Crisis into Opportunity:  
Reinforcing Multilateralism

Background document to the second report on the global food crisis  
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NOTE. This document is the background document on which the official report (A/HRC/12/31) submitted to the Human Rights Council at its 12th session (September 2009) is based.
EXECUTIVE SUMMARY

Since the global food crisis put hunger at the top of the political agenda, important efforts were put, at both international and national levels, into increasing the supply of food. But producing more food will not reduce hunger if we neglect to think about the political economy of the food systems and if we do not produce and consume in ways which are both more equitable and more sustainable. Nor will increased production suffice if we do not ground our policies on the right to food – as a means to ensure adequate targeting, monitoring and accountability, and participation, all of which can improve the effectiveness of the strategies put in place.

This report seeks to explain why. It describes the current state of the global food price crisis, and what the right to food has to contribute at the operational level. It goes on to argue that States should ensure that the reinvestment in agriculture will effectively contribute to combating hunger and malnutrition, by assessing the contribution to the realization of the right to food of different modes of agricultural development; and it explains why we need to accelerate progress towards an international consensus on the production and use of agrofuels, and on large-scale land acquisitions or leases. It also emphasizes the need to guarantee the right to social security, and which role the international community could play in enabling countries to strengthen social protection. It discusses how countries may cope with increased volatility of prices on the international markets, and how international cooperation could combat the sources of such volatility. It ends with a plea to improve the global governance of food security: in times of crisis more than ever, only by strengthening multilateralism can we hope to effectively realize the right to food. If we achieve this, the crisis can be made into an opportunity.

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In September 2008, I presented my first report on the global food crisis (A/HRC/9/23). My second report on the crisis (A/HRC/12/31) summarizes which efforts have been undertaken by governments and by international agencies in order to build resilience against the risk of further food crises in the future. It is based on a number of responses received from Governments addressed to them on 27 January 2009 and the information submitted by additional sources.1 The inquiry is divided into four themes. The report first describes the current unfolding of the global food crisis: the crisis is not over, it is having devastating consequences, and it is further aggravated by the financial, economic, and ecological crises we are currently witnessing (II). Next, the report examines the impact of the renewed interest in agriculture and the choices that governments are confronted with in this area (III). It then considers the strengthening of social protection as a means to shield the poorest segments of the population from the impact of high food prices (IV). While both these questions are primarily matters to be addressed through policies adopted at national level, this report argues for the need to support more actively these efforts by certain initiatives which could be adopted at international level. The report then considers possibilities for the regulation of the markets for agricultural commodities: in particular, it inquires how the volatility of prices of agricultural commodities – which discourage investment and production, and lead to higher prices for buyers of food – could be combated (V). Finally, it examines the case for strengthening the political will to effectively tackle hunger and

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1 Replies have been received from Afghanistan, Algeria, Belarus, Brazil, Colombia, Denmark, Ecuador, El Salvador, Finland, France, Greece, Guatemala, Iraq, Ireland, Jamaica, Japan, Mexico, Mongolia, Oman, Portugal, Romania, Saudi Arabia, Slovakia, Slovenia, South Africa, Spain, Switzerland, the Syrian Arab Republic, Thailand, Togo, Turkey and Uganda.
extreme malnutrition, by improving global governance (VI). It ends with a 5-points action plan which the Human Rights Council is invited to consider adopting (VII).

I. The unfolding of the global food crisis (2007-2009)

In the face of growing uncertainty about the future prices on the markets of agricultural commodities, we should have worked to increase the resilience of food systems. Instead, it is the crisis which has proven resilient. The dramatic impacts of the surge in food prices of 2007/2008 are well documented. High food and oil prices in 2007/2008 may have increased the number of people living in extreme poverty by between 130 and 150 million. In order to cope with these increases, the poorest families, who spend most of their income on food, have been led to distress sales, including sales of productive assets such as land or tools, thereby making recovery less likely and increasing the risk of falling into chronic poverty. They have removed children, especially girls, from schools. They have cut back on meals and switched to less varied and less nutritive diets. FAO estimates that food price rises have resulted in at least 50 million more people becoming hungry in 2008: in January 2008, 923 million people were estimated to be hungry (with a daily calorie intake of less than 1,800), and this figure was probably around 980 million a year later. Women are often the worst hit, since they are the ones who sacrifice themselves first when the household faces financial difficulties. They and children who have special nutritional needs are particularly at risk. As households are forced to consume a less diverse diet, the risk of critical micronutrient deficiencies, such as iron and vitamin A, increases.

Therefore, even though high food prices may be a temporary shock, they may have long-lasting consequences on physical and mental growth if the coping strategies adopted by households cause reductions in the quantity and/or quality of diets at critical stages of child growth or during pregnancy, with implications in terms of maternal health and well being, as well as the survival, growth and development of children. Maternal undernutrition, poor foetal growth and stunting in the first two years of life lead to irreversible damage across the course of life, including shorter adult height, lower attained schooling, reduced adult income and decreased offspring birthweight.

The prices of agricultural commodities on international markets, of course, have declined since July 2008. They have followed the prices of oil with which they are traditionally correlated:

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The evolution of international prices (2000-2008)


However, despite a record 2008 cereal production and policy responses adopted by many governments following the 2007/2008 food crisis, the crisis is not over. In its latest Crop Prospects and Food Situation Report of April 2009, FAO reported that food prices have remained at high levels in many developing and low-income-food-deficit countries (LIFDCs). Food emergencies persist in 32 countries. The analysis of domestic food prices for 58 developing countries included in this report shows that in around 80 percent of the cases food prices were higher than 12 months earlier, and in around 40 percent higher than in January 2009. In 17 percent of the cases, the latest price quotations are the highest on record, and stark differences exist between countries even within the same region. In sub-Saharan Africa, domestic prices of rice were much higher in April 2009 than in April 2008 in all countries analyzed, while prices of maize, millet and sorghum were higher in 89 percent of the countries compared to a year earlier. Even where they have declined, price reductions have been considerably less than those in the international markets. Persistent high food prices in those countries has therefore continued to affect access to sufficient and adequate food of large numbers of vulnerable groups, since poorer households spend most of their income on food, neglecting other needs. The worst affected are the urban poor and the food-deficit farmers, who depend on the market to access food.9

The decline of the prices of agricultural commodities on international markets since the peak of June 2008, combined with lower freight rates, may bring some relief to the cereal import bill for low-income food-deficit countries (LIFDCs), which is expected to decline in 2008/09 to $28 billion, down 27 percent compared to the previous season. But this decrease may also lead, perversely, to a loss of interest in reinvesting in agricultural development, since it may create the false impression that the global food crisis is behind us; and it could be a disincentive for the producers: it is already anticipated that the levels of wheat production will decline in 2009, mainly due to a significant reduction in plantings in developed countries in response to lower international prices. Moreover, while the fall of commodity prices may benefit countries highly dependent on imports for their fuel needs

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8 For instance, wheat prices in Afghanistan in April 2009 were 65 percent higher than international prices, 56 percent higher than in India and 18 percent higher than in neighbouring Pakistan, according to a WFP survey (IRIN, 29 May 2009).

9 FAO, Crop Prospects and Food Situation, No. 2, April 2009.
and food needs, it also led to severe losses of revenues for developing countries who are major oil exporters, such as Congo, Equatorial Guinea, Gabon or Nigeria, or who are highly dependent on the export of certain commodities such as cocoa for Côte d’Ivoire or minerals for Guinea.\textsuperscript{10} Moreover, the decline of the prices of agricultural commodities on international markets is only one part of the broader background against which the global food crisis is unfolding. And this background has been considerably shaken by the financial and economic crisis which has developed since late 2008. This crisis will have dramatic impacts on the ability of the most food insecure countries to guarantee the right to adequate food to all. According to the World Bank, it confronts developing countries with a financing gap estimated at $270-$700 billion depending on the the severity of the crisis and on the policy responses.\textsuperscript{11} High-income countries shall have to finance important recovery plans, issuing debts which may crowd out many developing country issuers. Remittance flows are already declining since late 2008, and after having affected Sub-Saharan Africa and Europe and Central Asia, may affect South Asia, where remittances from workers in the Gulf countries are particularly important. Developing countries therefore may find it increasingly difficult to finance agriculture and rural development ; to subsidize food in order to improve its affordability for the poorest ; and to establish or strengthen social safety nets. All this occurs in a context in which the global economic crisis shall significantly increase the stress on the social protection systems. The ILO forecasts that global job losses could hit 51 million.\textsuperscript{12} In 2008, after four years of consecutive declines, the number of unemployed increased by 14 million. As the crisis continues to spread and job losses mount, worldwide unemployment could increase by at least 38 million by the end of 2009.\textsuperscript{13}

II. The role of the right to food in addressing the global food crisis

In the face of a crisis of such magnitude, it is tempting to see the right to adequate food as a long-term objective, perhaps desirable to achieve, but clearly beyond reach for the moment, and thus of little immediate relevance. This betrays a fundamental misunderstanding about what the right to food is about. The role of the right to food is more central, not less, in times of crisis. It is not simply an objective: it also shows the way towards fulfilling it.

An approach grounded in the right to food requires that we move from addressing the symptoms to tackling the causes. Hunger and malnutrition are the result of a lack of purchasing power or productive capacities for the individuals affected. But, barring situations of armed conflict or failed States, poverty in turn has its source in, at domestic level, in the absence or the insufficiency of social protection schemes and in the weak protection of agricultural workers ; in an increasingly dualistic farming system in which smallholders hardly manage to live off farming, due to their poor connection to markets, to the high prices of inputs, to the insecurity of land tenure, and to our failure to adequately regulate the food chain ; in insufficient or inadequately targeted investments in agriculture ; and in the absence of a recognition of the right to food and appropriate mechanisms to ensure that it is complied with. At international level, it stems from an inequitable system of international trade and unregulated markets which do not guarantee remunerative prices ; in speculation on the futures markets of agricultural commodities by non-commercial investors ; and in a failure of the international community to realize the right to development. The right to food requires that we address these root causes of hunger and malnutrition, in order to arrive at a situation in which every man, woman and child, alone or in community with others, have physical and economic access at all times to adequate food or means for its procurement.

Since I presented my first report on the global food crisis (A/HRC/9/23), I have sought to convince my interlocutors, both within and outside the UN system, of the importance of devising solutions to the

\textsuperscript{10} See World Bank, \textit{Swimming against the Tide: How Developing Countries are Coping with the Global Crisis}, Background paper prepared for the G20 Finance Ministers and Central Bank Governors Meeting, Horsham, United Kingdom, 13-14 March, 2009.
\textsuperscript{11} Ibid.
\textsuperscript{13} ILO, \textit{The Financial and Economic Crisis: A Decent Work Response}, 24 March 2009, pp. V-VI.
global food crisis grounded in the right to food. Such solutions should be empowering and sustainable, rather than based purely on humanitarian considerations and on short-term considerations. They should aim at ensuring not only the availability of sufficient quantities of food, but also at ensuring accessibility for the poorest. They should be focused not merely on the need to boost agricultural production, but also on the need to do so in ways that respect the environment and that do not increase inequalities among different categories of producers, whilst at the same time guaranteeing sufficient and adequate food for the urban poor.

I am encouraged that the right to adequate food is increasingly referred to in contexts in which it was much less visible in the past. In its draft Strategic Framework and Medium-Term Plan 2010-13, the United Nations Organisation on Food and Agriculture (FAO) now considers adding governance and the right to food as a third track in their efforts to combat hunger, in addition to promoting the supply response of the agricultural sector, particularly amongst smallholders, and the development of rural areas (first track), and to ensuring immediate access to food by the poor and vulnerable in both rural and urban areas by providing safety nets and social protection measures (second track). This could lead to defining a Strategic Objective H: Improved Food Security and Better Nutrition in the Framework, including a reference to the need to ensure that countries implement the Voluntary Guidelines on the progressive realization of the right to adequate food.° The right to food was also a key element in the High-Level Meeting on Food Security for All, convened in Madrid on 26-27 January 2009 by Prime Minister Zapatero and Secretary General Ban Ki-Moon. In his closing remarks to this conference, which sought to assess the progress made seven months after the High-Level Conference on World Food Security held in Rome on 3-5 June 2008, the Secretary General pleaded for inclusion of the right to food in the work of the High-Level Task Force on the global food crisis, ‘as a basis for analysis, action and accountability’. This shift is essential. But it is important to understand its full implications. In the current efforts to address the global food crisis, we now understand that the right to food should not be simply a ‘third track’ supplementing the two other tracks. Instead, it should constitute an overarching principle: it should guide all our efforts, whether these relate to rural development and support to agriculture, or to social protection. Most importantly, it should serve as a signpost in order to achieve increased consistency across the different sectors which are relevant to the realization of the right to food, including not only food aid and agricultural and rural development, but also social protection, the protection of agricultural workers, land policies, health and education, or trade and investment. The following sections illustrate this by examining how the right to adequate food should guide the reinvestment in agriculture, including in the contentious areas of foreign direct investment and agrofuels (III); how the realization of the right to social security could contribute to the realization of the right to food (IV); and how it calls for more decisive action in order to combat volatility on international markets of agricultural commodities (V). Our failure to address these issues decisively is a failure in global governance, and a final section examines how this can be addressed (VI).

But there is of course an institutional dimension to the implementation of the right to food, which this section explores. Grounding our efforts to achieve food security in the right to food first requires that the efforts to support agricultural production or to establish social safety nets are targeted towards the needs of the most vulnerable, identified through Food Insecurity and Vulnerability Information and Mapping Systems (FIVIMS) or other vulnerability mapping systems which fulfil a comparable function: in contrast, indiscriminate efforts to strengthen agriculture may be successful in increasing levels of agricultural production, but may leave out those who most need to secured, leading, in worst cases, to increased marginalization and inequality. Programmes such as the Programme for Rural Development and Food Security (DERSA) which run in Uruguay from 2002 to 2006 illustrate how this can be achieved. Following the global food crisis, a number of countries have sought to improve their understanding of food insecurity or vulnerability on their territory (Box 1). This is an essential prerequisite for well-informed and well-targeted national strategies to realize the right to food. Such

° In the latest version of the draft available at the time of writing, Organizational Result H3 reads: ‘Member countries and other clients strengthen food security governance through the three-track approach and the implementation of the Voluntary Guidelines to Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security’. It should be stressed that this document is in constant redefinition.
mapping of food insecurity and vulnerability should include a participatory dimension, in order to be as well informed as possible.

**Box 1. Mapping food insecurity and vulnerability : guiding responses to the high food prices**

A number of countries have launched specific mapping exercises during the crisis period: they include Côte d’Ivoire, Guinea Bissau, Indonesia, Iraq and Panama. In Iraq, although surveys had been made in 2004 and 2006, a Comprehensive Food Security and Vulnerability Analysis (CFSVA) was conducted by the Government in cooperation with WFP at the end of 2007 and the results were published in November 2008. In 2007 Panama launched a Monitoring System on Food and Nutrition Security, using a set of indicators, to follow up the implementation of food and nutritional security programmes. Several countries have used a combination of mapping tools. In Côte d’Ivoire, a Sectoral Group on Food and Nutrition Security (GSSAN) was created in 2002 and given a more permanent status in 2006. Within this Group, various methodological tools for mapping the vulnerable are in use including the Integrated Framework for the classification of food security (IPC), the Food Security Monitoring System (FSMS), the Evaluation of Food Security (EASA), the follow up missions to the agricultural season and food security, the nutritional surveys, and the dynamic Atlas. The vulnerability mapping has been conducted since 2006 in Côte d’Ivoire and is regularly updated. The last update dates from March 2009. In Swaziland a vulnerability assessment was conducted using ecological zoning and the household economy approach by a core team composed of personnel from different governmental departments, representatives of civil society and UN agencies. In Myanmar the FAO/WFP Crop and Food Security Assessment mission conducted in October 2008 was the first comprehensive assessment on the status of food security in the country.

In Indonesia a Food Insecurity Atlas has been produced since 2005 and in the Dominican Republic a similar Atlas on Hunger and Malnutrition has been in use. In 2005 Guinea Bissau conducted a vulnerability mapping following the methodology developed by WFP (VAM Vulnerability Analysis and Mapping). In Togo, a vulnerability mapping was carried out in June 2008 but was not used to target food aid interventions. In some countries, like in Costa Rica and Burkina Faso, a vulnerability mapping does not yet exist although other instruments are available such as a nutritional survey in Costa Rica in 2008 and the national survey on food insecurity and malnutrition in Burkina Faso (ENIAM).

In other countries, like Tanzania, although a few tools for mapping vulnerability exist, vulnerability still appears not to be fully identified due to the selective nature of coverage which may exclude zones with good food production but facing increased vulnerability for increased market prices, loss of assets, etc. In Tanzania work in progress is to develop a livelihood-based food security and nutrition information system (LFSNIS). Such a livelihood-based mapping tool has already been used in Afghanistan in 2003 and 2005 and in Jamaica was last updated in 2008. Only a few countries seem to include urban areas in such mapping. In Kenya, for example, the Food Security Steering Group, a participatory mechanism which includes all relevant actors, has included urban poverty in its food security assessments focusing on informal settlements and slums. In Burkina Faso a specific study on the impact of the hike in food prices on urban households was conducted in July 2008 in the cities of Ouagadougou and Bobo-Dioulasso as a result of which two additional zones were included in the areas for food assistance interventions of international organisations.

Some countries have used national maps of extreme poverty in order to identify the most vulnerable including from a food security perspective, like El Salvador or more generic data on poverty like Yemen. Some countries, like India, have used an elaborated set of tools including the quinquennial and annual rounds of sample surveys on consumption expenditure, district level food security atlases and others. Despite the degree of elaboration, some vulnerable groups reportedly end up being excluded from this mapping. Bangladesh too has used a combination of different tools including Vulnerability Assessment Mapping (WFP), Poverty Maps (WB) and Food Insecurity and Vulnerability Information Mapping Systems (FIVIMS). Egypt too has used a variety of different mapping tools including then Household Income and Expenditure Consumption Survey conducted by
Secondly, the right to food requires that accountability mechanisms be put in place, ensuring that victims of violations of the right to food have access to independent bodies empowered to control choices made by decision-makers. The right to food means that victims must have a right to recourse mechanisms; that governments must be held accountable if they adopt policies which violate that right; and that courts are empowered to protect this right. Although it includes requirements linked to good governance and respect for the rule of law, it goes beyond those dimensions, to encompass dimensions of empowerment and accountability, as well as a requirement of participation of those directly affected in the design and implementation of the policies. This ensures that the policies respond to identified needs. It also transforms the relationship between governments and individuals into one between duty-bearers and rights-holders, thus improving the degree of implementation.

Box 2 summarizes recent progress made in the implementation of the right to food in the domestic legal orders of a number of countries. Certain countries, such as Guatemala and India, have been at the vanguard of the implementation of the right to food in the domestic legal system; other countries, such as Argentina, the Plurinational State of Bolivia or Ecuador are following this lead. In 2005, Guatemala adopted a law guaranteeing the right to food and informed by the principles of non-discrimination, participation, transparency and decentralization. It also established a National Council on nutrition and food security and a Secretariat on nutrition and food security tasked with implementing the Council’s decisions. In addition, a national policy on nutrition and food security as well as a national strategic plan on nutrition and food security have been adopted. The 2005 law provides the Ombudsperson with the role to monitor its implementation and to make recommendations on an annual basis on revisions to policies and strategies on nutrition and food security that the Council will have to implement.

India offers another remarkable example of the implementation of the right to food through legal institutionalization. The Indian Constitution recognizes the right to life and the Supreme Court recognized that the right to food is subsumed under this article. In addition Article 47 (directive principle of state policy) provides for the duty of the state to raise the level of nutrition and the standard of living of the population. Following a petition filed by the People's Union for Civil Liberties in 2001, the Supreme Court has now formally recognized the right to food and ordered the central and State Governments to take a number of measures to advance the realisation of this right. As a result, benefits of eight nutrition-related schemes have become legal entitlements; all state governments have been directed to begin cooked mid-day meals for all children in public and government-assisted schools; state and central governments have been ordered to adopt specific measures to ensure public awareness and transparency of assistance programmes; the central government must put in place a mechanism to ensure that all poor families are identified as below poverty line; the licenses of ration shop dealers are to be cancelled if they do not open on time, overcharge, retain ration cards, make false entries in below poverty line cards, or engage in black marketing; state governments must implement food-for-work schemes in areas characterized by food scarcity. In addition, the Court decided in 2002 to appoint two Commissioners of the Court for the purpose of monitoring the implementation of all orders relating to the right to food. The Commissioners are empowered to enquire about any violations of these orders and to demand redress. They may enlist the assistance of non-governmental organizations and individuals. Resident Commissioners have also been appointed in each state to assist the Commissioners and the Court.

Countries which recognize as binding the right to food have operated the shift from the proposition that ‘we need to have policies that achieve food security’ to the proposition that ‘each individual must be granted a remedy if his/her right to food is violated’. This can have far-reaching consequences at
the operational level. On 25 September 2008, the Supreme Court of Nepal issued an interim order according to which the Government of Nepal had to supply immediately food to 12 food-short districts, leading the government to increase the budget available to the Nepal Food Corporation, the agency tasked with delivering food to regions most in need. This would not have been possible had the Interim Constitution not included a reference to the right to food. Guaranteeing the right to food turns beneficiaries of relief schemes into rights-holders, and those implementing public programmes into duty-bearers. Both the legitimacy and the effectiveness of public programmes to tackle hunger are improved as a result.

Box 2. The legal recognition of the right to food at the domestic level

In several countries the right to food is recognised by the Constitution and in specific legislation. For instance Article 281 of the Constitution of Ecuador adopted in 2008 stipulates that food sovereignty is a strategic objective and an obligation of the State which entails guaranteeing permanently to all individuals, communities, and peoples self-sufficiency in healthy and culturally appropriate food. The State is also in the process of adopting the Organic Law on Food and Nutrition Sovereignty. In Togo, it is planned to create a focal point on the right to food within the National Commission on Human Rights and support to the Commission for the promotion of this right. In Tanzania the right to food is subsumed in the 2005 National Food Security Policy. In Zanzibar, the government adopted the Food Security and Nutrition Policy and Programme (ZFSNP&P) in 2008. The ZFSNP&P make explicit reference to the right to food and provides that the most vulnerable livelihood groups should receive highest priority for food security and nutrition policy measures and interventions; in addition the government is currently in the process of drafting the food security and nutrition legislative bill, which should contain a number of governance and right to food provisions, reiterating the right to food and good governance provisions of the ZSGRP and the ZFSNP&P. In Uganda and Nigeria Bills on Food and Nutrition and the right to food are also pending before Parliaments. In Moldova the constitutional framework and particularly Article 4 (hierarchy of sources of law), 37 (right to live in an ecologically safe environment) and Article 47 (obligation of the State to ensure a decent standard of living for every person) of the Constitution seems to provide the legal basis to allow for the justiciability of the right to food before national courts. In Indonesia the National Human Rights Commission (HAM) has been advocating for the promotion of the Voluntary Guidelines on the right to food in cooperation with the Agency for Food Security. In Argentina, every person can lodge an “amparo” complaint claiming that actions and omissions of public authorities as well as the private sector have affected the enjoyment of any of his/her human rights. In Honduras a Framework Bill on the Right to Food was presented to Congress in October 2007 and is currently being debated. A draft right to food and nutrition policy and a draft right to food and nutrition bill also exist in Malawi. Article 15 and 18 of the Bangladeshi Constitution safeguard the right to food and adequate nutrition. The Constitution adopted in Bolivia in 2009 recognizes the right to food in its Articles 16 and 321.

Concerning monitoring, the Constitutional Court in Colombia requested the Government to adopt a system of indicators to monitor the enjoyment of human rights by people displaced by the conflict which include indicators to monitor their right to food.

Some countries have set up mechanisms specifically created to respond to crisis situations. In Niger for instance, the National System of Prevention and Response to Food Crises combines permanent interventions aimed at addressing chronic hunger, with mechanism to deal with disasters. The system includes a wider range of interventions, such as food and cash transfers; nutrition interventions; provision of seeds to farmers and of fodder to pastoralists; a national food reserve; and an emergency fund for food interventions. Implementation of the plan is financed through a pooled donor fund with long-term commitment. In Mongolia, the Government established a Task Force on Soaring Food Prices to monitor the impact of increasing food prices on the population and to develop policy and coordination measures to respond to the crisis. In Costa Rica, the National Food Plan of 2008,

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designed as a response to the increase in food prices, include measures aimed at strengthening access to food for vulnerable groups through different projects such as school meals or support to local production of food. The effectiveness of such mechanisms will be significantly enhanced if they are grounded on the right to food and if, therefore, they can be triggered by the intended beneficiaries, who must be assisted as a matter of right. In the Central African Republic an Inter-Ministerial Task Force was established to plan and guide interventions aimed at reducing the effects of the increase in food prices. Governmental officials, civil society and UN agencies representatives were part of this Task Force.

Thirdly, the right to food requires prioritization: trade and investment policies and choices in modes of agricultural production, for instance, should be subordinated to the overarching objective of realizing the right to food – they are means, rather than ends to be pursued for their own sake. Both the Committee on Economic, Social and Cultural Rights (General comment No. 12, para. 21) and the FAO Voluntary Guidelines for the progressive realization of the right to adequate food in the context of national food security (guideline 3) recommend that States put in place national strategies for the realization of the right to food. Such national strategies should map the groups which are most vulnerable. They should clearly allocate responsibilities across different branches of government, setting benchmarks and imposing timeframes. And they should empower independent institutions, including courts, in order to enhance accountability. Such national strategies serve a number of purposes: the encourage participation, since the adoption of national policies for the realization of the right to food should involve all stakeholders; they oblige government to make clear, time-bound commitments; and they ensure that choices in other policy areas such as trade or investment fit into a broader strategy aimed at realizing the right to food (Boxes 3 and 4).

Box 3. National strategies for the realization of the right to food

Efforts to address the challenge of rising food prices could be significantly helped by the adoption of national strategies for the realization of the right to food, and by the adoption of framework laws allocating responsibilities across different branches of the government in order to improve coordination and accountability. Such strategies or framework laws were sometimes in place before the crisis, thus improving the response capacity of the States concerned. In Brazil, the Federal Organic Law on Food and Nutritional Security (LOSAN) implements the national system of Food and Nutrition Security (SISAN), which brings together a number of policies aimed at combating hunger, including policies designed to support family agriculture, to improve access to food and water for those in need (for instance through a low-income restaurant programme, food banks, community kitchens, or cisterns), to feed children in schools, or to improve storage of food in rural areas. In Armenia, although there is no national strategy for the realization of the right to food, the right to food is stipulated in the Constitution and components of this right are regulated in the Law on Food Security (2002), the Food Security Policy Paper (2005), the Agricultural Sustainable Development Strategy (2006 revision), the Law on Food Safety (2006), and in the second Poverty Reduction Strategy Paper (PRSP) renamed as Sustainable Development Programme (2008). A National Strategy on Infant and Young Child Feeding was also elaborated for 2008-2010, although this was not a specific response to the food crisis. In Ecuador, the Government adopted the Andean Project for Food Sovereignty aimed at, inter alia, improving indigenous people’s access to productive resources and food as well as the PROSAN Project for the implementation of food security in the country. This project aims at implementing the National Food Security Policy and establishing the necessary institutional framework for its management with a focus on those families in extreme poverty. In 2009 Mongolia adopted a Food Security National Programme (NFSP) which aims at “providing the nation with supplies of accessible and secure food to enable healthy livelihoods and high labour productivity, founded on the participation of people, Government, public and private sectors”. Kenya has a National Food Security Strategy and a National Food Security & Nutrition Policy that have in been in draft format since 2007. In Togo the right to food has been explicitly adopted in the framework of the 2008 National Programme for Food Security (PNSA) where it constitutes the sixth pillar of food security. Panama has adopted a National Plan on Food and Nutrition Security 2009-2015 which includes
measures aimed at improving accountability, distribution of responsibilities and a monitoring and evaluation system.

Some national strategies aimed at improving food security appear not to take into account the right to food framework and its main elements of focus on vulnerability, participation, accountability. The plans of the Government of Senegal to return towards agriculture (REVA) and the big agricultural offensive for food and wealth (GOAVA), or the Food Security Strategy (2009-2014) adopted in Tajikistan illustrate this; another example is Egypt, which does not have a food security strategy as such, although references to food security are included in the National Agriculture Strategy 2000-2017. In other instances, in contrast, the strategies in place explicitly recognize the right to food. In Argentina, for example, Article 1 of the legislation creating the National Food Security Programme (Law No. 25.724/2002) stipulates that this programme is established to fulfil the State’s obligation to guarantee the right to food to all its population. Provincial authorities play a key role in implementing this programme, which seeks to improve the allocation of responsibilities. In the Kyrgyz Republic, a law on food security, adopted on 4 August 2008 possibly as a result of the hike in food prices, aims at ensuring food security at the national level. In some countries, like Algeria and Romania, issues related to food security seem to be included in plans and strategies for rural development. In Afghanistan various sectoral policies contribute to the improved management of resources directly related to food security by guaranteeing a stable legal basis to access and manage such resources. These include, for example, the Improved Seed Law, draft Plant Protection Law and the draft Medicinal Plant Law.

In some countries issues related to the right to food are addressed in Human Rights Plans. In Mexico, for example, the National Human Rights Programme (2008-2012) calls for the creation of alternative sources of production so that rural families from areas of high or very high marginalization may have access to sufficient and adequate food. The programme also calls for the adoption of legislation in this field and awareness raising and educational campaigns on food and nutrition issues. In China the National Human Rights Action Plan (2009-2010) published in April 2009 contains several references to the right to food, as it, for example, highlights the right to basic living conditions and commits the Government to intensifying efforts in poverty alleviation work with a view to solving the food and clothing problems of the target population.

**Box 4. Improving coordination across sectors and participation**

The Comprehensive Framework for Action adopted by the High-Level Task Force on the Global Food Crisis advocates in favor of “partnerships for food” at the national level, under clear and visible political leadership, in order to improve coordination across different sectors and participation of various segments of society and government. In several countries there are mechanisms for coordinating the various actions taken in the field of food security. Already in April 2006, the Plurinational State of Bolivia established an intersectoral coordinating technical body – the National Council for Food and Nutrition (CONAN) –, which brings together all the relevant Ministries. The Council is serviced by a Technical Secretariat which reproduces the same intersectoral set up. In Costa Rica, Decree N. 31714 MS-MAG-MEIC established nutritional and food security counsels (COSAN) as instances of coordination and integration at the local level concerning food and nutritional security with the participation of municipalities and other institutional sectors, and with a participation from civil society. In Togo various bodies deal with food security issues including the National Agency for Food Security (ANSAT), previously the Observatory of Food Security, the National Commission for Food Security (CNSA) presided by the Prime Minister and the Follow up Committee for Food Security (COSSA). In Indonesia the Food Security Council is chaired by the President with similar bodies existing at provincial and district level. National and lower levels Councils on Food Security exist in several countries like Angola, the Dominican Republic, the Kyrgyzstan and Senegal. In Argentina a National Commission on Food and Nutrition has been established in the purview of the National Coordinating Council on Social Policies. Bangladesh established a Food Planning and Monitoring Committee (FPMC) vested with the overall responsibility to formulate food policies and
strategies and to monitor their implementation. In Nigeria the Federal Ministry of Agriculture and Water Resources has a Policy Implementation and Monitoring Committee whose tasks are to monitor and assess the implementation and impacts of all strategies aimed at achieving food security.

In the majority of countries surveyed, there appears to exist no specific body for the participation, consultation and coordination of all actors on issues related to the right to food. Certain sectoral initiatives do exist, however, and civil society organizations have occasionally sought to use existing consultative fora to address this issue. For instance, in 2008 the Uruguayan Government initiated a process of national dialogue to establish the elements of a strategy on childhood and adolescence covering the time frame till 2030. In other countries like in the Dominican Republic there exists a Consultative Council on Civil Society which aims at coordinating with the Social Department the planning, formulation, follow up and evaluation of social policies. Likewise the Government of Ecuador created a National Council for Citizenship Participation. In Guatemala civil society is in the process of launching an Observatory on the right to food aimed at monitoring how public policies integrate human rights and the right to food framework and providing a forum for civil society participation on matters concerning the realization of this right.

The difficulties governments face when seeking to address emergency situations in the absence of preexisting participatory processes are well exemplified by Burkina Faso. Although civil society organizations, including farmers’ organizations, are generally consulted on the design of agricultural policies and programmes, it appears that the Farmers’ Confederation (CPF) of the country was not involved in the development of the Emergency Plan on Food and Nutrition Security prepared by the Government in response to the crisis. It also appears that some actors were not consulted in the rice production campaign of 2008 and 2009. This led, for example, the Government to negotiate the price for rice at a lower level than that of the market. When the Government asked to buy the rice at the negotiated price, many producers were not interested because selling to the market was more profitable. Women engaged in the transformation of rice did not support the Government programme to buy big quantities of rice as they preferred to keep it in the producing regions in order to transform it and benefit from the added value of the transformed product. In some countries, such as Senegal, it is reported that civil society organizations are asked to participate at the final stages of the process when relevant strategies and policies have already been elaborated and there is no longer meaningful scope for them to contribute. In Senegal civil society feels that their concern to make family agriculture at the centre of any plan and strategy for agricultural development has not yet been taken on board by the Government. In Afghanistan, at the national level, participation of all stakeholders appears to have been effective whereas participation at the sub-national level seems not have worked for a number of reasons.

III. Reinvesting in agriculture and rural development

One of the beneficial impacts of the global food crisis is that governments and international agencies have realized that there is an urgent need to replace agriculture at the centre of their development agendas, after it has been neglected for the past 25 years. Many States and agencies have committed to reinvest, sometimes massively, in agriculture. Among the recent indicators of this shift are the announcement, on 15 April 2009, of the creation of a new Agricultural Investment Fund for Africa, jointly established by the African Development Bank, the International Fund for Agricultural Development, and the Alliance for a Green Revolution in Africa, with the support of the French Development Agency, which aims to collect € 500 million to support agro-industries and farmers’ cooperatives in Africa; priorities defined in May 2009 by the United States administration for USAID’s fiscal year 2010, which includes $3.4 billion to address global food insecurity and $1.4 billion is for agriculture development assistance; and the establishment by the EU, in December

16 See Nora McKeon, Summary report on the mission to Burkina Faso, 8-13 February 2009. This mission took place in the context of a UN NGO Liaison Service (NGLS) project looking on enhancing UN system relations with people’s organizations whose findings will be published soon.
2008, of a new facility for a rapid response to the soaring food prices. The new facility established by the EU aims at supporting a rapid and direct response to the volatile food prices in developing countries, addressing primarily the period between emergency aid and medium- to long-term development cooperation (art. 1 § 1). It provides that the resources available – one billion euros over the 2008-2010 period – shall be concentrated on a limited list of high-priority target countries, in coordination with other donors and other development partners through relevant needs-assessments made available by specialised and international organisations such as those of the UN system, in consultation with partner countries (art. 1 § 4). In March and May 2009 respectively, the European Commission adopted its first and second packages of projects to support agriculture and improve the food security situation, for amounts of €314 million and €394 million respectively. 41 developing countries are concerned so far, but the Commission agreed to an overall plan for the use of the entire amount of the Facility, targeting 50 developing countries in total. On 15 May 2009, the first contribution agreements were signed with three UN implementing partners (FAO (€106M), UNRWA (€39.6M) and UNICEF (€8.2M)). Similar contribution agreements with the World Food Programme (€38.7M), and UNOPS (€10M) are expected to be finalised shortly, to be followed by agreements with the World Bank, IFAD and UNDP.

What matters however, is not only whether more money is put into agriculture. While raising public spending on agriculture is much required, changing the allocation of existing spendings is equally vital. It is equally important that investments benefit the poorest and most marginalized farmers, often located in the least favorable environments. All too often, these farmers have been left out of support schemes in the past, partly because of their disempowerment, and partly because of the belief, as deep-rooted as it is mistaken, that the larger the farm, the more productive it will be. This is a mistake. Small producers contribute to greater food security, particularly in backward areas where locally produced foods avoid the high transport and marketing costs associated with many purchased foods. But the result of past policies which have favored mostly large-scale agro-industrial production is not only that smallholders lack access to inputs at an affordable price, but also and most importantly that certain public goods, the provision of which is sometimes vastly more efficient than that of inputs, have been under-supplied: these public goods include storage facilities, access to means of communication and therefore not just to regional but also to local markets, access to credit and insurance against weather-related risks, extension services, agricultural research, and the organization of farmers in cooperatives. The following graph illustrates the result of past policies which have neglected this dimension:

**Access to transportation and social service infrastructure by poorest and richest households**

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18 These funds will be used by FAO to improve access to agricultural inputs: in Zimbabwe, seeds and fertilisers and training should be provided to 150,000 vulnerable rural households and should result in increased cereal yield within the next agricultural season for 10 to 15% of communal farmers in the country. The WFP will contribute to employment generating projects in Bangladesh, targeting 78,000 ultra poor rural households. These projects will improve irrigation and infrastructure and flood protection assets, thereby stimulating both agricultural supply (by boosting agricultural productivity) and demand (through cash transfers). Finally, UNICEF will take measures designed to reduce acute malnutrition rates in Mali: the Food Facility will allow the distribution of appropriate treatment of 30,000 severely malnourished children and the training of two and a half million mothers, caretakers and young children on best feeding practices.

It is estimated that 50 percent of the hungry are smallholders, living off subsistence agriculture. Relaunching agriculture in ways which most contribute to combating hunger and malnutrition, means relaunching it taking into account the specific needs of these farmers, in particular their need to have access to productive assets. This requires that the priorities are defined through participatory procedures involving them. It is not enough, for example, to develop extension services and to improve access to inputs: it is equally important to ensure that the advice and training provided by these extension services and the inputs made available suit the needs of smallholders, who often attach more importance to stability of income than to higher, but less stable, revenues. It also means rebalancing the levels of public support to the production of cash crops for export and of staple food crops for local consumption. It means improving the protection of agricultural workers, which form approximately 20 percent of the almost one billion people who are hungry in the world today. And it means, finally, operating the shift towards more sustainable forms of agricultural production.

1. Reinvesting in agriculture: the stakes

Governments must urgently invest more into agriculture and rural development, particularly by better linking farmers to markets and improving infrastructure (storage facilities, communication infrastructures, information about prices) — and they are doing so (see Box 5). But they should do so mindful of the need to ensure that the initiatives they take truly contribute to the reduction of hunger and malnutrition by primarily benefitting the poorest and most vulnerable households. This is required if we want, not just to support increases in production of agriculture, but also to make progress towards the realization of the right to food. Yet, what is striking is that governments hardly acknowledge in the formulation of their public policies on agriculture that there exist different models

20 UNCTAD, The least developed countries report 2002. Escaping the poverty trap, Geneva: United Nations Conference on Trade and development (noting that poverty reduction strategies in the LDCs, especially those with more than 60% of the population on less than a dollar a day, should first concentrate on engaging the poor in the production of foods for sale in the local market before investing in more intensive export oriented agriculture).

21 This issue was discussed in depth in a multistakeholder consultation on the challenges of the Green Revolution in Africa I convened on 15-16 December 2008, with the support of the Grand-duchy of Luxembourg. This multi-stakeholder consultation included high-level representatives from the Alliance for a Green Revolution in Africa (AGRA), African farmers’ organizations, international agencies, civil society and independent experts. Much of the discussion revolved around the projects of AGRA, currently the most significant private initiative launched in this area on the continent, whether measured by the resources mobilized or by the stakeholders involved. As a result of the consultation, the AGRA representatives agreed to involve farmers’ representatives in the Partnership Council, recently established as part of the governance structure of AGRA; to organize an annual consultation with stakeholders, in order to provide an opportunity for exchanges about the projects of AGRA, thus taking forward the discussion initiated in Luxembourg; to seek inspiration from the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, particularly as regards the principles of ownership and alignment with national strategies, in the relationships of the Alliance for a Green Revolution in Africa with governments in the countries where they develop their activities; and to provide information on request about AGRA’s projects and strategic orientations.
of agricultural development: the ‘Green Revolution’ model, the agro-ecological farming approaches (ecologically-friendly farming systems), and a possible model based on genetic engineering. These models may be complementary at the crop field level: a very careful combination of fertilizers and agro-forestry, for instance, is successfully promoted in some regions. At the level of public policy however, it is a pre-requisite for a balanced approach that we start by acknowledging the very existence of several models. The fact that these models lead to different development paths should also be discussed, since they may have very different impacts on the right to food by affecting different groups differently. In a context of fierce competition for scarce resources such as land, water, investment, human resources, the implications of supporting one paradigm over the others deserve serious consideration. The Ministerial Declaration adopted at the Windhoek High-level Meeting “African agriculture in the 21st Century: Meeting Challenges, Making a Sustainable Green Revolution” (Namibia, 9-10 February 2009) acknowledged this clearly: ‘Governments, in cooperation with the research community and with support from the international donor community, should undertake rigorous comparative assessments of alternative agricultural models and cropping systems’. Based on such assessments, choices should be made by each country, taking into account its development priorities, its agro-ecological systems, and the structure of food vulnerability and insecurity on its territory.

The right to food should guide governments’ choices between different modes of agricultural production. A number of UN agencies, including UNEP, the FAO and UNCTAD, have underscored the potential of sustainable farming to meet the growth in demand. I have further developed the links between sustainable agriculture and the right to food in my contributions to the Interactive Thematic Dialogue of the U.N. General Assembly on the Global Food Crisis and the Right to Food (New York, 6 April 2009) and to the 17th session of the UN Commission on Sustainable Development (New York, 4-15 May 2009). The CSD-17 adopted a Declaration recognizing that ‘agriculture lies at the centre of sustainable development and addresses a crucial role in contributing to the progressive realization of the right to adequate food’. The Commission further indicated that ‘sustainable agricultural practices as well as sustainable forest management can contribute to meeting climate change concerns’, and that ‘sustainable soil, land, livestock, forest, biodiversity and water management practices, and resilient crops are essential’; and it called for the creation of an enabling environment for sustainable agriculture.

The development of more sustainable farming approaches is directly linked to the right to food. This stems, first, from the strong link between the state of the environment and food production. Crops are dependent on soil nutrient availability, on water (ground and surface water for irrigation), on climate and on weather (rainfall and growth season), on the availability of insects for pollination, and on the abundance and effects of certain pests, such as pathogens, insects and weeds, which have major impact on crops worldwide, particularly in Africa. Agricultural productivity thus depends on the services rendered by the ecosystems. Unless it turns from being one of the major causes of climate change and soil degradation to a net contributor to the maintenance of the environment, agricultural

24 See, e.g., the 2006 annual report of the Nairobi-based World Agroforestry Centre, or the 2008 FAO-UNEP report on Organic Agriculture and Food Security in Africa. This claim is also supported by a rapidly growing scientific literature (See, e.g., Pretty, J. (2006) Resource-Conserving Agriculture Increases Yields in Developing Countries, Environmental science and technology 40(4), or Uphoff, N. (2001), Agroecological innovations. Increasing Food production with participatory development, Earthscan).
25 In the Declaration adopted at their meeting of Cison di Valmarino (Italy), 18-20 April 2009, the Ministers of Agriculture of the G8 Countries also emphasized ‘the importance of increasing public and private investment in sustainable agriculture, rural development and environmental protection in cooperation with international organisations’, and on the need to ‘tackle climate change impacts and ensure sustainable management of water, forests and other natural resources, while considering demographic growth’.
26 See Guideline 8.13 of the FAO Voluntary Guidelines on the right to food (encouraging States to ‘protect ecological sustainability and the carrying capacity of ecosystems to ensure the possibility for increased, sustainable food production for present and future generations, prevent water pollution, protect the fertility of the soil, and promote the sustainable management of fisheries and forestry’).
production will undergo significant declines in the future.\textsuperscript{28} Using relatively conservative estimates (assuming a 4.4° C increase in temperature and a 2.9% increase in precipitation), Cline concluded that by 2080, global agricultural output potential is likely to decrease by about 6% (or 16% without carbon fertilization, the impacts of which are disputed). The decline will vary between 10 and 25% across regions, but it is projected that by 2080, agricultural output potential may be reduced by up to 60% for several African countries, on average 16–27%, dependent upon the effect of carbon fertilization.\textsuperscript{29} It is therefore vital that, as agriculture intensifies in order to meet the growing demand for food without expanding cropland further at the risk of diminishing biodiversity and threatening the rights of current landusers, it does so in ways which are environmentally sustainable.\textsuperscript{30}

Just like food availability, food accessibility depends on how we produce food. The more food production is reliant on oil, the more the prices of food commodities will be vulnerable to shocks linked to volatile oil prices, and to peak oil. The prices of oil prices influence fertilizer costs and freight rates, and a higher oil price increases demand for agrofuels and, therefore, the competition between production of food and fuel for the use or arable land and water, as well as capital.\textsuperscript{31} In addition, more sustainable forms of agriculture may correspond better to the needs of smallscale farmers raising crops in the poorest agro-ecological environments, who are among the most vulnerable to food insecurity. Low external input agriculture, polycropping and the use of green technologies limit the dependency of these farmers on the prices of external inputs, thus improving the stability of incomes and avoiding the risk of debt spirals following a poor harvest. This is why the UNEP recommends to ‘support farmers in developing diversified and resilient eco-agriculture systems that provide critical ecosystem services (water supply and regulation, habitat for wild plants and animals, genetic diversity, pollination, pest control, climate regulation), as well as adequate food to meet local and consumer needs’, noting that this requires ‘managing extreme rainfall and using inter-cropping to minimize dependency on external inputs like artificial fertilizers, pesticides and blue irrigation water and the development, implementation and support of green technology also for small-scale farmers’.\textsuperscript{32} Finally, agro-ecological forms of production rely essentially on increasing the sharing of knowledge among farmers, through processes which are participatory, involving the affected vulnerable groups in order to identify the solutions best suited to their specific circumstances and to the complex environments they are confronted with. Such approaches are therefore empowering and mobilizing.

\begin{center}
\textbf{Box 5. Reinvesting in agriculture: national and regional actions}
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One of the benevolent effects of the price shock of 2007/2008 has been to replace agriculture at the centre of the development agenda in many countries, particularly net-food importing countries, who have been hardest hit by the surge in prices as a result of their dependency on international markets for feeding their population. Considering self-sufficiency in food production to be the most efficient way to buffer fluctuations in international markets, several governments declared this to be their strategic response to high food prices (Cameroon, Indonesia, Malaysia, the Philippines, China, and Senegal).\textsuperscript{33} In Asia, China, India and the Philippines have taken the lead in investing in agriculture. The Philippines declared it was seeking to achieve 98 percent self-sufficiency in rice by 2010.\textsuperscript{34} India launched a new National Agricultural Development Plan accounting for US$ 6.1 billion for the next four years, while China increased its spending on agriculture by 20 percent in 2008 and stated its

\begin{itemize}
\item \textsuperscript{28} Yield reduction in Africa due to past soil erosion may already range from 2–40%, with a mean loss of 8.2% for the continent. See Henao, J. and Baanante, C. (2006). Agricultural Production and Soil Nutrient Mining in Africa. Summary of IFDC Technical Bulletin. IFDC, Alabama, USA.
\item \textsuperscript{29} These effects are in addition to general water scarcity as a result of melting glaciers, change in rainfall patterns, or overuse.
\item \textsuperscript{31} Fuel price is also one of the main determining factors for fisheries: they have a strong impact on capture as well as aquaculture (for the production and transport of fish feed), and higher energy prices lead to higher costs during the processing, transport (particularly air freight) and distribution of fish products. See UNEP, p. 90.
\item \textsuperscript{32} UNEP, 2009 (this is the fourth of seven options for improving food security outlined in the conclusions of the report).
\item \textsuperscript{33} Veena Jha, Analysis and Responses to the Global Food Crisis, ILO, Geneva, 6 March 2009, pp. 16-19.
\item \textsuperscript{34} Initiative on soaring food prices – country responses to the food security crisis: Nature and preliminary implications of the policies pursued, FAO 2009. (page 25-27)
\end{itemize}
commitment to increasing grain production to 540 million metric tonnes per annum by 2020.\textsuperscript{35} Bangladesh also increased the proportion of its spending in agriculture by 4 percent in 2008 compared with the previous year.\textsuperscript{36}

The Member States of the African Union have pledged, in the 2003 Maputo Declaration, to reach a target of 6.2 percent annual growth in the agricultural sector and spend 10 percent of their budgets on agriculture; and they created the Comprehensive Africa Agriculture Development Programme (CAADP) as a framework involving diverse key players and aiming to help African countries to make investment choices in the agricultural sector. However, only six states – Burkina Faso, Chad, Guinea, Madagascar, Mali, and Uganda – have achieved this target so far. The global food crisis has drawn the attention of governments to the need to act more swiftly towards implementing the Maputo Declaration. On 27 March 2009, at the end of the fourth CAADP Partnership Platform Meeting which took place in Pretoria, all partners called for more CAADP action over the next five years, particularly in the field of country-level implementation and the operationalisation of the CAADP multi-donor Trust Fund.\textsuperscript{37} Already, a number of African countries have adopted short-term measures aimed at boosting production: in Benin, Cameroon, the Central African Republic, and Madagascar, emergency programs have included “off-season” production aiming at compensating for immediate food shortages, especially of rice and maize.

In Latin America as well as in Africa, a number of governments designed integrated national plans aimed at coordinating different measures to improve agricultural systems. For instance, Ecuador established an Agriculture Reactivation Plan (“Plan de Reactivación del Sector Agropecuario”) for the period 2007-2011, with a view to stimulating agricultural investments; organizing small producers associations; boosting competitiveness; improving yields and production quality; improving agricultural producers’ working conditions; and protecting natural resources and biodiversity. Cuba embarked on an ambitious project to double rice production within five years. In Burkina Faso, the Government set up a cooperation framework – defined as a “steering committee” – involving actors from the cereal sector, i.e. producers and retailers’ organizations and the Burkina Faso cereal inter-professional federation. Sierra Leone, acting in collaboration with FAO, WFP and the World Bank, designed a National Sustainable Agriculture Development Plan (NSADP) that will identify “quick wins” where the investment of the Ministry of Agriculture, Forest and Food Security can be prioritized immediately as well as medium and long term measures targeting the increase of national production and a better organization of the domestic agricultural system.\textsuperscript{38}

Credits at low interest rates and subsidies were provided to producers to buy seeds, fertilizers, agricultural equipments or to improve irrigation and power systems. Some governments distributed inputs to the smallest farmers, and taxes on fuel were reduced as a way to facilitate products transportation and allow other expenditures to farmers. In early 2008, the government of Nicaragua launched the Agro-Seeds Program (Programa Agroalimentario de Semilla), with the support of the World Bank.\textsuperscript{39} This programme includes distribution of a technological package of certified seeds, fertilizers, training and technical assistance to beneficiaries in the form of a credit. The loan can be reimbursed with in-kind contributions or in cash at the end of each agricultural cycle. The program is aimed at assisting approximately 31,590 small producers from areas where the agricultural cycle is most compromised, and has been implemented by the Ministry of Agriculture and Forestry, with the support of public sector agencies, such as the Nicaraguan Agricultural Technology Institute, the Rural Development Institute, the Nicaraguan Basic Food Company, and the Rural Credit Fund. In Mongolia, 35 \textit{UN in China, Food Prices Issues in the People's Republic of China}, August 2008, pp. 8-11; and see \textit{Responding the global food crisis: Three perspectives}, IFPRI 2008.


38 \textit{Initiative on Soaring Food Prices} – mission report on sierra Leone, FAO June 2008 (p.7-8)

the government has implemented a Technical Cooperation Programme (TCP) - “Input supply to vulnerable populations under Soaring Food Prices” with the support of FAO, from July 2008 to December 2009. Supporting 8,000 households of low income farmers, this programme aims at increasing vegetable and potato production at farm level, improving farmers’ capacity to market these products, and mitigating the effect of soaring food prices by providing to poor households new food resources.

The design and implementation of such programmes should aim at the full realization of the right to adequate food. The increased production of food therefore should primarily benefit smallholders, whose incomes should be raised as a result of the efforts to reinvest in agriculture, and should lead to increase employment in the rural areas, both on and off farms. Efforts should be targeted efforts towards this end. For example, the government of Zambia provided specific fertilizer subsidies to exploitations headed by women and elderly persons, and further announced that more subsidies would be allocated on about 80,000 metric tonnes of fertilizer for small-scale farmers. Subsidies increased from 60 percent of the cost of fertilizers during the 2007/2008 farming season to 75 percent of this cost during the 2008/2009 season. In some countries, exceptional measures were taken to reduce farmers’ economic difficulties, such as in India where the Government announced a plan to cancel the entire debt of the country’s small farmers in a scheme estimated to cost USD 15 billion. In Latin America, initiatives have been taken to ease small producers’ integration with national agricultural markets and strengthen small enterprises production networks. Thus for instance, the Chilean Government developed the “Programa de Desarrollo de Proveedores de la Corporacion de Fomento” (the Chilean Economic Development Agency’s Suppliers Programme) as well as instruments aimed at facilitating the integration of small-scale family agriculture with national trade networks. The provision of training to farmers can be particularly effective, particularly in order to encourage forms of agricultural production which are less heavily reliant on chemical fertilizers or improved seed varieties. In Armenia, in addition to subsidies and other forms of financial support, small farmers were provided with training sessions focusing on very concrete topics regarding wheat growth, such as water requirements for wheat growth, pests and disease control, etc.

2. Disciplining the large-scale land acquisitions or leases

Over the past 3-4 years, private investors and governments have shown a growing interest in the acquisition or long-term lease of large portions of arable land in countries, mostly in the developing world and particularly in sub-Saharan Africa and Latin America, where the arable land which is underutilized exists in largest quantities. The development of large-scale land leases or acquisitions can be explained by (i) the rush towards the production of agrofuels as an alternative to fossil fuels, a development encouraged by fiscal incentives and subsidies in developed countries ; (ii) the growth of population and urbanization, combined with the exhaustion of natural resources, in certain countries, who therefore see large-scale land acquisitions as a means to achieve long-term food security ; (iii) increased demand for certain raw commodities from tropical countries, particularly fiber and other wood products ; and (iv) expected subsidies for carbon storage through plantation and avoided deforestation. While this phenomenon is not entirely new, it has accelerated since the global food

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40 Programme reference: TCP/MON/3202
42 FAO, Initiative on soaring food prices, country responses to the food security crisis: Nature and prliminary implications of the policies pursued, 2009. (page 19)
43 See the reply of the UNCT Armenia to the Questionnaire sent by the Special Rapporteur on governmental responses to the food crisis.
44 This is the case particularly under the Clean Development Mechanism (CDM) provided for in Article 12 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change. The CDM allows a country with an emission-reduction or emission-limitation commitment under the Kyoto Protocol (Annex B Party) to implement an emission-reduction project in developing countries, in order to earn certified emission reduction (CER) credits, each equivalent to one tonne of CO2. The CERs may be traded and can be counted towards meeting Kyoto targets.
crisis of 2007-2008, because the markets for agricultural commodities were seen to be increasingly unstable and volatile, and therefore less reliable for net-food-importing countries, particularly following the decision by a number of large food exporting countries to ban exports or to raise export levies during the Spring of 2008. As a result, resource-poor but cash-rich countries have turned to large-scale acquisitions or rent of land in order to achieve food security.\(^{45}\) Private investors, including large investment funds, have also acquired land, sometimes for merely speculative motives, because of the conviction that the price of arable land will continue to raise in the future.

There are opportunities in this development. For many years, agriculture has been neglected both in domestic public policies and in development cooperation, and has failed to attract foreign direct investment, particularly in Sub-Saharan Africa. It is in principle welcome that this is changing. More investment in rural areas can be particularly effective in reducing poverty, where it is concentrated. For the host States, the arrival of investment has the potential of creating employment, both on and off farm (in associated processing industries, for instance). It may lead to transfers of technologies. It could improve the access of the local producers to the markets, at domestic, regional and international level. It could increase public revenues, through taxation and export duties. For countries purchasing or leasing land abroad in order to grow staple crops, this means increased food security, since they will be less dependent on the international markets to acquire the food they need to feed their populations – although the risks of lower productivity in agriculture in sub-tropical regions entailed by climate change and, in the future, increase costs of freight, may partially offset this advantage.

Yet, the human rights challenges are real. In June 2009, I put forward a set of core principles and measures in order to frame the discussion on large-scale land acquisitions or leases in human rights terms. These principles are based on considerations linked to the right to food and to food security. But they also aim to protect landusers from evictions which do not comply with certain conditions, as summarized in the Basic Principles and Guidelines on Development-based Evictions and Displacement presented in 2007 by the former Special Rapporteur on the right to adequate housing (A/HRC/4/18, annex 1). They recognize the specific protection of indigenous peoples, both under the the 1989 ILO Convention (n° 169) concerning Indigenous and Tribal Peoples relate to land rights and under the United Nations Declaration on the Rights of Indigenous Peoples.\(^{46}\) The principles poposed are also grounded in the right to self-determination of peoples and on the right to development, which impose both on foreign investors and on host governments that they take into account the rights of the local population when concluding investment agreements, and that the local population is in active participant in the negotiation of such agreements. Finally, the principles are based on the need to respect the rights of agricultural workers, as detailed in a number of ILO instruments – a particularly important dimension when large-scale investments in land results in plantation-like farming using waged workers.

This set of core principles and measures based on human rights is not simply a restatement of the human rights norms on which they are grounded. Instead, they are practical. They seek to assist both investors and host governments in the negotiation and implementation of large-scale land leases or acquisitions, in order to ensure that such investment are balanced, work for the benefit of the population in the host country, and are conducive of sustainable development. In this area too, a multilateral approach would be preferable to unilateral action by the States concerned. A multilateral framework would not only improve the protection of the human rights of the local population concerned. It could also avoid beggar-thy-neighbour policies, with countries competing against each other for the arrival of foreign direct investment and thus lowering the requirements imposed on foreign investors. And it could provide increased legal certainty for the investors and shield them from


\(^{46}\) UNGA Res. 61/295 (13 September 2007).
the risk of reputational losses if they comply with the principles. A multilateral framework is, in other terms, in the interest of all parties concerned. It is my hope that the principles and measures I put forward for consideration will help to achieve a consensus on the establishment of such a framework.

3. Ensuring that agrofuels work for sustainable development

The first report prepared on the global food crisis discussed the impact of the increased production of agrofuels on food prices, and more generally, on the right to food. Rather than an outright dismissal of the use of liquid agrofuels in the transport sector (or even of energy from biomass as a whole, as an alternative to reliance on fossil fuels), I proposed that we seek to achieve a consensus on international guidelines guiding the production and consumption of agrofuels. Such guidelines should include environmental standards, since the expansion of the production and consumption of agrofuels result in direct and indirect shifts in land use and the often negative environmental impact of agrofuels taking into account the full life cycle of the product. They should also incorporate the requirements of human rights instruments, particularly as regards the right to adequate food, the right to adequate housing – given the risks of forced evictions and displacements for the production of agrofuels –, the rights of workers (including in particular the right to a fair remuneration and the right to a healthy working environment), the rights of indigenous peoples, and women’s rights. The international community has recognized the need to make progress towards such a consensus at international level, particularly in the Final Declaration of the High-Level Conference on World Food Security: The Challenges of Climate Change and Bioenergy, convened in Rome on 3-5 June 2008. The World Bank has recently noted that policies that subsidize production, impose high tariffs, and mandate consumption of agrofuels, ‘have led to rapid expansion of biofuels production from food crops, such as maize and vegetable oils, and have contributed to higher food prices as well as to environmental degradation’. Yet, apart from certain voluntary schemes, no progress has been made since on disciplining agrofuels despite these well-documented impacts, and the reduced opportunities such policies result in for lower-cost developing-country producers to expand production and exports.

Instead, unilateral measures were taken. In June 2008, at the height of the global food crisis, the European Council recognized the need to evaluate the environmental and social impacts of the production and consumption of agrofuels, and to develop sustainability criteria for the production of first-generation agrofuels. Agreement was reached in December 2008 on a directive on the promotion of the use of energy from renewable sources confirming the target of at least 10% renewable energies in the transport sector by 2020 which the European Commission had proposed. Although this target can also be met by increasing the number of electric cars on the road or using renewable electricity in railways, it is widely assumed that the target will act as a major driver for

47 For instance, Searchinger et al. (’The impacts of biofuels on greenhouse gases: how land use change alters the equation’, Policy Brief, Washington, DC, The German Marshall Fund of the United States, 2008) project that maize area devoted to ethanol production in the United States of America could increase to 12.8 million hectares or more by 2016, depending on policy and market conditions. This would result in increasing the price of other crops such as soybean and wheat, leading to increased production of these crops in other countries and, therefore, to an estimated 10.8 million hectares of additional land being brought into cultivation worldwide (with projected expansions of 2.8 million hectares in Brazil (mostly in soybean) and 2.2 million hectares in China and India (mostly in maize and wheat)). See also FAO, The State of Food and Agriculture 2008. Biofuels: prospects, risks and opportunities, 2008, chap. 5, and D.K. Birur, T.W. Hertel, and W.E. Tyner, The biofuels boom: implications for world food markets. Paper prepared for the OECD/Netherlands Food Economy Conference 2007, The Hague/Amsterdam, 18–19 October 2007; and M. Basse, H. van Meijl, A. Tabeau and G. Woltjer, The impact of biofuel policies on global agricultural production, trade and land use. Background paper for the FAO Expert Meeting on Bioenergy Policy, Markets and Trade and Food Security, 18–20 February 2008, Rome, FAO.
48 See para. 7, f), of the Declaration, calling upon ‘relevant inter-governmental organizations, including FAO, within their mandates and areas of expertise, with the involvement of national governments, partnerships, the private sector, and civil society, to foster a coherent, effective and results-oriented international dialogue on biofuels in the context of food security and sustainable development needs’.
50 Para. 30 of the Conclusions of the Presidency.
51 This instrument is not yet published at the time of writing.
increased biofuel production. In order to take into account a number of critiques addressed to agrofuels, Article 17 defines certain environmental and social sustainability criteria. To be counted biofuels must save at least 35% of greenhouse gas emissions compared to fossil fuels; biofuels produced from certain types of land (biodiversity-rich lands (Article 17(3)), and land with high carbon stocks (Article 17(4)) are excluded, because they result in direct land-use change; and the Commission should develop a methodology by 2010 to measure the greenhouse gas emissions caused by indirect land use changes. These are the environmental criteria. As to the social criteria, Article 17(7) of the directive provides that the European Commission shall report every two years on the impact on social sustainability in the Community and in third countries of increased demand for biofuel, and on the impact of EU biofuel policy on the availability of foodstuffs at affordable prices, in particular for people living in developing countries, and wider development issues. Reports shall address the respect of land use rights. They shall state, both for third countries and Member States that are a significant source of raw material for biofuel consumed within the Community, whether the country has ratified and implemented certain listed international instruments, in particular a number of Conventions of the International Labour Organisation. The Commission shall, if appropriate, propose corrective action, in particular if evidence shows that biofuel production has a significant impact on food prices.

Such safeguards are inadequate. First, the ratification of particular ILO conventions is in fact a weak indicator of effective compliance with these instruments. Second, monitoring of the macro-economic impacts of the increased demand for agrofuels as provided for in the renewable energy directive is particularly weak and may prove ineffective; and even monitoring of compliance with the environmental standards is hardly convincing, particularly as regards indirect shifts in landuse. Third, from the point of view of the impact of the development of agrofuels production on food security, what matters are not only the prices of food – i.e., the higher prices for food commodities on the international markets which may result from increased demand for certain crops, particularly when stocks are low, as they have been during the last trimester of 2007 and the first trimester of 2008. It is equally crucial to monitor the impact on the structure of revenues in the agricultural sector of developing countries. Due to weather conditions and lower wages, developing countries in principle have a strong comparative advantage in the production of agrofuels. As a rule however, crops for fuel are produced by large agricultural producers, or by multinational companies owning or renting land in developing countries, and smallscale farmers are not involved in such production. But it is this segment of the population which is most food insecure. If we wish to combat climate change by encouraging a shift away from the use of fossil fuels and towards renewable energy sources, while at the same time combating food insecurity, a priority should be to increase the incomes of smallholders in developing countries. Simply encouraging the development of monocultures for exports, when this will benefit primarily large-scale producers who already reap most of the benefits from improved access to markets of industrialized, may in fact increase inequalities within developing countries, rather than reducing them, unless affirmative action is taken to ensure that smallholders are included

53 The so-called ‘second-generation’ agrofuels produced from waste, residues, or non-food cellulosic and ligno-cellulosic biomass will count twice towards reaching the prescribed target (Art. 21(2)). The hopes put in second-generation agrofuels may be misplaced, however, taking into account the important water volumes required for these agrofuels, as well as the usefulness of agricultural residues or ‘waste’ for the fertilization of soils. In addition, such second-generation agrofuels may not be commercially viable before 2020.

54 From 2017 greenhouse gas emission savings of existing installations must be at least 50%, those of new installations at least 60% (Art. 17(2)).

55 Indirect land changes occur when crops for biofuels production are grown in areas which have previously been used to grow a food crop and this food crop production then moves to other areas which were not in use before, thus leading to conversion of forests to agriculture.

56 It is left to the European Commission to decide, through an advisory committee, which information exactly member states will require operators to report on, while avoiding an ‘excessive administrative burden’ (Article 18.3, third sub-paragraph). Information submitted to a transparency platform to be set up (Article 24) will only be in summary form to preserve the confidentiality of commercially sensitive information. Moreover, the Commission has the option to approve bilateral and multilateral agreements with third countries and decide that these agreements will mean that all sustainability criteria will be met for all the biofuels produced in that country (Article 18.4). Similarly the Commission can decide that being part of an existing national or international voluntary scheme means the sustainability standards are met, including that such schemes contain information on GHG savings, despite the fact that most such schemes were never set up for this (Article 18(4), al. 2).
in the production of agrofuels in a way that is beneficial to them. As stated in the Preliminary Conclusions of the International Conference on Biofuels: Biofuels as a Driving Force of Sustainable Development (São Paulo, 17 to 21 November 2008), ‘there is a need for a “positive discrimination” for family agriculture, in order to encourage the increased inclusion of smallholder farmers in the market. In this regard, capacity building, technical assistance and access to land and credit should be promoted’.

The EU is not alone to have developed such sustainability criteria for the production and import of agrofuels. Switzerland also, for instance, has adopted a law specifying that only importers who are able to prove the positive ecological balance of their product and their compatibility with ILO’s conventions would be granted tax reductions. These unilateral initiatives may be well-intended, and it is welcome that they are based on universally applicable standards. But they may be insufficiently well informed about the real problems associated with the development of agrofuels – problems which have to do, not with high food prices alone, but also with questions of distribution within producing countries. And because they are unilaterally developed rather than the result of discussions at multilateral level, they risk being attacked as in violation of the non-discrimination principles of articles I, XI and XIII of the General Agreement on Tariffs and Trade. I reiterate therefore my call for accelerating the work on an international consensus on agrofuels, as detailed in the first report on the global food crisis.

In its State of Food and Agriculture 2008 which was focused in biofuels, FAO concluded: “There is a need for an appropriate international forum in which sustainability criteria can be debated and agreed so as to ensure that they achieve their intended environmental objectives without creating unnecessary barriers to developing-country suppliers. It is also important to ensure that sustainability criteria and related certification schemes are not introduced unilaterally and do not constitute an additional barrier to trade. To the extent that sustainability criteria are established, the international community has an obligation to provide assistance in capacity building to developing countries’. Much of the current debate on the need for a new ‘Green Revolution’ in Africa and on large-scale acquisitions or leases of land are a mimicry of the debate launched in 2008 on the development of agrofuels, and the conclusions drawn by the FAO may be expanded to these emerging issues. In all these areas, unilateralism needs to give way to the agreement, at multilateral level, on certain parameters or guidelines. Improvements to global governance are vital, because a consensus needs to be reached on how sustainability and development can go hand in hand. Rules related to trade and investment must be reconciled with the requirements of human rights and with the need to slow down climate change. And, while developing countries should take into account these requirements as they move towards a more responsible governance of their land and other natural resources, industrialized countries should facilitate this, through capacity-building and transfers of technologies, as well as by controlling their investors and companies operating abroad, consistent with their obligation to protect human rights. I argue below that a reformed Committee on World Food Security is an appropriate forum where multilateralism can make progress on these issues. For the moment, internationally recognized human rights such as the right to food are our only benchmark. It is all the more vital to adhere to them scrupulously that we have nothing else on which to base this much-needed dialogue.

IV. Protecting the entitlements of the poorest: the role of social protection

The global food crisis is primarily the result, not of too little food being available, but of food prices which are high in relation to the incomes of individuals. The recent sharp increase in food prices has appeared, in a context in which the affected persons’ incomes have not increased commensurately. The resulting decreases in real income and the ability to command food would have been less consequential were individuals more adequately shielded by social protection systems. In circumstances such as these, where food can be procured provided the purchasing power is sufficient, implementing the right to social security, as required under Article 9 of the International Covenant on

57 Federal law RS 641.61 and order RS 641.611.
Economic, Social and Cultural Rights, may be the most effective means of ensuring food security in the presence of real income volatility. The provision of social assistance in the form of food vouchers, cash transfers (entailing fewer administrative costs where banking systems are in place with sufficient geographical coverage) employment guarantees or other mechanisms may contribute to this. The conditional provision of social assistance (in which specific eligibility criteria must be satisfied) may be desirable from various standpoints (for example, to reduce overall program costs or to increase program benefits per person) but unconditional or universal social assistance may have much to recommend it in conditions of widespread deprivation. Such an initiative should be seen as furthering simultaneously the goals of guaranteeing the right to social security and the right to food.

The provision of cash or food vouchers to the most vulnerable through a social assistance mechanism need not in principle have a significant impact on price levels, since it will generate an appropriate supply response -- stimulating the arrival of food on the local markets by stimulating production, de-stocking, and imports. Even if some price effects do occur, the ability of targeted groups to command food will still increase if program benefits are set appropriately high. There may be some redistribution of consumption from those who face higher prices without receiving support to those who benefit from the transfers, but this need not be of concern if eligibility criteria are made sufficiently broad. Adequate targeting, in any event, should alleviate concern about price impact, since it means not only that no individual member of a vulnerable group should be left out of social assistance schemes, but also that the cash transfers should not benefit large groups who do not need them, thus diminishing the overall program-generated demand for food. It deserves emphasis that the risks of under-inclusion are far more important, from a human rights perspective, than the risks of over-inclusion. Where it can be afforded, universal coverage may therefore be preferred, particularly in poorer developing countries where the vulnerable population is a large proportion of the total population and administrative capacities may be weak, so that the costs of targeting could outweigh the benefits -- although at the same time, as noted by the Independent Expert on the question of human rights and extreme poverty in the report she presented recently on cash transfer programs, there is a need for continuous attention to the accessibility and adaptability of the schemes to different physical, geographical, social, cultural contexts, taking into consideration the constraints faced by groups particularly vulnerable to discrimination. Where targeting is chosen because of fiscal constraints, it is essential that targeting processes and eligibility criteria are fair, effective and transparent, and that they safeguard against discrimination, as also noted in that report.

Where targeting is preferred, it can be achieved either by means-testing (transfers of in-kind food aid, food vouchers or cash transfers conditional on personal characteristics such as aid or resources), or by transfers conditional on individual actions, as in programmes providing food vouchers or cash against work (cash/food-for-work programmes). Programmes of the latter type often have the feature that they are ‘self targeting’ in the sense that the most needy are most likely to undertake the actions demanded. There is a very long history of cash or food-for-work programs going back at least to the 18th century ‘Poor Laws’ in England and including various programs implemented in developing countries in recent decades. Recently, conditional social assistance programs depending on actions

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61 A. K. Sen and J. Drèze, Hunger and Public Action, Oxford Univ. Press, 1989, pp. 100-101. A group to whom special attention should be paid in program design is that group just above any eligibility threshold, consisting of persons most likely to be pushed by program-related price increases beneath the threshold of adequate food security, if eligibility criteria are not made sufficiently broad. This concern is easy to address, in principle, by the adaptation of the eligibility criteria. This concern, in any case, remains theoretical. All the empirical research available points to the same direction, concluding that such price effects in fact do not occur.
62 The importance of targeting may be illustrated by the fact that, when the Government of Mongolia elaborated the Food and Nutrition Social Welfare Development Programme (FNSWDP) aimed at providing assistance to the groups of the population most severely affected by the rising food prices, it was decided that one portion of the total US$12 million grant from the Asian Development Bank would be allocated to pilot-test methodologies for targeting the poor and actions to develop baselines, monitoring and evaluation.
63 The report offers a detailed examination of the arguments in favor and against targeting, and of conditional or unconditional cash transfers (see A/HRC/11/9, 27 March 2009).
other than work have been developed in Mexico (Progresa, Oportunidades) and in Brazil (Bolsa familia); they later spread to other countries in Latin America and the Caribbean and to the rest of the world, partly under the sponsorship of the Inter-American Development Bank and the World Bank. Food/cash-for-work programmes have sometimes been defended on the basis that earning income through work may, in many societies, be seen as better respecting the dignity and respect of the beneficiaries than charity-based programmes, although they have also been criticized by others on the very same ground. In what way such programs should be viewed would seem to depend on the ambient understandings regarding the meaning and nature of work, and the methods in which work is organized and provided.

In some cases, it has been found that employment generation schemes may be particularly helpful to women who often, unlike men, are unable to migrate for better work opportunities. In the 100-day employment generation programme set up in Bangladesh for instance (see below), despite the absence of any administrative gender requirements, 28% of the beneficiaries in the first phase were women, many of whom were provided with a paid employment opportunity for the first time in their life. Further targeting of women in such programmes may be recommended, if it improves their access to the regular labor market, although it may also be unnecessary. Broadening the range of activities undertaken (for example, from beyond construction of public works to the provision of child care or social services) may further assist in reducing the gender biases which may be present. ILO notes that a fine gender analysis is essential because conditional social assistance programmes can have both positive and negative influence on gender stereotypes depending on how well the programmes are designed: '[conditional cash transfers] are proving to be effective in addressing gender concerns. However, they may have adverse effects on the woman of the household […][P]aying transfers to women may be valuable for their self-esteem as responsible mothers and it increases the chances of the money reaching their children. But these payments do not empower them personally, nor do they attempt to change the behaviour of men by encouraging them to assume a stronger domestic role. Other conditions for receiving CCTs, such as requiring women to do unpaid community work, again strengthen stereotypes and add to women’s unpaid burdens.'

Possible advantages of employment guarantee schemes, in any event, should be weighed against the problems associated with conditional social assistance schemes, including the risks of under-inclusion, the opacity in the implementation processes, and the lack of autonomy for the beneficiaries.

A significant number of countries reacted to the global food crisis by establishing or strengthening safety net programmes (in particular, by raising their levels of support in order to help cope with the rising food prices). Others relied on existing programmes. In April 2009, the World Bank reported that funds granted under the Food Crisis Response Programme (the Trust Fund and the Additional Funding Grant) were designed to support safety net programmes in 9 countries and social protection systems in general in 3 countries. Nearly 36 of the 100-odd countries surveyed by IFPRI in September 2008 had used social protection measures, particularly conditional cash transfers and midday meals, in order to protect their population from the higher prices of food commodities.

In a number of countries, unconditional transfer schemes were strengthened as a result of the crisis. Domestic food aid was increased in a number of countries: Egypt greatly extended its ration-card system by opening it up to new beneficiaries for the first time since 1988 and by doubling the rice

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64. ILO, *Gender Equality at the heart of decent work*, 2009, para 160.
65. See A/HRC/11/9, para. 58.
66. This was observed in a number of Latin American countries: in Panama the Red de Oportunidades cash transfer programme was re-evaluated from US$ 35 per household to US$ 50, in Ecuador the Bono de Desarrollo was revaluated from 15 to 30 US monthly per household.
68. Guinea, Guinea-Bissau, Kyrgyzstan, the Republic of Moldova, Madagascar, Nepal, the Occupied Palestinian Territory, Sierra Leone, and Yemen.
allocation of each card-holder; in Uruguay, the food assistance component of the Plan to Address the Social Crisis, initially put in place in 2005, saw an increase of 40 percent in June 2008, the food card system now reaching 80,000 households; in Indonesia, the amount of subsidized rice allocated to poor households was increased from 10 to 15 kilograms monthly. Unconditional cash transfers were increased in Chile, where the households already listed in the programme “Chile Solidario” received a one time payment of 20,000 Chilean Pesos; or in Gaza and the West Bank, where the Palestinian Authority received funding to grant a one time payment of US$200 to 25,000 poor households.

Similarly, school feeding programmes have been scaled up during the crisis, for instance in Liberia, Guinea-Bissau or the Philippines. WFP reports that in 2008 it increased support to school feeding programmes as a response to the food crisis in 14 countries. School-feeding programmes also have an inherent limitation as an instrument to reduce hunger and malnutrition: they typically fail to address child malnutrition at its most critical point, when children are in their infancy. There is also the possibility that families will engage in intra-household substitution of available food away from those children benefiting from such programs toward other family members. This may therefore help to increase household command over food but have a less dramatic effect on children’s nutrition then may be hoped.

In the Philippines the pilot conditional cash transfer programme "Pantawid Pamilyang Pilipino Programme" that had been launched in February 2008 in four municipalities, soon was scaled up so as to reach 320,000 beneficiaries by January 2009. Under the program, a family beneficiary with maximum of three children will receive a monthly allowance of P1,400, a P500 monthly allowance for nutrition and health expenses, and P3,000 for one school year or P300 per month for educational expenses per child. The beneficiaries must ensure that their children attend school at least 85 percent of the time and receive vaccinations and health care. While such programmes have proven very successful in certain circumstances, and may achieve good results in terms of health, nutrition and education, imposing health checks or school attendance is only acceptable if the health and education infrastructures are sufficient; in addition, there may be considerable costs in ensuring that conditionalities other than school attendance are respected. School-feeding programmes also have an inherent limitation as an instrument to reduce hunger and malnutrition: they typically fail to address child malnutrition at its most critical point, when children are in their infancy. Conditional programmes are generally designed to address "long-term, structural poverty rather than income shocks, particularly if those shocks are expected to be short-term ones"; they are not the ideal instrument for dealing with transient poverty. There is also the possibility that families will engage in intra-household substitution of available food away from those children benefiting from such programs toward other family members. This may therefore help to increase household command over food but have a less dramatic effect on children’s nutrition then may be hoped. In times of crisis, unconditional transfers are a preferable option.

Implementing social assistance programmes by using human rights principles can significantly enhance their effectiveness. First, with respect to programmes which are targeted towards the most vulnerable rather than universal in scope, the definition of the beneficiaries on the basis of a prior mapping of food insecurity can significantly improve targeting, and thus the contribution of social assistance schemes to improving food security and poverty reduction. Second, the clear definition of beneficiaries in legislation – making access to social assistance a right for the beneficiaries – may limit the risk of resources being diverted as a result of corruption or clientelism, and it can improve accountability of the administration responsible for implementation, particularly if courts are

71 Other feeding programmes specifically target pregnant and lactating mothers and infants (such as in Afghanistan, or in Moldova).
72 Benin, Central African Republic, Ghana, Guinea, Guinea Bissau, Haiti, Kenya, Liberia, Mozambique, Pakistan, occupied Palestinian territories, Senegal, Sierra Leone, Tajikistan, with the largest increases in Haiti, Pakistan, Senegal and Tajikistan. In three of these countries (Central African Republic, Guinea Bissau, and Liberia), this is done with the support of the World Bank. See: http://www.wfp.org/school-meals.
empowered to monitor this implementation. Third, the definition of the program benefit as deriving from a right possessed by all citizens (even where the program is targeted) can reduce the element of stigma attaching to participating in a program, which can otherwise significantly reduce participation of eligible persons. Fourth, the participation of the beneficiaries in the design and implementation of the programmes can improve its efficacy.

The best illustration of this may be the adoption in India, in 2005, of the National Rural Employment Guarantee Act (NREGA), which guarantees 100 days of employment for rural households across the country except in the State of Jammu and Kashmir. Initially focused on 200 districts, it was extended to 330 districts the next year and since April 2008, has covered all rural districts in the country. NREGA is aimed at securing livelihoods for the most food insecure families, particularly those who depend on seasonal work in agriculture and find themselves unemployed for part of the year. It guarantees the legal minimum daily wage as payment and is specifically for unskilled work focusing on water conservation, drought proofing, irrigation, repair, land development, flood control and road works. Workers who are unable to obtain employment through the scheme are entitled to unemployment benefit. The act also specifies that records of funds received and projects carried out through the NREGA are publicly available at the district level and can also be obtained through the right of access under the Right to Information Act 2005: in order to facilitate application of the RIA in this context, a set of Transparency and Public Accountability Rules are being adopted. These Rules aim to create a “citizen-friendly transparency regime” for NREGA 2005 by ensuring proactive disclosure of data on issues such as number of job cards issued, demand for work received, number of days of employment provided, details of funds received and spent, details of payments made, accounts, cost of works and details of expenditure on it, duration of work and person-days generated. They also provide for a grievance redressal mechanism, allowing for the filing of complaints for any Shortcoming in the implementation of NREGA. And they clarify how the “Social Audits” to be performed at State level, as required by sec 17 of NREGA 2005, shall be prepared.

While a number of problems remain at the level of implementation and while the success of NREGA seems to vary from state to state, this implementation has been significantly improved thanks to this transparency requirement, and the intervention of agricultural workers’ trade unions, who organized workers participating in NREGA schemes and thus improved both levels of participation in the scheme and compliance with minimum wage requirements. Thus, in Andhra Pradesh in the southern India, members of the Andhra Pradesh Vyavasaya Vruthidarula Union (APVVU) were able to achieve three times more work-days than the state average. In addition, while women accounted for 40% of workers in the scheme nationally in 2006-7, in those schemes where APVVU members participated, women’s participation was 52%. While the average wages earned by agricultural workers before the introduction of NREGA in Andhra Pradesh ranged from Rs. 30 to maximum Rs. 60 per day, after the introduction of NREGA, the average wages earned have been between Rs. 81 to Rs. 93 per day. Similarly, the rate of distress migration of agricultural workers has fallen by 70% in several districts of Andhra Pradesh. In Bihar, in the North of India, where the state-wide average in 2006-7 was 8 days work per household, members of the Hind Khet Mazdoor Panchayat (HKMP) union were able to have between 60 and 70 days of employment. In the North Bengal district of West Bengal, in eastern India, following interventions from the union PBKMS, rural workers in one area were able to get 45 days work per household in the 2006, while the district average was 12.7 days per household.

The Indian NREGA is not unique in its category. In September 2008, in addition to the scaling-up of existing food-based safety net programs such as the National Food Policy (2006) and the National Strategy for Accelerated Poverty Reduction (2008) both in terms of coverage and benefits, the Government of Bangladesh embarked on the first phase of a 100-day Employment Generation Programme (EGP) aimed at the poorest and jobless poor, particularly those affected by seasonal unemployment, in response to the soaring food price. With an estimated outreach to two million

74 http://nrega.nic.in/
75 Personal communication from the International Union of Food workers. This information could not be independently verified.
households (about 10 million beneficiaries) and with the objective of generating 200 million person days of employment per year, the EGP is the largest Government safety net programme focused on employment generation. Yet, as highlighted by a recent evaluation of the first phase of implementation of the programme, its efficiency has been severely hampered by targeting problems, and by the absence of adequate accountability mechanisms. Consistent with its intention to focus on the poorest of the country, the program calculated the number of cards to be allocated by district (upazila) using a poverty map established by a 2004 study by the Government of Bangladesh in collaboration with the World Food Programme, leading to an outcome where total cards allocated per district/upazila amounted to 5% of the extreme poor in each district. While this means that all the country was equitably covered, it is not consistent with the intent to focus on the most vulnerable areas of the country. As to the identification of the individual beneficiaries, the Government left the responsibility of selecting the beneficiaries to the community. However, although the involvement of a number of people and consultations with relevant individuals was foreseen in the Implementation Guidelines, in several cases, the local authorities responsible did not consult, and the allocation was heavily biased towards known people in the selection process, something which was further aggravated by the fact that the official criteria for selection of beneficiaries were not always clearly understood and in some cases were not even known. The result was that, although beneficiaries were significantly more likely to be poor than non-beneficiaries – about 37% of the beneficiaries were from the poorest 20% of the population, and 67% of the benefits were captured by the poorest 40% of the population –, gross mistargeting occurred for 2.2% of the beneficiaries who belonged to the richest 20% of the population; and the provision excluding individuals benefiting from other safety nets was more strictly applied to the poorest section of the population. The lack of clarity about the target group has been a serious obstacle for the potential beneficiaries: unaware of the official criteria on which the selection of beneficiaries would be based, it was difficult for anyone to challenge the decisions taken; those wishing to complain did not have clear grievance mechanisms at their disposal, although this lacuna was partly responded to in a later phase of the programme; and because the programme was designed to cover 5% of the extreme poor in each region, by definition, eligible people were excluded, in ways which were perceived as arbitrary and occasionally exacerbated conflicts between beneficiaries and non-beneficiaries.

The strengthening of social assistance programmes has a fiscal cost. For developing countries, spending on safety nets has averaged 1–2 percent of GDP in recent years, but there are wide variations between countries, depending on the generosity of the programmes, the administrative costs involved, and the quality of targeting. Because of these costs, questions about the fiscal sustainability of social assistance programmes may constitute an obstacle to their adoption in the first place, and to their maintenance following a crisis, as a permanent safeguard against sudden loss of revenues for the poorest. This is regrettable; one of the reasons why the Indian NREGA has been generally more satisfactory than the equivalent EGP in Bangladesh, is because the NREGA is a permanent programme, well known to its potential beneficiaries, and whose implementation is easier in times of crisis because of the familiarity with the procedures of the local officials responsible. The establishment of standing social assistance programmes is also consistent with a rights-based approach: those in need of support should not have to wait until the government finds an emergency to exist, and acts accordingly.

The international community can help overcome the uncertainty factor inherent in the strengthening of social protection in developing countries by insuring these countries against the risk that social protection schemes, once they are put in place, will not be fiscally sustainable following shocks of a domestic or international origin (such as sudden losses of export revenues, sharp increases in the

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76 Study of the first phase of the 100-day employment generation programme, commissioned by the Ministry of Food and Disaster Management of the Government of Bangladesh and conducted by the National Food Policy Capacity Strengthening Programme (NFPCSP), BRAC Research and Evaluation Division (RED) and BRAC Development Institute (BDI) of BRAC University, 10 February 2009.
77 Administrative costs of cash transfers are relatively low (about 5 percent of total program costs after start-up, compared with 36 percent of total program costs for food-based programs). The World Bank, *Global Economic Prospects*, cited above, p. 126.
prices of food commodities on international markets, or bad harvests in the country concerned). A global reinsurance mechanism could be put in place, with premiums ideally paid in part by the country seeking insurance and matched by donors’ contributions, thus creating an incentive for countries to put in place robust social protection programmes for the benefit of their population.\footnote{On this proposal, see Sanjay G. Reddy, ‘Safety Nets for the Poor: A Missing International Dimension?’ in Giovanni Andrea Cornia (ed), Pro-Poor Macroeconomics, Palgrave Macmillan, 2006, 144-165.}

V. The role of international markets: coping with, and combating volatility

The impacts of high food prices on international markets were larger in countries with fewer domestic alternatives to internationally traded grains, whose prices rose the most (maize, wheat, and rice).\footnote{The World Bank, Global Economic Prospects, cited above, p. 96.}

This is one of reasons why, in my report on the WTO and the right to food (A/HRC/10/005/Add.2), I emphasized the need for countries to avoid an excessive dependence on food imports, and to avoid sacrificing their long-term interest in strengthening their agricultural sector for the production of food crops against their short-term interest in purchasing food at often artificially depressed prices on international markets. At the same time, since the pursuit of self-sufficiency in food is illusory for most countries, the risks associated with international trade should be better managed. This is why it is needed to fully implement the Marrakech Decision Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries (‘Marrakech Decision’), adopted as part of the WTO Agreements (see A/HRC/10/005, paras. 20-25).

Indeed, the international markets proved particularly unreliable during the global food crisis of 2007/2008. One of the characteristics of the crisis was that a significant number of countries (29, according to one count\footnote{Benson et al., Global Food Crises, cited above.}; at least 20 developing countries, according to another report\footnote{The World Bank, Global Economic Prospects, cited above, p. 123.}) resorted to export bans or restrictions, including the raising of export tariffs, in order to keep their domestic prices down. This succeeded in a number of instances, particularly for larger countries such as China or India whose dependence on imports is limited.\footnote{Both China and India only 1-1.5 percent of their total grain requirements.}

But, to the extent that such restrictions were imposed simultaneously by a number of exporters representing a significant share of the market, it contributed to driving availability down and prices up on the international markets, severely penalizing the low income net-food-importing countries and sometimes offsetting the anticipated effects of the measures adopted by these countries (whether in the form of lower import tariffs or of export restrictions) to protect their own consumers. In addition, where governments have chosen to lower import tariffs in order to ensure the availability of food at affordable price for the local consumers, they often discovered that such a measure would remain ineffective if traders did not lower their prices in similar proportions, which they may have little incentive to do particularly when they occupy oligopolistic positions. In a number of countries, the government therefore concluded agreements with the importers or retailers, or imposed price regulations, in order to ensure affordability of food (Box 6).

**Box 6. Strategies to stabilize prices for local consumers**

In Cameroon, despite an above-average cereal harvest in 2008, cereal prices continue to rise driven by several factors including a strong recovery of the poultry industry as well as the dependence of the country on imported rice. In an attempt to control food inflation, the Government reportedly signed an agreement with traders in January 2009 to stabilize the price of imported staple goods, including rice. To compensate importers for the costs this policy may cause, the Government has pledged to accelerate payment of tax credits and reduce handling fees. The agreement is scheduled to run through June 2009. In a number of countries of this region, recent food prices are even higher than in 2005, the year of the last severe food crisis in the sub-region\footnote{Ibidem}. In Burkina Faso the Government exempted rice and infant milk from TVA for six months and negotiated with importers and wholesalers with a view
to limiting the impact of high food prices on consumers. Although an evaluation of these fiscal measures has not yet been conducted, the impact appears to be limited for the moment.

In several countries, Governments unilaterally reduced taxes on key products, such as rice in Côte d’Ivoire, and on cereals and imported feed products in Cape Vert. In Malaysia the Government imposed price ceilings on rice sold to consumers and raised the guaranteed minimum price for rice growers. In Sri Lanka the Government fixed maximum retail and wholesale prices for different grades of rice. Although it may be premature to assess the impact of the measures adopted including tax exemptions and reductions on food items, cuts in taxes may have long-term adverse effects as these may lead to significant reductions in governmental expenditure or a rise in the budget deficit, with significant consequences for the progressive realization of human rights. For example, in Mali the authorities responded to shortfalls in revenues resulting from the exemptions in food import taxes by freezing non essential spending for six months from May 2008. These exemptions were introduced to protect consumers from raising food prices. This has reportedly worsened the ability of the Malian Government to maintain public service delivery at planned levels. While, for example, funding for essential goods, such as medicines and textbooks was maintained, their timely delivery to hospitals and schools was affected by the freeze on fuel and other expenditures. Tax cuts were reversed at the end of September 2008 when additional resources contributed to relaxing the budgetary freeze.

In Kenya and Madagascar the Governments removed VAT on rice, bread and cooking fuel. In Madagascar the revised 2008 law on finances introduced temporary VAT exemptions on all types of rice and exemptions of taxes on the import of certain agricultural machinery and accessories. VAT exemptions on rice reportedly reduced the prices paid by consumers of between 10 and 20 percent according to the product. The Governments of Liberia and Niger suspended taxes on certain products like imported rice and ceilings were established for selling rice. Some countries established mechanisms for monitoring and evaluating tariffs reduction. In Niger the technical committee set up for this purpose recommended to terminate cuts in taxes as this programme was reportedly not efficient. It appears that this was due to, amongst other factors, the fact that retailers did not reflect the tariff reductions on consumption prices. In Cote d’Ivoire an Inter-Ministerial Committee to fight against increases in prices of basic food products was established to evaluate the impact of the measures adopted. In Mongolia the Government set up a National Council for Prices Stabilization (NCPS) in December 2007. The Council took a number of measures including exempting six major staple food products from tax from June to September 2008, establishing an annual meat reserve, exempting 40,000 tonnes of imported wheat flour from taxes and allocating subsidies to public transport companies. In the Slovak Republic the governmental committee on prices has taken price control measures vis à vis several entities operating in the dairy, mill, bread and bakery, and oil and fat industries. In response to fluctuations in food prices and sharp increase in pork prices in 2007, in China the Leading Group for Modifying and Regulating Main Non-Staple Food Market was established with the objective to analyze developments in food supply/market and their impact on the life of poor and vulnerable groups. This Group has also led the revision of the official poverty line in China to reflect the rising cost of living.

There are means that countries might use to protect themselves against the risks of sudden price increases on international markets. Countries may wish to establish food reserves at national or local level, in order to be able to cushion the impact of price spikes on international markets. A number of

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84 ISFP-Initiative on Soaring Food Prices, Mission Report on Cote d’Ivoire, July 2008 (p.30 - 48)
86 Ibidem
88 ISFP-Initiative on Soaring Food Prices, Mission Report on Niger, December 2008 (p.33-35)
89 For a further discussion of this option, see A/HRC/9/23, para. 32.
countries have chosen this option following the global food crisis. : the Government of Mauritania allocated 3.2 million USD to replenish its National Food Strategic Reserve (SPI) in 2008\(^9\); in Saudi Arabia the Government proposed that rice importers consider increasing their stocks of grain by 50 percent in order to improve the strategic stock level to cover between six and eight months of national consumption requirements; the Cambodian Government reportedly spent 10 million USD to boost state rice reserve, allowing the sale of subsidized rice through a State-owned company, thus keeping domestic prices low.\(^9\) In China a combination of increase in public rice stocks and a healthy national grain reserve systems (the equivalent of 4 to 5 months’ consumption) have allowed the country to avoid massive import. China's main concern has been to reassure its population that its own supply and prices are stable by ensuring access to information on the size of official reserves.\(^2\) The establishment and management of food reserves may also be a means to ensure sufficiently stable and remunerative prices to smallholders. For instance, the Brazilian Program for the Acquisition of food (Programa de aquisicao de alimentos – PAA), conceived to support the marketing of family farmers’ products, at the same time seeks to establish a bridge between food producers and consumers, to stimulate food production and to provide access to food to food insecure families. The government, through its National Supply Company (CONAB), buys food from family farmers as long as the prices are not above those found on regional markets. This programme guarantees an income to family farmers, with an annual limit of up to 3500 BRL (approx. 1240 EUR). The food acquired by the government is directed to public programs or services such as the constitution of food reserves, school meals, hospital food and food distribution to the poorest families. 86.000 farmers benefited from this program between 2003 and 2007, which absorbed 1 billion BRL in 2007\(^3\).

Another option is to conclude long-term supply arrangements, under which importing countries agree to buy a minimum amount of grain or other food crop each year in exchange for a commitment by the exporting country to meet larger imports when needed. Such arrangements make net-food-importing countries less dependent on the market prices for the crops they import, with the associated volatility, although there is a risk that the counterparty may renge pleading altered circumstances. An alternative, which may work at least if food shortages do not occur simultaneously in a large number of countries, would be for governments fearing shortages to resort to contingent option contracts, by buying options on future imports which, if exercised, would be realized by physical delivery (i.e., in the event that the harvests are as poor as initially feared). This is in essence what Malawi did, with assistance from the World Bank and the British government, in 2005-6, using call options from the South African Futures Exchange (SAFEX) to help cap the cost of managing an anticipated ‘hungry season’ shortage of 60,000 metric tons of white maize for a value of USD 17 million: since the spot price of maize rose significantly in late 2005, ex post the option contract turned out to have been an efficient way to procure food in order to meet the needs of the population.\(^4\)

All the options above are means by which countries shield themselves from the impacts of volatile prices on international markets. But volatility itself may be combated more effectively. Many observers of the global food crisis have arrived at the conclusion that speculation by commodity index funds on the futures markets of agricultural commodities has been one significant factor in the peak of 2007/2008. In 2006/2008, the abundance of international liquidity coupled with a slowdown on financial markets drew a large amount of investment capital into agricultural commodities exchanges. Investors not active in the underlying commodity markets (as farmers and producers would be) are not present on the futures markets for price discovery or hedging. Rather, they bet that prices will either rise or fall as part of an investment strategy, rather than as a way to manage risk related to the sale or

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\(^9\) www.psi.gov.mr
\(^9\) Oxfam International, Doubling-Edged Prices: Lessons from the food price crisis: 10 actions developing countries should take. October 2008
\(^3\) “Soberania e Segurança alimentar e Nutricional no Brasil: Politicas Publicas Inovadoras”, Governo Federal, Brazil, Brasília, 26/01/2009.
purchase of commodities: the sale or buying of futures is a mere portfolio decision, without any relation to the ‘fundamentals’ of the economy—the underlying economic reality. This has been, in particular, the strategy of commodity index funds, which arrived massively on the futures markets of agricultural commodities in 2006/2008. Such funds speculate on a basket of 20 or more commodities, agricultural commodities accounting for 10–20 % of the total. It has been reported that at the end of March 2008, investors worldwide held an estimated $400 billion in commodity futures contracts—about $70 billion more than at the beginning of the year, and twice as much as in late 2005.\(^95\) IFPRI examined the weekly reports by the U.S. Commodity Futures Trading Commission (CFTC) and concluded in June 2008 that ‘for maize, wheat, soybeans, and rice, the total number of positions in futures contracts by noncommercial traders as a fraction of the total positions (commercial plus noncommercial) has significantly increased in [the period December 2007-June 2008], implying the possibility of a price bubble above what is justified by fundamentals’.\(^96\) While speculation thus understood is not the immediate cause of price increases on the spot market (where commodities are effectively traded), it may nevertheless exacerbate volatility, by encouraging hoarding by both private traders and governments, and because of the relatively low elasticity to prices of both supply and demand.\(^97\) This, the World Bank concluded, did have a significant impact on prices: ‘real-side speculation (the decision to hold stocks in anticipation of further price increases or to order more than needed now for the same reasons) likely contributed to the rapid increase in prices during 2007 and 2008.’\(^98\) This is also the conclusion reached by UNCTAD in its report on the global economic crisis.\(^99\)

A number of measures could be adopted to limit the risks entailed by financial speculation. Certain measures would be of a purely regulatory or institutional nature. For instance, to dampen pure financial speculation, regulators could increase the margin (e.g. from 10 % to 30 % downpayment) as this would force speculators to make a larger downpayment for their speculation. The registration of funds trading on agricultural commodities on spot or derivative markets has also been proposed, in order either to exclude hedge funds from such markets or to allow for their activities to be better monitored, for instance by prohibiting certain highly speculative activities such as short selling or the dealing in over-the-counter derivatives.\(^100\) IFPRI has proposed the establishment of a fund managed independently by a high-level group of experts allowed to intervene on the futures markets where the prices appear significantly higher than what corresponds to reasonable margins within a dynamic price band: this group would execute a number of silent short sells over a period of time in futures markets around the world at a price lower than the current spot price, thus increasing the supply of future sells and minimizing speculative attacks.\(^101\)

Other measures could consist in an improved management of grain stocks at global level. Improved information about and coordination of global grain stocks could go a long way towards limiting the attractiveness of speculation. Rebuilding stocks, in order to moderate temporary shortages linked, for instance, to weather-related events, and thus to buffer sharp price movements, would also significantly contribute to limiting volatility. At a minimum, the establishment of an emergency reserve allowing the World Food Programme to meet humanitarian needs would be justified, in order to allow the WFP to have access to grains at pre-crisis market prices.\(^102\)

\(^96\) J. van Braun and M. Torero, Physical and Virtual Global Food Reserves to Protect the Poor and Prevent Market Failure, IFPRI Policy Brief 4, June 2008.
\(^97\) In addition, higher prices on the futures markets may be misinterpreted by traders as incorporating new market information, thus leading to the formation of a bubble as all traders will react similarly.
\(^98\) The World Bank, Global Economic Prospects, cited above, p. 64.
\(^101\) J. van Braun and M. Torero, Physical and Virtual Global Food Reserves to Protect the Poor and Prevent Market Failure, cited above. Although in principle the future sells would not need to be realized and the operation would remain a virtual one, the costs of a failure to stabilize markets would be potentially very important.
\(^102\) Based on the current emergency requirements of the WFP, IFPRI estimates that an emergency reserve of around 300,000 metric tons of basic grains would be sufficient for this purpose.
UNCTAD considers that it is ‘obvious’ that ‘the world needs a new global institutional arrangement consisting of a minimum physical grain reserve to stabilize markets, to respond effectively to emergency cases and humanitarian crisis and an intervention mechanism’. Yet, despite numerous calls to this effect, no progress has been made on this issue over the past year. The systemic risks associated with the current organization of the global food system remain unaddressed. This again, like the failure of the international community to achieve a consensus on agrofuels, reveals a gap in global governance for which populations are paying a very high price. The next and final section of this report examines how this gap could be bridged.

VI. Reforming global governance

There is a common thread running through the different themes explored in this report: it is the need to strengthen multilateralism in order to address effectively the structural causes of the global food crisis. International agencies have worked remarkably well together since April 2008, as a result of a High-Level Task Force on the global food crisis being set up under the leadership of the UN Secretary-General, and having agreed on a Comprehensive Framework for Action listing a number of operational measures governments could take with the support of the international community. Governments too need to act in a coordinated fashion in order to ensure that investments in agriculture, particularly as a result of large-scale land acquisitions or leases for the production of food or agrofuels, contribute to sustainable development; they need to act together to agree on guidelines for the production and use of agrofuels; and they need to act together to establish a reinsurance mechanism to make the strengthening of social protection an option both desirable and fiscally sustainable for developing States, or to combat volatility on the international markets of agricultural commodities. Now is the time to achieve the reform of global governance that will allow us to define the realization of the right to food as a global common good.

On 27 April 2009, the contact group for the revitalization of the Committee on World Food Security (CFS) held the first of a number of meetings which should lead it to make proposals to transform the CFS into an instance which could achieve this. The CFS is currently one of the committees listed in Article 5 § 6 of the FAO Constitution, tasked to assist the Council of the FAO in its functions. It should transform itself into something far more ambitious: a forum in which governments, international agencies, and civil society organizations could discuss issues, such as those listed in this report, which call for more cooperation between States, to the extent required for the realization of the right to food, and which could lead to the adoption of guidelines revised at regular intervals. The CFS should ensure an improved coordination between governments, international agencies, and non-governmental organizations in implementing these guidelines; it could facilitate achievement of a consensus on emerging issues; and it could improve accountability, by monitoring the efforts of governments and international agencies in the implementation of the guidelines.

As a member of the contact group, I proposed that the revised CFS should combine these three core functions of coordination, learning, and monitoring progress. This could be achieved by transforming the CFS into a platform tasked with (i) adopting guidelines, based on a joint understanding of what are the obstacles to the realization of the right to adequate food; (ii) requesting from governments and international agencies that they identify a set of targets to be achieved, in order to make progress implementing these guidelines; (iii) receiving reports on the achievement of these targets, on which the CFS should comment with the assistance of a High-Level Panel of Experts; and (iv) revising the guidelines, in the light of the difficulties encountered in the implementation.

This proposal is based on a diagnosis of the reasons for our failure to eradicate hunger and severe malnutrition. There are five reasons for this failure: an almost exclusive focus on increasing agricultural production, instead of the adoption of a more holistic view about the causes of food insecurity; a failure of global governance to overcome existing fragmentation of efforts; a still incomplete understanding of how to work in certain areas which have an impact on our ability to

103 UNCTAD/GDS/2009/1, p. 38.
achieve food security for all; a failure to follow upon commitments, itself a result of a lack of accountability; and the insufficiency of national strategies for the realization of the right to food at domestic level. A revitalized CFS could significantly contribute to addressing each of these problems. It would constitute a permanent platform in which issues related to food security could be discussed, particularly as these issues require joint and coordinated action of the international community. It would significantly raise accountability, particularly if the targets to be achieved by States are set at national level, through participatory processes involving civil society organisations and leading to the identification of clear, time-bound priorities on the basis of the mapping of food insecurity and vulnerability. For developed countries in particular, the targets could include levels of contribution to international assistance and cooperation with developing countries, in accordance with the priorities set by the guidelines adopted by the CFS.

The time to act on this is now. As stated by the CFS Bureau in an issues paper on the revitalization of the CFS: ‘The current attention on global food insecurity should be seized as an opportunity to reflect on how to avoid future crises as well as addressing long term challenges to food security such as rural poverty, inappropriate policies and insufficient investment in food and agriculture. Strengthening the political will to ensure this happens is fundamental for decisive action to bring down hunger and malnutrition’.

VII. Conclusions and Recommendations

One sixth of the planet’s population is hungry, and one third suffers from acute malnutrition – the lack of micronutrients essential for both for a healthy active life and for physical and intellectual development. This massive violation of the right to food is a threat to the political stability of a number of States. It is a question of national security for others. It is an economic liability – no economy can prosper with such a large proportion of people who are too hungry to learn, and to work. Because the focus of world public opinion is now on the question of hunger, and because the past year has witnessed an unprecedented degree of mobilization of the international community into reinvesting in agriculture and rural development, we can transform this crisis into an opportunity. But this will only happen if we work, immediately, on four areas.

First, governments need to consider the choices they have to make in terms of agricultural development, taking into account the impact of these choices on the full realization of the right to food. There is no single way to move towards developing agriculture. In order to move towards socially and environmentally sustainable forms of agricultural production, States should ground their agricultural policies into broader strategies for the realization of the right to food, developed through participatory processes. This will ensure that agricultural development will effectively contribute to combating hunger and severe malnutrition. On at least two issues – the production and use of agrofuels and transnational large-scale land acquisitions or leases –, international guidelines using a human rights framework should be adopted, in order to provide guidance to States and in order to avoid the dangers associated with unilateralist approaches and beggar-thy-neighbour policies.

Second, governments should guarantee the right to social security, particularly in order to shield the urban poor or other net food buyers from the impact of high food prices. Consistent with a human rights-based approach, social protection should be granted to all without discrimination, and the targeting of the beneficiaries should take into consideration the specific constraints faced by groups particularly vulnerable to discrimination and rely on criteria that are fair, effective and transparent, and are a safeguard against discrimination. The establishment of standing social protection schemes is far more preferable than the adoption of schemes only for the duration of a crisis. In order to alleviate the fiscal constraints faced by developing countries in establishing such schemes, these countries should be able to rely on a reinsurance mechanism, improving their resilience against internal or external shocks.
Third, net-food-importing countries must be better protected from the volatility of prices on the international markets. The implementation of the Marrakech Decision within the WTO, the establishment of food reserves at local, national or regional levels, long-term supply arrangements between countries, or contingent option contracts, all could shield countries from the impact of volatile prices. But volatility itself may be combated more effectively, particularly by addressing the specific source of volatility that results from the activities of commodity index funds. This is a further area in which international cooperation is needed.

Fourth, States should improve global governance of food security. The reform of the CFS is an opportunity to fundamentally change the incentives structure for both States and international agencies, and to ensure that they will agree to bind themselves to specific targets, to be achieved within clear timeframes, for which they will be held accountable to their public opinion and to their partners within the CFS. Most importantly, a revised and strengthened CFS could provide a forum in which, where the need for international cooperation is identified, a dialogue can take place between governments, international agencies, and civil society. As a global common good, the right to food requires no less.