. Climate change reflected in productivity and area projections.

• Consumer preferences continue on trend.

• Continued increase in productivity resulting in falling marginal production costs.
Trends in global use patterns

Use of agricultural commodities depends on economic development

• 13% growth in use by 2032;
  • Bulk of the increase in middle-income countries;
• Food remains primary use
  • Share of animal-based food increases slowly;
• Feed use remains concentrated in higher income countries;
• Share of biofuel use expands.
Global agricultural production trends

Production of emerging economies expected to increase fastest

- Growth will mainly be located in middle- and low-income countries;
  - Almost 60% of increase originates in Asia;

- Yield improvements account for 80% of crop production growth;

- Livestock herds in middle- and low-income countries are expected to expand further.
Increases in fertiliser costs directly affect crop prices

- Each 1 percent increase in fertilizer prices raises agricultural prices by 0.2 percent on average;
- Impact most significant on cereals, poultry and pork;
- Impact on producers depends on their fertilizer use efficiency.
The share of internationally traded production is stabilising

- Share of internationally traded production will remain at about 23%;
- Growing separation of supply and demand between regions;
- Latin America and the Caribbean maintains 50% share of net exports;
- Chinese net imports projected to decline by 14%. 

Regional net trade
Global reference prices and uncertainties

Real agricultural prices return to declining trend

- Current price correction expected to end in 2024-25;
- Market fundamentals bring real agricultural prices back to declining trend;
- Domestic consumer price trends may deviate;
- Evaluation of uncertainties indicates a wide range of potential future prices.
Special features and additional resources

The publication provides special features, regional briefs and commodity chapters

• Box 1.1. Food loss and waste: Definitions, global estimates and drivers

• Box 1.2. Gender and food systems

• Box 1.3. From globalisation to regionalisation

• Regional Briefs for seven geographical regions

• Specialised chapters for nine commodity groups
Thank you.

Visit our website: www.agri-outlook.org

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