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SUMMARY – REPORT ON THE GLOBAL FOOD CRISIS
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I. The crisis

At its 7th Special Session, which was convened on 22 May 2008, the Human Rights Council adopted a resolution on ‘The negative impact on the realization of the right to food of the worsening of the world food crisis, caused inter alia by the soaring food prices’. The concerns which were expressed then remain valid today. Although the prices of food commodities on international markets have passed their peak level, they remain at much higher levels than before the crisis, and they are predicted to remain high for the next few years. According to World Bank estimates, 105 million more people have been driven into extreme poverty as a result of the increases over the past few months. Because it was combined with unprecedented increases in oil prices, the crisis has threatened the ability of international agencies, particularly the World Food Programme, to maintain its existing programmes. It has resulted in balance of payments problems for many net-food-importing developing countries. It has severely tested the ability of governments to shield their populations from the impact of the increase of prices in staple foods, such as maize, wheat or rice.

While certain bad harvests, some of which weather-related, have played a role, the most proximate causes of the sudden and spectacular increase in prices in 2007-2008 are the rapid increase in demand of crops for fuel, driven by blending mandates and targets set by the United States and the European Union, and the role of index investors on the futures markets of primary agricultural commodities. However, the international agencies concerned – in particular the agencies convened by the UN Secretary-General in the High-Level Task Force established as a result of the meeting held in Bern on 28-29 April 2008 – have recognized the need to address also the structural causes of the crisis, in particular by massively reinvesting in the agricultural sector, and by improving rural infrastructure in order to boost production. This is particularly important in Sub-Saharan Africa, where the highest productivity gains still remain to be made in agriculture, and where, despite impressive growth rates in recent years, the fight against hunger and poverty is being lost.
We should invest in agriculture in order to ensure that, in the future, the supply of agricultural products will be able to meet growing demand – driven by the rush towards agrofuels, but also by more structural factors such as rising population and changing diets. But we should also invest in agriculture because this is also the most effective way of combating poverty. And only by such investment can we make progress against hunger – for it is in the rural areas, and particularly among smallholders, that the majority of the food-insecure are to be found, and improving their ability to procure food should therefore be seen as an absolute priority. Indeed, it would be a mistake to focus exclusively on the objective of lowering the level of prices of agricultural commodities on international markets, or on raising the quantity of food which is produced. Even before the crisis, 854 million people were hungry, and 2 billion were malnourished – living on imbalanced diets, insufficiently rich in certain micronutrients essential, in particular, for the development of young children. A return to the status quo ante will not suffice to protect the right to adequate food of these persons. For they were not hungry and malnourished because of lack of food availability, but because of their inability to procure food for themselves and their family, in the absence of a sufficient purchasing power. Inequalities in purchasing power, rather than just insufficient quantities of food produced on the planet, should be seen as the main challenge confronting us today.

II. The Human Rights Framework

The report I have the honour of presenting to the Human Rights Council examines the recent global food crisis under a human rights framework. Adopting this framework leads to a specific diagnosis about what needs to be done: rather than examining how the production of food could be increased, it asks how such improvements in agriculture could benefit to those who are most in need of support – not just the urban poor, through larger social safety nets, but also landless labourers, by better legal protection and the guarantee of fair remuneration, and especially smallholders, the approximately 500 million households in the world living on less than 2 ha of land, who are often net food buyers, and who will not automatically benefit from the recent increases in prices on international markets.

The report contains a number of recommendations. Some are addressed at national governments. Others are addressed at the international community. The recommendations directed at each level are mutually supportive: while international efforts will bear little fruit unless appropriate policies are put in place by national governments, conversely, the realization of the right to adequate food at national can only succeed if an enabling environment is created at international level.

III. National Strategies for the Realization of the Right to Food

The report describes in detail how governments could improve the resilience of the most vulnerable among their population by establishing appropriate institutional mechanisms and by improving the legal safeguards they are recognized. All these recommendations are grounded on the idea that providing urgent aid to those who are hungry or adopting the appropriate mix of macroeconomic policies, will only lead to sustainable solutions if these strategies are grounded on the human right to adequate food – i.e., if the individuals who are targeted by these policies are protected, as a matter of right, from the risks of aid being misused or policies misdirected.

A national strategy for the realization of the right to food should comprise the establishment of appropriate institutional mechanisms in order to (i) identify, at the earliest stage possible, emerging threats to the right to adequate food, by adequate monitoring systems; (ii) assess the impact of new legislative initiatives or policies on the right to adequate food; (iii) improve coordination between the different relevant ministries and between the national and sub-national levels of government, taking into account the impact on the right to adequate food, in its nutritional dimensions, of measures adopted in the areas of health, education, access to water and sanitation, and information; (iv) improve accountability, with a clear allocation of responsibilities, and the setting of precise timeframes for the realization of the dimensions of the right to food which require progressive implementation; and (v) ensure the adequate participation, particularly, of the most food-insecure segments of the population. In addition, the report explains why it is urgent, now more than ever, to protect those who cultivate the land from the risk of being evicted, as pressure grows with the increase of the prices of cropland; and to improve the legal protection of women, particularly in rural
areas, as regards access to land and other productive resources. These are not only obligations imposed on States under international law; they are also tools which will ensure that the current crisis, rather than furthering worsening the marginalization of those who are food-insecure, may benefit them.

IV. The Role of International Cooperation

The report then turns to the contribution of international assistance and cooperation in enabling States to ensure respect for the right to food under their jurisdiction. International assistance and cooperation includes, but is not limited, the provision of food aid, or of resources through development cooperation. It should be understood more broadly as an obligation imposed on all States and on international agencies to identify obstacles to the full realization of the right to food and to cooperate in the elimination of those obstacles. During the next few months, I will devote my efforts to examining how the regime of international trade (particularly trade in agricultural commodities, but also trade in services) and the protection of intellectual property rights could be improved in order to better contribute to the realization of the right to food. Indeed, the precipitate and mismanaged lowering of barriers to trade in agricultural commodities, between trading partners whose agricultural producers were in fundamentally unequal positions, constitutes one major factor explaining the ruin of the agricultural sector in a number of countries, particularly in Sub-Saharan Africa, leading to the current supply-side constraints we are facing in the current crisis. And since access to inputs at an affordable price constitutes one important condition for smallholders to live decently from farming, there is a need to examine whether the existing regime of intellectual property rights on plant varieties remains compatible with the broader objective of the international community, which is to support the growth of agriculture where it has failed to flourish. In the same spirit, in my regular report to the Human Rights Council at its next session, I will make proposals concerning the future of food aid, in order to ensure that it is more predictable, accountable, and compatible with long-term food security in the beneficiary country – in sum, that it serves the right to adequate food as a right which is to be secured in time, instead of risking undermining it.

In this report, three other issues are considered in more detail:

a) **Combating speculation and price volatility by strategic grain reserves and commodity agreements.** Speculation on the futures markets of primary agricultural commodities, particularly by index speculators, has increased the volatility of these markets, increasingly the vulnerability, in particular, of net food-importing developing countries. The establishment of strategic grain reserves at local, national, regional or international levels, could constitute at least a partial answer to this problem: in addition to contributing to food security, such strategic reserves could allow governments, in times of emergency or sudden and sharp price increases, to draw on these reserves in order to ensure the availability of food at a reasonable price, thus discouraging speculation in cases of sudden and temporary shocks. Urgent attention should be given to the establishment (or, in some cases, the reconstitution) of strategic grain funds, as well as to the re-establishment of international commodity agreements, guaranteeing fair and predictable prices to both exporting and importing countries where a critical mass of participants can be achieved.

b) **Insuring States against the risks of future shocks threatening the fiscal sustainability of their social safety nets: a global reinsurance fund.** Whereas the FAO Right to food Guidelines recommend States to establish and maintain social safety and food safety nets to protect those who are unable to provide for themselves, uncertainty about possible future shocks to their economies is a major disincentive for poor countries to establish robust social safety nets, since they know their fiscal resources may be strained as a result of adverse shocks brutally expanding the needs of the population. In order to address this problem, the report proposes the establishment of a global reinsurance fund. Such a fund would provide insurance to poor countries against sudden shocks, whether of internal or of external origin, leading to expanding demands for social support in ways which might not be fiscally sustainable for the countries concerned.

c) **Tackling the questions of governance in the food sector.** The increased concentration of corporations in the agri-food sector, both among firms producing the inputs necessary for agricultural production and in the food-processing and retail segments, is well-documented. Equally well-documented is the weak bargaining power of smallholders in the food production and distribution chain, relative for instance to the large agri-
industrial entities, in a context in which the farming sector is increasingly dualized between a large majority of very small farms, and a small minority of very large estates who have a disproportionate access to resources and political influence. These governance problems must be addressed, since they are a major obstacle to ensuring that the current price increases will indeed benefit those – the smallholders and landless agricultural labourers – whose purchasing power most urgently needs to be improved. Following broad and transparent consultations, I will make proposals on this issue in my next reports to the Human Rights Council.

V. The Question of Agrofuels

The report also examines in detail the impacts of agrofuels development on human rights, in particular on the right to food. It emphasizes, first, that the issue should not be framed as a clash of absolutes, between the need to combat climate change and the need to ensure food security. As pointed out in my previous statements, recent scientific evidence demonstrates that, taking into account the full life cycle of the product (including the shifts in land-use resulting from an increased demand for cropland for agrofuels) as well as the massive volumes of water required to produce fuel from crops, the hopes put in agrofuels as an alternative to fossil fuels have been largely misplaced: with the exception of the production of ethanol from sugarcane in Brazil, the carbon balance of other agrofuels produced from crops is potentially very negative, particularly when land with high carbon content, such as forest or peat land, is converted to grow agrofuels.

The potential impacts of agrofuels on human rights must be considered at three levels. First, the pace at which certain policies were put in place and expanded, in the absence of any assessment of their impacts, led to the increase of the prices of certain agricultural commodities on international markets. Such price increases are not per se problematic: under certain conditions, particularly if they can benefit poor rural households who are net food sellers and if the net food buyers are protected by targeted measures aimed at increasing their purchasing power, such increases may in fact have benevolent effects, particularly in a dynamic perspective. Under current conditions however, and due to the sudden brutality of the price increases and our degree of unpreparedness, the negative impacts far outweigh the positive ones, and this deserves to be carefully monitored. Second, since the production of agrofuels tends to reinforce the concentration of land and the development of large-scale agricultural exploitations, it creates additional pressures on smallholders, and a threat to the use of land by indigenous peoples. It increases the competition for cropland and for water resources, and represents a threat to biodiversity. Though it may create employment (although this should be weighed against the risk of livelihoods being destroyed as a result of the development of agrofuels production), the labor conditions in the large plantations which are typical of the agrofuels industry are often exploitative. Third, since the demand for agrofuels is in the industrialized countries, whereas developing countries have a comparative advantage in this sector, agrofuels encourage a form of economic development based on the expansion of cash crops, further pitting the interests of a small minority of actors producing crops for exports against the interests both of other agricultural producers and of the other parts of the population, for which the result may be further inflation of food prices.

Because the current speed of development of agrofuels is not sustainable, the report insists on the urgent need to make progress towards an international consensus on this issue. First, international guidelines on the production of agrofuels should be agreed upon. In addition to environmental standards, the guidelines should incorporate the requirements of human rights instruments, particularly as regards the right to adequate food (as elaborated upon in the FAO Right to food Guidelines), the right to adequate housing (including the protection from evictions and displacements), 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. Countries should be encouraged not to allow further investments in agrofuels unless such guidelines are complied with. In addition, and as a means to encourage such compliance, access to international markets could be made conditional upon compliance with the guidelines, following a mechanism which could be based on the lessons of the Kimberley Process Certification Scheme for conflict diamonds. Second, a permanent forum should be established at international level, both in order to ensure an impartial and objective monitoring of compliance with the guidelines, and in order to constitute a platform for the exchange of best practices in their implementation. Such a forum should have a sufficient expertise in the human rights issues raised by the production of agrofuels. It should also have the resources to evaluate
the potential impact of certain investment decisions on the prices of food commodities, both at the international and at the national level, and thus to provide assessments guiding States in the implementation of the guidelines.

It is crucial to note that, in order for the production of agrofuels to be adequately regulated at international level, it is not sufficient to examine whether each individual project complies with certain environmental or social standards, or does not, per se, threaten food security. The development of agrofuels creates a collective action problem, resulting in a situation where even the individually justifiable investment decision may not be compatible with our wider interest in ensuring that the right to food is respected. The right to adequate food is realized when every man, woman and child, alone or in community with others, has physical and economic access at all times to adequate food or means for its procurement. But, while it may benefit the communities who grow crops for fuel and export them to high value markets, the development of agrofuels increases the competition between food, feed and fuel for cropland and water, both of which are becoming scarce resources with climate change. We therefore need to ensure that the interests of crop-growers do not systematically outweigh the interests of the net food buyers to have access to food at an affordable price. The balance should be struck first at national level. But an international review of the choices made in this regard – the imposition of an international discipline on States, backed by the threat of trade sanctions – seems unavoidable, since any rises in the prices of staple foods which may result from the development of agrofuels will also have an impact on populations situated outside the borders of the State where this development takes place: this is clearly illustrated by the case of maize in 2005-2008, the price of which on international markets was largely a result of 30% of the U.S. maize crops being diverted towards the production of ethanol. These potential negative externalities cannot be ignored. On the contrary, from a human rights perspective, the higher prices of staple foods – where this is a result of agrofuels production – cannot be justified simply by the improved purchasing power of the crop-growers. Only by identifying first where are the hungry, and how they are impacted, can we decide: any policy or measure aggravating their situation, or pushing more people into hunger and poverty, should be treated presumptively as a violation of the human right to adequate food.

VI. Conclusion

The recent global food crisis is without precedent given the role played by agrofuels in the surge of prices on international markets. The crisis has brought to light certain structural weaknesses of the global food and nutrition system. It is not just that we were unprepared. It is also that we have reacted, for the most part, as if the problem were to produce more, when the real challenge is to produce in order to raise the incomes of those who are hungry and malnourished, and thereby, to improve their ability to purchase food. Addressing the question of world food and nutrition security under a human rights framework should lead to improve the resilience of all – households, national governments, and international agencies – in the face of future shocks, which are bound to occur. And this framework helps us target the needs of those who are food insecure. We should not limit ourselves to the adoption of measures (such as those aiming only at reducing overall price levels or raising food availability) which seek to protect food security against the threat of climate change and an emerging tension between supply and demand. Such measures may be in fact of little help to those whose right to food is violated, not due to there being too little food available, but due to their purchasing power being insufficient to acquire the food which is being produced. Only if we first recognize that their right to food is violated can we make steps towards putting an end to this violation.

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