

**Comments by Civil Society on paper CFS:2011/4**

**Small-scale food producers deserve policies that support their production and protect it from a take-over by the corporate sector**

Small-scale food production is the dominant and most important form of food production world-wide. 85% of the food that is grown is consumed within the same local environment or (at least) within national borders and most of it is grown beyond the reach of multinational food chains (See *Endnote 2*). The food consumed by over 70% (See *Endnote 1*) of the population of the world is produced by small-scale food producers: peasants, fisherfolk, pastoralists and indigenous people, who are mainly women: women play a pivotal role in producing much of the food worldwide.

By far the largest part of the investment in agriculture in terms of capital and knowledge is made by these small-scale food producers themselves. Investment in large-scale agriculture generates few jobs and is less efficient in resource use (see *HLPE report p 34 + Endnotes 3 & 5*)

We contest the phrase “smallholder-sensitive” used in the title of the report. It is too vague and open to a range of interpretations to be useful. Most investments are already made by small-scale food producers who provide most food for the world’s population. All investments in agriculture need to support this production if future food supplies are to be secured.

Therefore policies aiming to strengthen food production have primarily to support and facilitate investment by small-scale food producers themselves. This means putting in place adequate price and market policies which will generate revenues for them that can be reinvested in agricultural production, processing and marketing. It also means policies that enable small-scale food producers’ access to land, water, grazing, rivers, lakes and coastal waters, seeds, livestock breeds, aquatic resources, agricultural biodiversity, among others - the productive resources they need to produce food. Public investment should: support small-scale food producer-led research; strengthen their existing knowledge systems that are essential for innovation; increase local capacity to conserve food producing, ecological and genetic resources on-farm, on the range and in water bodies; strengthen basic services and support local food systems. The dangers of corporate control over key productive resources, especially genetic resources need explicit recognition (See *Endnote 4*). Agrarian reform is crucial and requires public support and investment.

The share of public investments in agriculture, pastoralism and artisanal fisheries that goes to women should be increased. Public services (such as extension and training services) should be tailored to address the particular needs faced by women small-scale food producers.

In general, food and agricultural investment policies should be based on food sovereignty that will strengthen local, sustainable food systems, realise the right to food and increase food security. (See “*Agricultural Investment strengthening family farming and sustainable food systems in Africa*” Farmers’ workshop report. Yaoundé, May 2011)

## **Intervention 1: Supporting small-scale food production**

The document prepared for this Round Table does not reflect the reality of food production.

We, small-scale food producers, are the backbone of the world's food system, we make most of the investments in food production. We claim priority attention to our needs and inclusion in decision making on policies and all investments in food and agriculture.

Although corporate investment often has strongly negative effects on food production and food security, and is of significantly less amount than all the investments made by small-scale food producers themselves and their governments, corporate investment receives disproportionate attention in the document.

The recommendation in the decision box should be re-focused to better reflect reality. Therefore we propose to replace the recommendations 1, 2 and 3 with the following recommendation: "Public investment, services and policies should strengthen small-scale, sustainable food production, increase the resilience of local food systems and reinforce local and national food markets. These policies should enable and support investments by the small-scale food producers themselves with especially attention to women food producers who face specific difficulties and need specific policies and specific support."

In this context the implementation of the Declaration of the International Conference on Agrarian Reform and Rural Development ICARRD is crucial. Governments should devote an adequate percentage of their budget to supporting sustainable, small-scale food production, processing and marketing. African governments are encouraged to implement their decision to dedicate 10% of their budget to agriculture, and to use this to support small-scale food production in the framework of food sovereignty.

## **Intervention 2: protecting small-scale food production from corporate take-over**

Recognizing the predominant role played by small scale food producers in the food production and the economy;

- a. Small scale food producers contribute to 70% of food produced.
- b. Most of the food from small scale food producers is for national and regional markets, consumed directly in the communities.
- c. Small scale food production employs 60% of the workforce especially in developing countries
- d. Make most of the investment in capital and knowledge.

Efforts need to be put in place to protect small-scale food producers from national and international corporate control in production and marketing, based on the recommendations from the HLPE report on Land Tenure and International Investments in Agriculture.

We support the request to the HLPE (rec. vii) that it include in its plans for future work a comparative study of constraints to investment in small-scale food production in different contexts, with policy options for addressing these constraints. This should include a comparative assessment of strategies for linking small-scale food producers to food value chains in national and regional markets and what can be learned from different experiences, including production systems that provide food for consumption and exchange as well as for sale. We would hope the study could be completed in the first half of 2012.

### **Intervention 3: Re-focusing the decision box on food security and small-scale food production**

Any consideration of the topic of investment in agriculture within the context of the CFS has to take as its guiding principle the Committee's mission of promoting the food security and right to food of the world's population, in the first instance for small-scale food producers who are the most affected by food insecurity, yet could contribute most to food security. It is essential to constantly and consistently call to mind that not all forms of investment in agriculture and not all models of agricultural production and food systems are effective in meeting the CFS's goal. Trickle down theories of economic growth have been consigned long ago to the dustbin of failed paradigms. In its finalised form, the decision box has lost its consistent focus on the mission of the CFS in several points. We therefore propose the following changes:

- Bullet 1: delete "a multiplicity of private actors"
- Rec. iii): Delete this recommendation. The formulation „partnerships among agricultural investors including private-public partnerships“ is too vague unless the purpose of the partnership is specified as well as the means by which small-scale food producers will be enabled to ensure that their interests are being served. The HLPE study we are recommending should look further into this issue.
- Rec. v): eliminate „agricultural producers, notably“. This paper and decision box are focused on small-scale food producers, agricultural and fisheries workers and the currently landless, who are the actors whose participation in policy and programme design is weakest.
- Rec. x): Eliminate this recommendation. The term „smallholder-sensitive“ is too vague and open to a range of interpretations to be useful. It is noteworthy that the CFS secretariat declined to include in para. 5 the suggestion that came from the small-scale food producer members of the Task Team regarding the definition of the term: *„Smallholder-sensitive investment means that investments (both public and private) have as a first goal to support small holder production and strengthen their economic and social base. This includes being mindful of, and attentive to respecting the rights, interests and potential of smallholder agriculture and of family farmers.“* The HLPE study we are recommending should look further into this issue.

### **Intervention 4: Monitoring and accountability**

Civil Society welcomes the proposal that food security-related actions at country level should be reported to the CFS (as suggested in the Recommendation No. VI.) However the current recommendation does not adequately reflect the urgency, importance and desirable scope of this monitoring activity nor does it lay sufficient accent on the need to involve all concerned actors at country level in the exercise.

In reformulating this recommendation it is of key importance to clearly differentiate between public and private investments. Regarding public investment, monitoring is required to ensure that an adequate proportion of the national budget is being invested in agriculture in ways that enhance small-scale food producers and domestic food markets. Regarding private investments, corporate investment has alienated millions of small scale producers from their own land and other productive resources and has generated human rights violations in many countries. An evaluation and monitoring mechanism is needed to measure the impact of such investments and to forestall the risks that they entail. The monitoring mechanism should also analyse the directions in which both public and private investments are being channeled in order to introduce corrective action where needed.

In this context it is essential to have active involvement of the small-scale producers' and agricultural workers organisations designing and undertaking the monitoring activity. The "mapping food security actions at country level" framework referred to in the present recommendation is too technical and complicated to serve the purpose adequately. In order to ensure a proper accountability mechanism and process, we urge to have a reporting system with a well- defined framework for monitoring public and private investment

in agriculture at country level within the framework of food security goals and with multi actor involvement. Reporting back to the CFS should be mandatory and should serve also to share lessons learned from national experiences .In the future, the GSF should be the overall frame for country level monitoring and accountability.

We therefore propose to change the wording of Recommendation No. VI as follows, taking inspiration from rec. no 10 of the HLPE study:

“The CFS shall ask governments to report each year on actions being taken to align international and domestic private and public investment in agriculture with food security concerns, including progress made in the implementation of the recommendations above. These report should be prepared with the involvement of all actors concerned, principally organizations representing small-scale food producers and agricultural workers. The CFS requests the CFS Secretariat, in collaboration with the Advisory Group and based on information made available in these reports to prepare a general report on the state of implementation of the above recommendations to be presented to the CFS.”

### **Intervention 5: Inclusive consultation process**

The high degree of contentiousness surrounding the topic of what kinds of investment in agriculture are beneficial in terms of contributing to food security, sustainable small-scale food production and domestic food markets highlights the importance of moving ahead with the broad consultation process called for in recs. vii and ix. Given the relatively good progress that has been made in the negotiations on the Voluntary Guidelines we suggest that the first step of the inclusive process (rec ix) be started following the 37th session of CFS. It should be totally clear that the consultation itself will not be launched until the full text of the Voluntary Guidelines has been approved. We further recommend that the views and proposals of organisations representing small-scale food producers be given paramount weight in framing the process. Finally, we propose that the reference in rec ix to the RAI Principles should be eliminated, or that all of the other existing frameworks and reflection processes underway – many of which are referred to in CFS:2011/inf.16 – should also be cited.

### **ENDNOTES:**

#### **Food Producers:**

1. UNEP, “Towards a Green Economy”, [January, 2011], Chapter 1: Agriculture, page 1. “During the transition to green agriculture, food production in high-input industrial farming may experience a modest decline while triggering positive responses in the more traditional systems, which account for nearly 70 per cent of global agricultural production.” This statement is not referenced but is likely taken from ETC Group, Communique 102, November, 2009, “Who Will Feed Us?” (“In other words, substantially more than half (two-thirds to three-quarters) of the South’s food supply is the work of peasants.”)

#### **Importance of small-scale producers:**

2. “85% of the food that is grown is consumed within the same ecosystem or (at least) within national borders and most of it is grown beyond the reach of the multinational chain.” ETC Group, Communique 102, November, 2009, “Who Will Feed Us?” Over the last half-century, industrial breeders have produced about 80,000 plant varieties (including 7,000 from international research centres). Almost 60% of private commercial breeding has been ornamental. Over the same time, small-scale food producers have contributed close to 2.1 million food and feed varieties.<sup>i</sup>

### **Production efficiency:**

3. On average, OECD states use up four kilocalories of energy to produce one kcal. of food whereas, in general, the Global South takes one kcal. of energy to produce one kcal. of food.<sup>ii</sup> The industrial food system annually loses topsoil amounting to 75 billion tonnes and costs the world \$400 billion.<sup>iii</sup> Small-scale food producers have soil conservation systems that utilise naturally occurring soil microorganisms and are responsible for fixing 140-170 million tonnes of nitrogen – equivalent to \$90 billion in chemical fertilisers.<sup>iv</sup> Improved land management, especially using peasant techniques, could increase agricultural GDP between 3% and 7%.<sup>v</sup> Annual food losses equal more than half of the world's cereals crop (2.3 billion tonnes), meaning unnecessary production of roughly 500 million tonnes of GHG. Food losses in industrialised countries range between 90 and 111 kg per person per year. Governments working with small-scale food producers could lower OECD crop losses by 90% to sub-Saharan African and South Asian levels of 9–11 kg per person per year.<sup>vi</sup>

### **Corporate control of food and agriculture:**

4. Six companies (Monsanto, DuPont, Syngenta, Dow, Bayer, and BASF) control 71% of crop chemicals, 58% of commercial seed sales; and (with their biotech partners) control 77% of the world's so-called "climate-ready" crop patent claims. Five global food and beverage corporations – Nestle, Danone, Unilever, AnheuserBusch, and Coca-Cola-consume enough water to meet the daily domestic needs of every person on the planet.<sup>vii</sup>

### **Job creation by new agricultural investments:**

5. From HLPE report on land tenure and investment (ref p 34). "Deininger *et al.* (2011) reporting on the Democratic Republic of Congo, found an out-grower based sugar cane plantation was expected to generate 0.351 jobs/ha and a 10,000 ha maize plantation less than 0.01 jobs/ha. In Ethiopia, the average was 0.005 jobs/ha. The same land would support many more smallholders working as independent farmers. Andrianirina-Ratsialonana and Teyssier (2010) report that a large project in Madagascar was going to create just 0.006 jobs/ha, in contrast to the pre-project pattern of land use on which each hectare supports approximately 1.25 farm households."

<sup>i</sup> ETC Group, "Who Will Feed Us?", *ETC Group*, 2009: p. 1.

<sup>ii</sup> : Pimental, David, "Energy Inputs in Food Crop Production in Developing and Developed Nations," *Energies*, 2(1), 2009, pp. 1-24.  
<http://www.mdpi.com/1996-1073/2/1>

<sup>iii</sup> Rattan Lal, "Soil erosion impact on agronomic productivity and environment quality," *Critical Reviews in Plant Sciences*, 4 July 1998: vol. 17, no. 4: p. 319-464, as cited in, United Nations, *World Economic and Social Survey 2011: The Great Green Technological Transformation*, United Nations, 2011: p. 79.

<sup>iv</sup> ETC Group, "Who owns nature? Corporate Power and the Final Frontier in the Commodification of Life," *ETC Communiqué #100*, November 2008, online at: <http://www.etcgroup.org/en/node/707>.

<sup>v</sup> Len Berry, Jennifer Olson and David Campbell, "Assessing the extent, cost and impact of land degradation at the national level: findings and lessons learned from seven pilot case studies," *Report commissioned by Global Mechanism of the United Nations Convention to Combat Desertification, with support from the World Bank*, 2003, as cited in, Department of Economic and Social Affairs, *World Economic and Social Survey 2011: The Great Green Technological Transformation*, United Nations, 2011, p. 79.

<sup>vi</sup> Jenny Gustavsson, Christel Cederberg, Ulf Sonesson, Robert van Otterdijk, Alexandre Meybeck, *Global Food Losses and Food Waste*, Swedish Institute for Food and Biotechnology/Food and Agriculture Organisation, Rome, 2011: p. 5.

<sup>vii</sup> Steven Solomon, *Water - The Epic, Struggle for Wealth, Power, and Civilisation*, HarperCollins, 2010.