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TRADE for FOOD SECURITY?
-
REFORMING TRADE
TO MAKE FOOD FOR ALL A REALITY

Policy statement on the occasion of the
"WORLD FOOD SUMMIT: five years later"

Prepared by:

CARITAS INTERNATIONALIS

And:

CIDSE

***(INTERNATIONAL COOPERATION FOR DEVELOPMENT AND
SOLIDARITY)***

APRIL 2002

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1. Introduction

In this policy statement CIDSE and Caritas Internationalis (CI) highlight a number of key issues relating to food security and trade on the occasion of the World Food Summit – Five Years Later. The work of both our networks in this area has been developed by the CIDSE-CI Task Group on EU, Trade and Food Security. This group has focused its attention on Commitment 4 of the 1996 Rome Plan of Action: agricultural trade, and more broadly on the impact of trade liberalisation on food security in the South.

In February 2000, CIDSE produced a position paper on the impact of Trade-related Intellectual Property Rights on food security in developing countries, which highlighted the food security impact of strong and enforceable multilateral IPR rules extending to genetic resources in food and agriculture. CIDSE emphasised the ethical concerns regarding ownership of life forms resulting from patent protection on living organisms. In 2001, the Task Group produced a position paper on agricultural trade and the need for reforms in the WTO Agreement on Agriculture, which in its current form is biased against the interests of developing countries. Joint advocacy work in this area has so far focused primarily on the EU and WTO, challenging the narrow trade interest of the European Commission (EC) in TRIPS and agriculture. We have reminded the EC of the key developmental objectives contained in EU external policies and the importance of ensuring the coherence between its development and trade policies.

CIDSE and CI have played an active role in the preparatory work for the 1996 World Food Summit and the Rome ‘WFS-5 years later’ meeting. This policy statement is a key element in CIDSE/CI’s overall approach to the 2002 conference and the recommendations contained below fit with CIDSE/CI’s work for the promotion of food security, fair trade rules, good global governance, a more equitable framework for international relations and the formulation and implementation of effective strategies to achieve the 2015 Millennium Development Goals.

2. Living up to commitments

The 2015 Millennium Development Goals have been derived from a series of UN world conferences including the UN Millennium Summit. They include the target of halving world poverty by 2015. At the 1996 World Food Summit¹ leaders of 186 countries committed their governments to halving the number of undernourished people in the world by no later than 2015. Latest projections from the FAO, however, suggest that actual progress is likely to fall short of that figure, with the number of malnourished people in the world being reduced from 792 million (1996/8)² to 580 million in 2015, rather than the target figure of 400 million.

In its report on ‘The State of Food and Agriculture, 2000’ the FAO captured the urgency and extent of the challenge facing the international community and national governments: *“Despite past progress, during the 1990s one in five people in developing countries ate less than the caloric minima for metabolic, work and other functions. Worldwide, there are still more than 150 million children under five who are underweight; more than 200 million - more than one in four - are stunted. These conditions*

¹ The WFS commitment is not included in the seven ‘International Development Targets’ drawn from the various UN commitments, of which the best known is halving the proportion of the world’s people living in absolute poverty by the year 2015. While CIDSE and CI agencies endorse the IDTs, they believe the WFS commitments are also relevant to a discussion of trade and food security.

² Mobilizing Resources to Fight Hunger, FAO, April 2001

appear to be implicated in about half of the 12 million deaths annually of children under five and, for some of the more damaged survivors, in physical and even mental retardation.”³

This situation is an affront both to our common humanity and to internationally agreed human rights standards. It is in the interest of all that this situation should be remedied because a more food secure world will also be one in which there is greater human security for all peoples.

3. Food security and the right to food

For CI and CIDSE, access to sufficient and appropriate food is a human right. The Universal Declaration of Human Rights and the 1966 Covenant on Economic, Social and Cultural Rights both guarantee the right to food.⁴ In May 1999, the UN Committee on Economic, Social and Cultural Rights charged states with “a core obligation to take the necessary action to mitigate and alleviate hunger”, and to make every effort to meet minimum obligations “to the maximum of available resources”. States and international organisations were required to cooperate in “joint and separate action” to achieve the full realisation of the right to food. As the bearers of these responsibilities, they must be held fully accountable for such commitments.

At the World Food Summit 1996, food security was defined as “*food that is available at all times, that all persons have means of access to it, that it is nutritionally adequate in terms of quantity, quality and variety, and that it is acceptable within the given culture.*”⁵ Food security will be achieved not just by providing food but by improving the basic standard of living which underpins food security - good health care, land on which to cultivate crops, clean water sources, access to credit, skills training and education. Food is much more than a tradable commodity. Food is life and a right on which other rights depend. Therefore, at this meeting – World Food Summit-Five Years Later – CIDSE and CI propose that the Code of Conduct on the Right to Food be formally adopted in the Rome 2002 Declaration.

4. Putting poor people and women at the heart of policy making

The preferential option for the poor is a basic element of Catholic Social Teaching and has universal significance. CI and CIDSE believe the poor must be given priority in trade and food security policies and be regarded and treated as essential stakeholders and equal partners. Food security strategies and resources should be focused on meeting their needs. Women and girls should be given special attention because of the key role they play in the family, and often at the community level. In many societies, women are the main producers of food and the main carers in the family and society at large.

³ FAO, *The State of Food and Agriculture 2000*, p199

⁴ Article 25 of the Universal Declaration of Human Rights and Article 11 of the Covenant on Economic, Social and Cultural Rights.

⁵ FAO (1995), *Elements for possible inclusion in a draft Declaration and Plan of Action on Universal Food Security*, FAO: Rome.

5. Reforming trade policies to foster food security for all (commitment 4).⁶

"We agree that trade is a key element in achieving food security. We agree to pursue food trade and overall trade policies that will encourage our producers and consumers to utilise available resources in an economically sound and sustainable manner (...) We will strive to ensure that food, agricultural trade and overall trade policies are conducive to fostering food security for all through a fair and market oriented world trade system" (Rome Declaration, 1996).

The above statement, agreed shortly after the completion of the GATT Uruguay Round, has yet to be put into practice in any meaningful way. Although the current system of multilateral trade rules was agreed by consensus, in reality it was designed by a small number of economically powerful states primarily to promote their own economic interests. CIDSE and CI would like to stress again that trade and trade liberalisation are not ends in themselves or tools in the hands of the powerful to increase their wealth. Instead, they should serve the purpose of human development, in particular of the poor and vulnerable.

Many developing countries have unilaterally liberalised their trade regimes (often as part of structural adjustment programmes), in reforms that have now been locked in by the WTO. There has not been sufficient reciprocal liberalisation in the North. Developing countries are disadvantaged by the continuing protectionism and double standards on the part of the developed countries which are costing them billions of dollars in lost trade.

5.1 Agricultural trade liberalisation

Agriculture is of enormous importance socially and economically to developing countries. In some developing countries over 80% of people live off the land and the average figure for the developing world is over 50%. They contribute between 30% and 40% of GDP. In OECD countries fewer than five per cent of the economically active population are involved in agriculture and their contribution to national income is correspondingly small. Hence the overwhelming importance of agricultural trade policy to livelihood and food security in the developing world.

The WTO Agreement on Agriculture (AoA) is perhaps the best example of trade policies designed by a small number of economically powerful states and biased against the interests of developing countries. The AoA has not fulfilled predictions that it would lead to rising world prices for farmers and falling levels of production in the United States and European Union. In part this is because the EU and the US introduced exemptions in the agreement, enabling them to increase their levels of support to farmers. The global food chain is increasingly dominated by few large corporations that drive and benefit from the liberalisation process, with marginal benefits accruing to farmers and consumers. Under the AoA, world food prices have in fact fallen, but net food-importing developing countries have failed to reap the benefits, due in part to corporate control of the global food business. In its present form, the AoA has promoted an industrial model of agriculture, which has jeopardised food security for many people in

⁶ This section draws on CIDSE/CI (September 2001), *Food Security and the WTO*, and CIDSE (February 2000), *Biopatenting and the Threat to Food Security – A Christian and Development Perspective*

developing and developed countries. More productive and sustainable methods exist, but they are not promoted wholeheartedly.

Many poor countries rely on preferential access to developed country markets, the value of which has been eroded by the AoA and various Free Trade Agreements. Despite the promises of the AoA, domestic support for agriculture has risen in developed countries, encouraging agricultural surpluses which in turn result in the dumping of subsidised food on the world market, with damaging effects on Southern producers. Above all, the AoA has failed to strengthen, and in many cases actually undermined, the food security of poor households and communities in developing countries.

CI and CIDSE believe that the World Food Summit commitment to halving world hunger by 2015 should become the overarching goal of the Agreement on Agriculture. The AoA should be reformed to:

- ✓ Reduce the excessive levels of domestic support and export subsidy in the developed countries, which are seriously undermining developing countries' trading prospects by dumping cheap food on the world market, thereby artificially reducing world prices.
- ✓ Increase access for developing country exports (especially those produced largely by small farmers) to developed country markets.
- ✓ Increase flexibility for developing country governments to protect and support small farmers and the production of food security crops.
- ✓ Overhaul and operationalise the 1994 Marrakech Decision, in which the world's richest nations promised to help the poorest cope with likely increases in food import prices arising from trade liberalisation. It should be made operational by using a given world food price to trigger access to international aid for food purchases.
- ✓ Incorporate the Development Box

5.2. TRIPs and access to genetic resources

The WTO's Agreement on Trade-Related Intellectual Property Rights (TRIPs) is a key element in the discussion of food security owing to its implications for public access to genetic resources. The clause in the TRIPs Agreement requiring governments to afford patent protection for micro-organisms, biological processes and protection for new plant varieties threatens the very notion of the Right to Food.

The patenting of food crops under TRIPs affects control over and access to those genetic resources that secure the right to food. It undermines the farmers' right to save, breed and exchange seeds, a country's right to protect indigenous knowledge, and citizens' rights to participate in decision-making and to influence public policies over their country's natural resource base. Many developing countries have resisted the TRIPs requirements, objecting on the ethical grounds that no human being can "own" life, but also from the fear that a few large transnational companies will use patent rights to appropriate genetic resources and indigenous knowledge, and in addition misuse their monopoly power to increase prices and block competition.

The 1999 Human Development Report⁷ refers to new patent laws as paying scant attention to the knowledge of indigenous people, leaving it vulnerable to claims from others. It concludes that "the

⁷ The 1999 Human Development Report, published by the United Nations Development Programme (UNDP) and Oxford University Press, Oxford, 1999.

result is the silent theft of centuries of knowledge from developing to developed countries”⁸. Concern has also been expressed at the UN High Commission for Human Rights that the TRIPS agreement is undermining certain basic rights to food and an adequate livelihood. Indeed the UN Sub-commission for the Protection and Promotion of Human Rights passed a resolution (August 2000 and 2001) noting that patents on genetic resources undermine basic rights, such as the right to food on which so many other rights are contingent.

There is also much concern over the lack of adequate investment in publicly-funded independent plant genetic research focussed on meeting the food needs of the bulk of the world’s farming communities which depend for their survival on saved seeds – seeds which they have nurtured over generations. The power of biotechnology companies in the global food system is enormous and growing. The imbalance between the users of seeds, the farmers, and the seed/biotechnology companies is clearly evident in the Terminator and GURT⁹ technologies which, by rendering seeds infertile, are designed to prevent farmers from saving seed and to force them to buy modified seed each year together with the chemicals they require.

The TRIPs Agreement is in urgent need of reform. In particular, countries that want to ensure that intellectual property rights genuinely benefit poor people and communities in developing countries should seek to:

- ✓ Use the current substantive review of Article 27.3(b) of TRIPs, and the built-in review of the TRIPS Agreement as a whole, to exclude all life forms from patenting and remove the requirement for plant variety protection.
- ✓ Ensure consistency between TRIPs and the provisions of the Convention on Biological Diversity – in particular towards achieving free and fair access to genetic resources, prior and informed consent and benefit sharing (stop bio-piracy).
- ✓ Stop the development and (commercial) application of Terminator and GURT technologies.

6. Conclusion

Today we have the knowledge, the means and a significant degree of consensus on the policy paths which we should follow in order to achieve food security for all. There is general agreement that comprehensive development strategies, in which through policy dialogue civil society, national governments and the private sector have a stake, will ensure sustainable development. Education, health and livelihood, including food security, are the central pillars in fostering the economic and social progress of individuals, their families, communities and societies. Transparent, efficient and accountable governance structures at the service of citizens, both locally and globally, are also vital. The World Food Summit - Five Years Later is an opportunity to find the political will needed to start achieving food security for all and to deliver on the commitments made at the 1996 World Food Summit. We do not need new promises. We need instead immediate action to implement existing commitments to eradicate hunger, a legacy of the 20th century that has followed us into the 21st.

⁸ Human Development Report, 1999, page 68.

⁹ GURT – *genetic use restriction technology* where biotechnology is used as a means of exerting control and ownership rights over biodiversity. Terminator technology is a set of new genetic engineering techniques used to create sterile plants with infertile seeds that cannot be replanted.