

Proceedings


**Washington DC Meeting on the
WTO Agreement on Agriculture:**

**Food Security, Farmers and
A Fair Place for the South**

30 September - 4 October, 1998

Organized by:

**Institute for Agriculture and Trade Policy
Fondation Charles Leopold Mayer
pour le Progres de l'Homme
Solagral**



INSTITUTE
for
AGRICULTURE
and
TRADE POLICY

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Note from the rapporteur: These proceedings are necessarily mere summaries of many complex discussions. I have tried to capture the spirit as well as the detail of our meeting, in hopes this document may be useful in continuing our collective educational and movement-building process – which was, after all, our purpose in coming together. Please convey any errors to me immediately. –**Kristin Dawkins, IATP**

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Reception: September 30, 1998

Charles Stewart Mott Garden

Participants gathered in the lobby of the Embassy Row Hilton in the evening and went across town for drinks and food in the garden of the Charles Stewart Mott House, where we were joined by staff of U.S. Senator Kent Conrad of North Dakota and other leaders of the farm movement in the U.S. The evening was hosted by the National Family Farm Coalition and catered by Kit Wood, who also provided us with organic lunches during the week.

Day I: October 1, 1998

Opening Session

Sophia Murphy of the Institute for Agriculture and Trade Policy (IATP), one of the co-sponsoring organizations, welcomed participants to Washington DC. She outlined the agenda and noted the third day had been deliberately left open to accommodate the needs identified during the first two days of discussion. Suggestions for handling the agenda would be appreciated, as participants identify issues deserving consideration.

Pierre Vuarin of the Fondation pour le Progrès de l'Homme (FPH), another co-sponsoring organization, acknowledged the way in which the Uruguay Round inspired relationships among

experts from non-governmental organizations, farm movements, and governments committed to a belief in democracy and our national and global responsibilities to “do something.” Since then, “networks of confidence” have evolved: among them, those present who are meeting today to take stock of the post-Uruguay Round situation, discuss proposals, and develop a common strategy toward the approaching negotiations of the World Trade Organization (WTO).

Yannick Jadot of Solagrail, the third co-sponsoring organization, noted that the issues before the GATT/WTO have changed, with standards and market governance issues now subject to international negotiation – not just tariffs. But the Asian crisis shows us, he said, that the market cannot solve issues of poverty, the environment, and food security. There is no form of international governance now prepared to regulate these matters. There is also no time to develop such a system, because the WTO agriculture negotiations begin next week (if they have not begun already!)

Sophia Murphy chaired the day’s work.

Keynote Presentations

Mark Ritchie of IATP in the U.S. presented the history of the Uruguay Round from the perspective of the farm movement. At the time of the farm crisis in the U.S. of the 1980s, he said, farm leaders went to Washington DC to seek federal relief. But they were told by the Reagan Administration that the GATT would not allow them to implement the farmers’ proposals. They were told that the purposes of the Uruguay Round were:

- 1) to drive down prices in the U.S. and globally;
- 2) to lower health and safety standards, especially certain U.S. laws;
- 3) to establish certain new restrictions on commerce (contrary to free trade principles), especially intellectual property rights; and
- 4) to tie the hands of local, state, provincial and federal governments, limiting their scope for regulating commerce.

They were very successful. Governments lost their right to establish price floors and today farm prices are at their lowest level in 40 years. Direct subsidies are declining, and in some states of the U.S. as many as 25% of farmers will not be able to obtain loans with which to sow next year. Farmers are protesting in manifestations at the borders and ports. Because of the huge share of the global market enjoyed by U.S. agribusiness exporters, low prices in the U.S. are driving down global prices, too. In the U.S., we are told that the farm crisis is caused by Asia’s inability to buy our exports – precisely the opposite of this critique, which argues that it is the dismantling of governmental tools to regulate transnational corporations that has made the crisis in Asia, which is now a global crisis. But now there is a new movement emerging – reacting to what is not just a farm crisis but a crisis for the cities, for the banks and insurance companies, for the stock markets, and for the foreign policy establishment.

The rejection of fast track by the U.S. Congress last week demonstrates the strange coalition of interests that reject the current policy – but we have yet to identify specifically what we do want. At least now we have evidence that liberalization does not work; during the Uruguay Round, negotiators were dependent upon computer projections to develop policy. This time, the South will be more forceful and perhaps the new leaders in Europe will be more constructive. Furthermore, the investment issues have enlarged the scope of the negotiations considerably, enabling more constituencies to join us, and we have telecommunications enabling more direct

organizing across continents. This year, we celebrate the 50th anniversary of the Universal Declaration of Human Rights: we can insist not only on the right to food, but also freedom of speech. Why are transnational corporations allowed to violate human rights? For example, the British publisher of *The Ecologist* magazine destroyed all copies of an edition criticizing Monsanto, fearing that a lawsuit would bankrupt them. Is big business the dominant ideology within which democracy must operate? Instead, we must insist on democratic procedures that set the rules for commerce.

Hesham Youssef of the Egyptian Mission in Geneva, speaking in his personal capacity, next described the South's agenda for the WTO. On September 24-25, delegations began the pre-negotiation phase to prepare for the Third Ministerial conference that will take place in the U.S. There are a number of issues that are under consideration. These include the issues that were added to the WTO work program as a result of the First Ministerial in Singapore. These include investment, competition policy, trade facilitation, government procurement and transparency in government procurement. The work of the working groups on investment and competition were supposed to be concluded by December 1998, but will probably not be finished until mid-1999 prior to the Third Ministerial. Other current issues include reviews of the Uruguay Round agreements on TRIPs (Trade-Related Aspects of Intellectual Property Rights), Subsidies, Sanitary and Phytosanitary Standards (SPS), and the Dispute Settlement Understanding (DSU) and Trade-Related Investment Measures (TRIMs.) The Uruguay Round also mandated further negotiations in services and of course agriculture. Meanwhile, talks are on-going related to whether or not electronic commerce, industrial tariffs and trade-and-environment issues should be included in the negotiating process.

The European Union (EU) has proposed that all these negotiations be linked in what has been called "The Millennium Round" – a message directed primarily to the U.S. which expressed reservations on having negotiations in a "Round" in a traditional sense since this would require a long period. The U.S. is not willing to negotiate a round in 7 years but recognizes that without a broad agenda the EU would not be able to make meaningful concessions on agriculture. The US prefers an "early harvest" by negotiating and reaching agreement on those issues which can be settled more easily. The EU has been supported by Eastern European countries, Australia and Japan. The South is not unified regarding this question: some, including Mexico and Chile, believe that a comprehensive round would be preferable; others believe they can better pick and choose what to negotiate and what to concede under the sectoral approach. A third group is still examining the various alternatives.

The fast track process will have major implications for developing countries: if this legislation eventually includes environmental and labor conditions, a huge number of developing countries will not accept a new round. Or, if legislation eventually limits the negotiations to specific sectors, many governments will not participate if the sectors of interest to them are not included in the list. Egypt is now coordinating the African Group, which is emphasizing the problems they are facing in implementing the Uruguay Round, the need for market access for products of interest to them, and the need for a realistic level of ambition on the part of developed countries. For developing countries, a positive trade negotiating agenda is being developed and will include issues of interest to them including in the areas of agriculture, anti-dumping, subsidies and special and differential treatment.

In agriculture, an informal process of Analysis and Information Exchange (see appendix) started after the First Ministerial Conference in Singapore. The Cairns Group has a simple agenda: to

end export subsidies and domestic support and to further liberalize market access, and to treat agriculture in a manner similar to any other industry. Whenever the Cairns Group expresses this position, it is immediately opposed by the EU, Switzerland, Norway, Korea and others who defend the non-trade issues. The social and economic impacts of liberalization and the unique nature of the agricultural sector should not be ignored. The developing countries have had huge difficulties in implementing the Uruguay Round: market access is still a problem (tariffication has led to huge tariff peaks for products of interest to them); tariff quota administration is often negotiated bilaterally with little developing country input; special and differentiated treatment has not been adequately addressed; and the Marrakesh Decision on Negative Impacts on Net Food Importing Countries has not been implemented (food aid is at a very low level). From 1990-96, there has been no growth in the developing countries' share of agricultural trade (remaining at 5%). Overall, there is a need to change the nature of the debate away from the EU:Cairns dynamic to include all these issues.

Regional Presentations

After a coffee break, speakers from the different regions commented on the situation in their parts of the world.

Africa

Worku Damena from the Ethiopian Environmental Protection Authority spoke of the negotiations over genetic resources in the Biosafety Protocol under the Convention on Biological Diversity (CBD) and the revision of the International Undertaking on Plant Genetic Resources for Food and Agriculture under the auspices of the U.N. Food and Agriculture Organization (FAO). In both cases, Ethiopia is coordinating the African Group. He noted the developed world is retreating from the commitments established at the 1992 Rio Earth. After Rio, environmental values or considerations appeared to be, in most cases, overridden by trade and commercial interests. The last session on the Undertaking resulted in a deadlock over the definition of a Farmers' Rights provision and benefit-sharing. The biosafety negotiations still represent a huge difference between the North and the South. The Organization of African Unity has recently recommended a model legislation on access to genetic resources and community rights for its member states to be considered in their national law-making, in view of the urgent need to prevent the increasing biopiracy by transnational corporations and to prepare for the planned review of the Trade-Related Aspects of Intellectual Property Rights (TRIPs) Agreement at WTO. He noted that these processes are very much related to the issue of trade and environment in general and to food security in particular, and need everyone's attention.

Jeanot Minla Mfou'ou of the APM Africa Network in Cameroon commented that it is difficult to generalize about Africa, but there are several common issues. Africa is an agricultural economy of small producers, primarily, but since colonization export crops have taken over food production. Structural adjustment programs have had a greater impact than the WTO. Governments have withdrawn from agricultural support, with the result that markets are disorganized and privatization enables those with money to dominate: the sale of land is accelerating. Governments are now having trouble defending their positions, but the people lack common strategies and proposals to put forward.

Discussants added issues of desertification, migration into the rainforests, unemployment, prostitution and HIV, and the role of women as further impacts of liberalization, which reflect a

cycle of displacement, poverty, hunger, and environmental degradation. An emphasis was given to the need for input subsidies and anti-dumping measures to promote and protect African producers. There was wide agreement on the need for government support and market regulation.

Latin America

Rafael Alegria of the Via Campesina in Honduras said Latin American peasants face similar problems. He emphasized the need for fundamental land reform. Also, agricultural producers lack credit, technology and other inputs, and access to markets which are controlled by many intermediaries. Huge producers are taking over and benefit from governmental policies. Imports have led to a decline in food prices and production and many peasants have abandoned the countryside. Twenty years ago, Latin American countries were self-sufficient. Today, almost all of them are net food importers. The demand for food sovereignty addresses not only access to a quantity of food but also the right to produce our own food according to local customs and without external interference. In the struggle against globalization, it is necessary for consumers and producers, the churches and other constituencies to unify forces at the local, national, regional, continental and global levels. More information and analysis is needed but mobilization is the key to a dignified and successful negotiation.

Victor Suarez of the Asociacion Nacional de Empresas Comercializadoras de Productos del Campo (ANEC) in Mexico described 15-years of neo-liberal experience as a clear evaluation of the negative impacts. All four stages – from the petrol crisis of 1982 leading to structural adjustment and export promotion; GATT membership; NAFTA; and joining the OECD in '94 – occurred under the same political party and systematically dismantled peasant agriculture and food security. All tariffs were reduced to 3% or less; public spending was cut from 12% to 5%; guaranteed prices and supports were eliminated; subsidies to the poor were cut back; and credits for maize production were made available for planting just 400,000 hectares, down from 4 million. In 1997, the economy of the rural sector shrunk by 6% even while the nation's Gross Domestic Product grew 7%. This was not a mistake. It was a deliberate strategy with predictable results. They were told the elimination of trade barriers would open U.S. markets to Mexican exports but in fact there was a huge expansion of imports from the U.S. They were told that Mexican consumers would benefit from cheaper U.S. corn, but a 30% reduction in prices was more than offset by a 200% devaluation of the peso. Higher interest rates discourage the purchase of domestic production, too. This year, Mexico has a very good harvest but the peasants cannot sell their crops. Mexico is a country-of-origin for maize, but today Mexico imports 40% of its maize requirement. Tortilla prices are rising. Food insecurity is rampant. We need a paradigm change; food sovereignty must be re-asserted.

Asia

Aileen Kwa, from Focus on the Global South and Singapore, told us that the food security and financial crisis now rocking Asia started twenty years ago. Uneven growth, like in the rest of the world, depleted the rural areas and channeled resources to the urban sector. The Green Revolution shifted farming from subsistence to commercial production, with negative impacts on both farmers and the environment. For example, in the 1980s there were a rash of suicides among Korean farmers facing huge debts.

In Indonesia in the early 1960s, farmers made up 73.3% of the population; by 1985, they were only 54%. Yet agriculture exports as a percentage of all exports fell 49% in 1969 to 8% by 1985. Now Indonesia imports food, including rice. One Indonesian island of 90,000 people used to subsist on fishing and farming. As a development strategy, however, it was made into a tourist destination with light industry. People were compensated (at US\$0.02/square meter) for the loss of their houses but not their land, and of course they lost access to their fisheries. Instead, they were forced into the urban workforce and many, especially the elderly, were left unemployed. If people had been food secure in the first place, the present macroeconomic problem would not have led to the social and political turmoil of today. When the asset bubble led to the recent IMF squeeze, food and fuel prices skyrocketed. More than 1200 people died in the rioting which followed in May. The ethnic Chinese, who controlled the food supply, were targets of spontaneous looting as well as organized attacks. Their homes were marked with color codes: red meant "kill", green meant "loot", and black meant "rape". There was a massive exodus and now half of the population face food shortages. Malnutrition is double that of two years ago. Famine may be next. The only hope, at the end of this dark tunnel, is that people are finally re-thinking liberalization.

Mika Iba of the Network for Safe and Secure Food and Environment in Japan explained that in 1986, Japan was 100% self-sufficient in rice. As a result of its Uruguay Round obligations, however, it is committed to import 8% of its domestic rice consumption by 2001 and decrease this by nearly half over the next ten years. In 1996, also to meet its Uruguay Round obligations, Japan re-wrote its National Food Management Act, under which the government further relaxed its guarantees of farm prices and set up a reserve intending to stabilize prices somewhat. However, it became glutted and contributed to the problem of falling prices. At present, even after 50 million tons of rice were sent to Indonesia, there is still 3.5 million tons in the reserve. The failure of the supply control system pushed the government to announce a new rice policy under yet another major re-write of the national farm bill. This law encourages "crop conversion" to get farmers out of rice production: villages can get 100% subsidies if they quit planting rice entirely. The new text no longer refers to "family-managed farms" but to "agriculture management entities."

The Uruguay Round has altered Japan's food safety laws, too, as the government has moved to harmonize limits on pesticide residues and food additives with less stringent international standards. As a result, the consumers movement is growing with demands for safer foods. In addition, the market is being flooded with imports labeled "certified organic" to the detriment of Japanese organic producers. The market share of village retailers has fallen from 53% to 39% to supermarkets and fast-food businesses. Food importers have also benefited from the weakness of the yen.

Discussants emphasized that already fragile economies are easily disturbed by deregulated currency flows, and commented on the need for studies documenting the relationship between farm prices and exchange rates. There is an interactive relationship between the importers' purchasing power and the exporters' market potential. What is the impact on food security? How effective has the European system been to soften fluctuations within the single market? UNCTAD has proposals for commodity price stabilization. Can some kind of a stabilizing mechanism be built into the next agriculture negotiations of the WTO? Should we promote such instruments elsewhere in the "architecture" of the global system?

China

Guo Shutian of China's Institute of Agriculture Economics and Technology, with the assistance of translator **Jin Siyan**, presented an array of official statistics concerning China's food system (see appendix.) Overall, the population growth rate is falling while food production is growing considerably, as is cash cropping. The strength of the yuan is due to a strong agriculture sector, he said. Although there is no consensus regarding accession to the WTO, the government would like to embrace the positive and avoid the negative impacts. There is agreement that China must protect its agriculture as well as hydraulics, education, technology and health. The government favors price supports and food subsidies, rejecting liberalization theory. Also, China wants to control exports and its national food safety policies. He outlined three Chinese proposals for the WTO. First, globalization is not an excuse for some countries to dump food products; trade must comply with legal and common interests. Second, negotiations should not be limited to trade rules and prices but should also consider social development, the environment and biodiversity – in other words, the conclusions of Rio '92 and Copenhagen '95. And third, the WTO's role should be to foster development between the North and the South, not the opposite.

Discussants pointed out the spillover effects that China's domestic agriculture policy will have on world markets. For example, food importing countries might fear that a huge expansion in Chinese consumption of animal products could absorb large amounts of the world supply of grains to feed the livestock, thereby increasing the price of grain on the world market. An increase in the price of grain could in turn lead to increases in meat prices. These changes would then affect global feed grain production and prices as well. A pricing policy could help to stabilize these effects. Others questioned the feasibility of China's goal of making the WTO socially accountable. **Guo Shutian** answered that there are existing articles in the Uruguay Round that can be used to address social development, and there is plenty of volatility already at the Chicago Board of Trade. Obviously, he concluded, a great deal will depend upon Chinese agriculture and economic policy.

This concluded the day's work. That evening, participants dispersed to have dinner informally.

Day II: October 2, 1998

Yannick Jadot chaired the second day's work. A bit behind schedule, we concluded the regional presentations and moved on to proposals for strategic policy intervention at the WTO.

Regional Presentations (continued)

Europe

Ivar Vaage of Norway represented the Coordination Paysanne Europeenne (CPE) in his talk. He described the main component of Europe's program to reform the Common Agriculture Policy (CAP) known as Agenda 2000: decoupling. Europe cannot in the future afford to maintain its current and very expensive system of farm supports, which according to the Uruguay Round must be shifted from price support to one of payments decoupled from production, especially as Central Europeans join the EU. Because decoupling results in lower prices for commodity exporters, the new system is really a subsidy to agribusiness and a form of "neo-dumping" of cheaper products in the global market. However, it will give Europe a stronger position in the

competition for global markets, and will probably be able to increase its market share – particularly relative to the U.S.

While Norway is not a member of the EU, Ivar told us that his family farm produces strawberries which must compete with cheap Belgian strawberries that are picked by Polish workers. But, he noted, Polish strawberries are even cheaper, picked by people from Albania. Unemployment rates across Europe are extremely high, and yet the new farming system is driving rural people out of work. Agenda 2000 will eliminate supply management, which is key to price stabilization. The CPE is advocating food sovereignty, the abolition of export subsidies, abolition of the minimum access rule, taxes on feed stuffs, revised definitions of the “boxes”, and revision of the SPS Agreement so that Codex Alimentarius, which is dominated by transnational food corporations, no longer forms the obligatory basis for the WTO’s food safety rules.

Joseph Racape, representing the Movement for Agricultural and Rural Solidarity (MARS) in France, said that conditions are very different today than they were in the early 1980s, when Europe had very large food stocks and the trade war looming with the U.S. over export markets threatened to be financially ruinous. The Uruguay Round became the battlefield, and the Agreement on Agriculture is effectively a peace pact between them. The terms of the truce included an allocation of the expanding global market according to each blocs' existing position (an implicit part of the deal), a 21% reduction of export subsidies, the maintenance of existing border protections, production limits through quotas and set-aside programs, and a so-called “peace clause” on direct payments to farmers until the next round of negotiations.

Current proposals for reform of the EU’s Common Agricultural Policy (CAP), known as “Agenda 2000”, do not break with this framework and include maintenance of a single management scheme for products currently protected, further reductions in support prices to be compensated in part by direct payments, a doubling of the credit for environmental initiatives, and maintenance of the supply side through quotas and set-aside policies. However, this framework could be upset soon, given the recent change of government in Germany and its express wish to reduce Germany’s contribution to the CAP. For all of the EU, the CAP now costs some 40 billion ECU (approximately US\$48 billion). It is said the European Commission will propose the EU reduce its share from 100% to 75% of the cost of the direct payments-- effectively renationalizing the CAP and breaking with the principle of the common market that has governed the EU since its inception.

Discussants pointed out that CAP reform and the Uruguay Round are quite distinct processes and ought not be confused. Europe’s present system of support to farmers is acceptable under the exceptions of the “Blue Box” (Article 6.5 of the Agreement on Agriculture) -- which temporarily permits certain supports to farmers even if they are trade-distorting, although they must be linked to production controls and phased out over time. Under CAP reform, payments to farmers will be “decoupled” from production controls and tied instead the provision of services such as landscape and ecosystem management, the development of biodiversity, and so on. These subsidies are allowable under the “Green Box” exemptions – which are considered to be “non-trade distorting.” During the Uruguay Round negotiations, decoupling was promoted as if the elimination of direct subsidies would eliminate dumping, but in either case, Europe and the U.S. are both still producing huge over-supplies which the corporations are able to buy at prices below the cost of production which they then dump overseas. The minimum import requirements of the Uruguay Round are not causing many problems in Europe, because the pace of imports has been matched with periods of over-production. The 21% reduction of exports rule was easy

to follow because it was based on a period of over-supply and high prices. This is not the way to manage markets.

Having concluded the Regional Presentations, the chair turned the discussion to policy options being proposed by various non-governmental organizations toward the next WTO negotiations.

Policy Proposals and Discussions

Rod Leonard of the Community Nutrition Institute, based in Washington DC, informed the conference that he has served as a non-governmental delegate on the U.S. delegation to the Codex Alimentarius Commission (Codex) of the U.N. Food and Agriculture Organization for the past 10 years or so. One of the most pernicious effects of globalization, he argued, is that it destroys the tools that citizens can use to manage capital flows, health and safety risks, and so on – that is, it undermines democratic governance. Codex, for example, was set up by the U.N. in 1962 to establish voluntary guidelines concerning food safety including limits on additives, chemicals, pesticides and other food contaminants. Under the Uruguay Round Agreement on Sanitary and Phytosanitary Standards (SPS), however, these voluntary guidelines became mandatory standards that serve as terms of reference in trade disputes such as the U.S. case against the European Union's ban on beef hormones. (In this case, the U.S. considered the Europeans' preference for beef free of the hormones to be a barrier to trade; in a complicated decision leaving some room for the EU to maneuver, the WTO ultimately supported the U.S. position.)

At Codex meetings, representatives of transnational companies such as Nestle, Monsanto, United Brands and CocaCola outnumber the representatives of many countries. Also, smaller countries lack the financial capacity and the technological infrastructure to deal with some of the new scientific requirements and so, in a kind of contemporary colonialism, they become dependent upon international bureaucrats and vulnerable to the transnational corporations. Over-ruled by Codex standards, the rule of law is no longer available to citizens and their governments are no longer accountable to them.

Presently, the future of the SPS/Codex relationship is being debated, with especially heated exchange between the U.S. and EU. As non-governmental organizations, we ought to urge other governments in this debate to support the EU, which argues that science is “an exploration of the unknown”. We should copy the tactics of the transnational corporations, which have benefited from their observation that nothing can pass the WTO unless these two mega-powers agree. Parallel to the official U.S.-EU Trans-Atlantic Dialogue, we should seek to build a non-governmental alliance that reflects a global consensus towards transparent and democratic standard-setting based on the precautionary principle.

Discussants agreed that the developing countries lacked the capacity to participate in Codex during the voluntary phases of standard-setting, and are now suffering the consequences. But if they oppose Codex, as a multilateral process, the alternative would seem to be unilateral standard-setting on the part of the importing countries. New standards for fisheries, for example, called the Hazardous Analysis Critical Control Process (HACCP) comprise a text more than 400 pages long: how can small-scale fisherfolk know about or comply with these standards? Developing countries have proposed that Codex revise its processes so no standards can be adopted unless a certain number of their delegations are present and voting. Indeed, Codex policies are determined by a vote, so developing countries could exercise their majority and close

down Codex if they wished. But Codex is not the only standard-setting body given exceptional authority by the WTO: the International Standardization Organization (ISO), too, is establishing standards in a political process which is neither transparent nor democratic, and heavily influenced by transnational corporations.

Tobias Reichert of the German Forum for Environment and Development emphasized that food policies are agriculture policies and that the WTO Agreement on Agriculture (AoA) is not a free trade agreement – if it were, it would only be 2 or 3 pages long! Instead, it is full of ways to define what is and is not acceptable for the management of agriculture. The AoA demands the reduction of government intervention in agricultural markets and includes all types of domestic support for agricultural production, calculated in the "Aggregate Measurement of Support" (AMS) and which developing countries are obliged to reduce by 13.3% by the year 2004.

The "Green Box," which is Annex II of the AoA, exempts certain support measures considered to be "non-trade distorting." These include the improvement of the physical infrastructure, rural extension services, marketing infrastructure and information systems because they have no or minimal trade-distorting effects. Also exempted are public stockholding for food security purposes, provided that transactions are transparent and made at current market prices, and domestic food aid, provided that its distribution follows clearly defined criteria and food purchases are made at current market prices.

The "special and differential treatment" (S&D) section exempts investment subsidies which are available to the general public and input subsidies targeted to low income and resource poor producers. Although in theory this may seem useful, many countries lack the financial and administrative capacity to put these policies into practice. Input subsidies for all farmers would be easier to administer, but would result in an increase in the AMS calculation. A developing country with an AMS lower than 10% of the total value of its production, including subsistence production, is also exempt. Since most developing countries have reported 0 AMS to date, this "*de minimis* clause" allows them to increase support.

Countries may not introduce new tariffs or increase existing tariffs. Quantitative restrictions and variable tariffs, which can protect domestic markets from fluctuating world prices must be converted into fixed tariff rates. A country may impose countervailing tariffs on dumped imports except if the subsidies were in compliance with the Green Box, but the country must prove that its economy was harmed.

In the upcoming negotiations, we should insist that at least low income food deficit countries are allowed to increase their AMS above the *de minimis* level; variable import tariffs shall be permitted for the purpose of stabilising prices; countervailing protection against subsidized imports should be included in Green Box exemptions; the burden of proof in countervailing duty cases must be on the subsidizing country; and developed countries should give financial support to developing countries wanting to apply Green Box measures or special and differential treatment measures to improve their food security.

Sabrina Varma from the Catholic Institute for International Research in the United Kingdom made a presentation about the Food Aid Convention, which has many problems but could be seen as an international safety net. One result of the Uruguay Round was the "Marrakesh Decision on Measures Concerning the Possible Negative Effects of the Reform Program on Least-Developed and Net Food-Importing Developing Countries" – referred to as "the

Marrakesh Decision” for short. This decision directed the Food Aid Committee to review the 1995 Food Aid Convention (FAC), which is renegotiated by the International Grains Council (IGC) every three years -- although the 1998 review has been extended to June 1999. The IGC is an intergovernmental body set up to monitor private grain flows and serves as the secretariat to the Food Aid Committee. Members of the FAC include Argentina, Australia, Canada, Japan, Norway, Switzerland, the EU and the US; they are obligated to donate certain quantities of their surplus grain production (primarily wheat, maize and rice – although in 1995 pulses were added to the list) as food aid to the recipient countries of their choice. Cash can also be offered to enable recipients to purchase food from a third country in what are called “triangular” transactions.

Recently, half of all aid has been offered to Sub-Saharan Africa, followed by Asia and the Caribbean. However, total cereal shipments in 1996-97 fell for the fourth consecutive year to 4.9 million metric tonnes, less than one-third of the 1992-93 level of 15.1 million metric tonnes. This trend brings into question the effectiveness of the FAC, in its current form, in meeting its objective of providing a safety net.

Governance of this process is complex. The minimum donations are negotiated, without the input of the recipients, according to the rules of Codex Alimentarius Committee on Surplus Donation of the U.N. Food and Agriculture Organization (FAO). Donors can distribute their food aid to the countries of their choice, as long as the recipients meet certain income per capita requirements stipulated by the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD). And the Food Aid Committee, which the Marrakesh Decision charges with the overall review, is serviced by the International Grains Council (IGC) Secretariat. And the WTO Committee on Agriculture has oversight capacity for the implementation of the Marrakesh Decision. Overall, the food aid system is being widely questioned in the post-Uruguay Round environment.

Discussants pointed out that food aid can be detrimental to food security if, as is usual, it undermines the capacity of local producers to bring their crops to market. What constitutes food aid? How effective is it? How can its negative impacts be avoided? The governance structure of the FAC specifically need substantial reform. Are the principles of the FAO Codex Committee on Surplus Disposal adequate? Can the emphasis be shifted away from minimum food aid obligations to guaranteeing to meet the needs of food insecure countries? Can triangular transactions serve as an instrument for financing the reconstruction of food production capacity in the net food importing countries or to build price-stabilizing reserves for global food security? Can donor and recipient countries cooperate in setting new rules? What is the relationship with the WTO? These questions need to be addressed in a general review of the “architecture” of food security.

Kristin Dawkins of IATP presented information on the Uruguay Round Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs), which addresses trademarks, copyrights and patents – all of which have many impacts of concern to the South including technology transfer, industrial development, access to drugs and public health, culture and so on. For this meeting, however, the most immediate concern is the review scheduled for 1999 of TRIPs Article 27.3(b), the clause relating to the patenting of life. This clause requires countries to provide for the patenting of micro-organisms and genetically modified organisms (GMOs), and to provide patents or a “*sui generis* system” of protection for the breeders of plant varieties. (*Sui generis* means, in Latin, “of its own kind” – giving quite a bit of flexibility to each nation for

implementing the clause.) Already, many countries have developed or are in the process of developing *sui generis* legislation. The Organization for African Unity has drafted model legislation for the use of its members in designing *sui generis* systems that protect community rights to their genetic resources and knowledge of their uses. However, there are indications that some governments – particularly the U.S. – want to use the 1999 review to delete the *sui generis* option and oblige all nations to provide for patents on plants.

TRIPs is not the only international law governing genetic resources. The Convention on Biological Diversity (CBD) specifically obligates parties to develop intellectual property rights systems that are “supportive of and not contrary to” its objectives: the conservation and sustainable use of genetic resources and the sharing of their benefits; it specifically requires the recognition of indigenous and local communities and the protection of their knowledge as does Convention 169 of the International Labor Organization. The U.N. Food and Agriculture Organization, too, is negotiating a system to defend “Farmers’ Rights” to genetic resources – especially the re-use of harvested seed. The World Health Assembly, which governs the World Health Organization, has considered a resolution expressing concern that TRIPs may jeopardize public health. All of these legal regimes are equally legitimate, according to international law, and may lead to disputes with TRIPs in the coming years (see appendix.)

In Bangkok last December, non-governmental organizations and some government officials convened a forum on *sui generis* rights. They took the position (see appendix) that their preference regarding the 1999 TRIPs review would be that the WTO deny patents on all forms of life. Being practical, however, and recognizing the power of the U.S., they expressed two fallback positions. At a minimum, they concluded, the present text including the *sui generis* option should be retained unchanged and that, under no circumstances should the WTO attempt to negotiate its own definition of *sui generis* rights.

Discussants concurred with the thrust of the Bangkok seminar, emphasizing the threats to farmers and indigenous peoples as well as to biodiversity that the exclusive ownership and control of genetic resources present. Many examples of biopiracy, including abuses of agricultural research, were mentioned. Of 65 million acres of GMOs planted worldwide, some 50 million are planted with Monsanto’s patented seeds. Half of Canadian canola fields are now planted with patented genetically engineered seed that require farmers to sign binding contracts not to reuse harvested seed. Via Campesina has elaborated an 11-point position supporting Farmers’ Rights. It was pointed out that Article 22.1 of the CBD stipulates that it does not prejudice prior international agreements except if there is a threat to biodiversity; thus, it would seem, relative to TRIPs, the CBD is clearly the superior legal instrument.

Rashid Kaukab of the South Centre, based in Geneva, explained many of the provisions of the Agreement on Agriculture as they affect developing countries and suggested a number of possible improvements. The “special and differential treatment” (S&D) provisions generally set obligations for developing countries at a proportion two-thirds less stringent than those of the developed countries. For example, if developed countries must reduce tariff levels by 36% over 6 years, then developing countries must do so by 24% over 10 years. A more appropriate formula might take into consideration each country’s relative level of development or the degree to which employment is concentrated in the agriculture sector.

Maximum ceilings on tariffs intended to facilitate market access for developing countries must be significantly lower: when tariff levels are 300%, a reduction to 200% is not meaningful.

Because the formula for calculating tariff reductions allows countries to consolidate their reductions, very high tariffs on particular products of export interest to developing countries can be left intact: these are known as “tariff peaks.” Importing countries also levy higher tariffs on processed products than on raw materials, a policy known as “tariff escalation,” discouraging exporting countries from developing value-added production that would generate more foreign exchange.

A “food security box” is an interesting proposal to bring forward, enabling domestic supports that would otherwise be prohibited. Similarly, there can be a “development box” containing provisions of S&D for developing countries. These provisions should include flexibility so that if a developing country were unable to invest up to the allowable levels of domestic support in some years, it could bank the unused portions as a credit for use in future years; permission to invest in export subsidies to encourage diversification, meet Sanitary and Phytosanitary Standards, develop value-added production, and otherwise encourage the expansion of export markets; and a recognition of the link between the level of domestic support and the rate of population growth.

On average, subsidies make up 40% of the value of all agricultural production in OECD countries; instead of obliging these subsidies to be reduced gradually, a ceiling for all countries could be set (perhaps 15%) giving developing countries a fairer chance to sell their products in the world market. The Net Food Importing Developing Countries (NFIDCs) in particular need foreign exchange with which to pay for their ever increasing food import bills. The NFIDCs made many concessions during the Uruguay Round; their compensation comes from outside the WTO system. Therefore, the NFIDCs are very concerned and any future negotiations on agriculture need to include special measures, within the WTO, to compensate them. Better market access for their exports and binding commitments for technical assistance and financing to enhance agricultural production and export capacity would be most helpful.

Discussants considered the political dynamics and the need for a strategic compromise between the NFIDCs, the net food importing countries, and the Cairns Group, the major food exporting countries. There was extended debate over the impacts of domestic support in the North. Most agreed that these supports, even decoupled support, lower world prices – an impact referred to as “neo-dumping” – and create problems for the survival of small-scale farmers in both the South and the North, to the advantage of transnational grain companies. Some expressed concern regarding the possibility that reduced production in the North could in the long run jeopardize global food security. Others emphasized the need for a global system that encourages production capacity in the South. Still others differed on the relative significance of tariffs and non-trade measures to achieve sustainable food security. One participant observed that the Blue Box, despite the intention to phase it out, could be used to defend supply management policies, given that it allows trade-distorting supports as long as they are linked to production controls; others considered this suggestion to be unrealistic.

Nettie Wiebe of the National Farmers Union of Canada spoke for the Via Campesina. The Via Campesina emphasizes the distinction between food security and food sovereignty. Food security can be met through global production to meet individual consumption needs – as the U.S. Department of Agriculture, for example, intends to “feed the world.” Food sovereignty raises the consideration of whose production is it? Who controls it? Who will eat? Food sovereignty refers to access to land, the right to produce culturally appropriate food, and decisionmaking in general. Agriculture should be withdrawn from the WTO, because it is based

increase their costs. Some agreement on how to assess the cost of production and the impacts of various policies on prices needs to be achieved in the context of future multilateral negotiations.

John Acquay of Friends of the Earth-Ghana, presently an intern at IATP, discussed the relevance of the Green Box and other Uruguay Round measures to Africa. The Green Box, he said, is one of the most important exemptions from "tariffication" – the process of converting non-tariff measures into tariffs. Although the Green Box implies a recognition that regulatory instruments are in some respect needed to promote more environmentally friendly production methods, it excludes the possibility of using trade restrictions which would be more useful tools for Africa. Unfortunately, the measures eligible for the Green Box are mainly subsidy-schemes that, for countries without the budgetary possibilities to pay for them, are hardly helpful. Another exemption of significance to developing countries takes the form of "special and differential treatment" regarding tariff and subsidy reductions, giving them a longer time span in which to achieve them. And developing countries do not have to reduce domestic support, under the "*de minimis*" provision, if it does not exceed 10% of the total value of production – twice the 5% threshold allowed the others. But here again, most developing countries do not have the financial means to provide subsidies to farmers in the first place. The developed countries which were already using these measures would be able to retain quite a portion of them, while developing countries that were not using these measures earlier are prohibited from using them in the future (beyond the *de minimis* limits.)

In order to ensure fairness in the future, those countries that have not included in their schedules equivalent market access restraint, domestic support and export subsidies should be allowed to do so to some extent. Bilateral and plurilateral agreements giving developing countries special access to tariff quotas ought to be respected and ceilings on peak tariffs in the developed countries must be ensured. Regarding import restraint and domestic subsidies in developing countries, there should be some flexibility to support small farmers. Otherwise, their competitive position will be further eroded in their now more open domestic markets and household food security will be further jeopardized. And, as in the case with other permissible domestic support, subsidies provided by developing countries for public stocking should be excluded from the calculation of developing countries' AMS (Aggregate Measure of Support).

Discussants observed that because the measures allowed under the Green Box require government expenditures, structural adjustment policies can have the effect of voiding its potential for most of the South. Nonetheless, the Structural Adjustment Participatory Review Initiative (SAPRI) now underway with the World Bank and many NGOs could provide a forum to promote some of the proposals of this conference. Then again, countries like Liberia and Algeria have oil revenues which they could invest in agricultural development, unless they join the WTO which would prohibit such direct government support. Tunisia calculated its AMS based on 1986-88 levels, without taking inflation into account; constant prices should be utilized in all these calculations. There was disagreement whether pending U.S. legislation providing emergency aid to farmers would bring its AMS above the level of its commitment. Furthermore, it was pointed out, this aid will not actually reach those small-scale farmers most in need, given the formula for its dispersal. In Europe, consistent with the Green Box, subsidies are being directed toward "multi-functional agriculture" – meaning farmers are rewarded for services other than food production such as environmental protection, land stewardship, preservation of the countryside and so on. Most agreed that, all in all, market management (EU-style) is preferable to demolishing market stability (U.S.-style) while actual market regulation would be preferable to any configuration of green or blue or any-color of boxes.

Sophia Murphy of IATP informed the conference of U.S. Secretary of Agriculture Dan Glickman's announcement of the U.S. negotiating position, as preparations for the WTO agriculture negotiations move forward. This includes: further reductions in tariffs; the reduction or elimination of Tariff Rate Quotas (TRQs – by which a low tariff is made available for certain quantities of imports, after which a higher tariff is levied on additional quantities); the reduction or elimination of all export subsidies; rigorous disciplines on State Trading Enterprises (STEs); tighter restrictions on the use of technical measures such as “unnecessarily rigid” labeling requirements; and tighter definitions for the Sanitary and Phytosanitary Standards (SPS) Agreement.

Of these, she said, the first two may be red herrings, as U.S. imports in most commodities are not being blocked by existing tariffs or TRQs. The attack on STEs, however, is serious and directed at the Cairns group, especially Canada, Indonesia and Korea. Can we link the U.S. government's critique of STEs, which is premised on the supposedly anti-competitive behavior of the state trading enterprises, to an argument for regulating the anti-competitive behavior of global monopolies and monopsonies? The labeling position reflects the U.S. government's interest in promoting the export of GMOs and is directed at the European Union and Japan, although all countries will be affected.

Discussants noted that the official U.S. position is very different from that of many U.S. farm organizations including those present, which have long advocated for a system to achieve market-based prices yielding for farmers their cost of production plus. In fact, the U.S. system of loan rates triggered by a fall in the market price no longer serves as a floor in the U.S. or world markets due to decoupling which – while allowable under the Green Box as supposedly “trade neutral” in their effect – still affects the cash price. The formulas established during the Uruguay Round for measuring reduction commitments relative to the 1986 base year were designed by U.S. and EU negotiators to have no impact on their contemporary levels of subsidies.

Before concluding the day's work, **Mika Iba** circulated the following petition to the Japanese government, for participants to sign if they wished. She explained that U.S. exporters have been urging grain growers in the U.S. to send letters opposing the labeling schemes, on grounds they are a trade barrier

2, Oct. 1998
Washington D.C USA

Committee on GMO labeling
MAFF, Japan
Re: Draft Program on GMO Labeling

We, undersigned urge the Japanese Government to adopt and implement the GMO Labeling Regulations based on the draft Program (A). We share Japanese consumers' concerns on unknown risks of GMO and support their demands for segregation and labeling of GMO food. Consumers have the right to know the process and origin of the products regardless of the scientific evidence on risks and it is the responsibility of industry to satisfy their demands to know. We urge the Japanese government ensure the consumers' right to know by adopting the draft program (A) and take leadership in this matter.

Most if not all participants signed the petition favoring mandatory labeling, which was forwarded to the Japanese government.

At 7:00, the conference adjourned to a nearby restaurant specializing in Latin American cuisine prepared with organic vegetables grown by local farmers in the rural community outside Washington DC.

Day III: October 3, 1998

Jeanot Minla Mfou'ou reconvened the meeting at 9:00 in the morning and acted as chair throughout the day. Participants found a package of Guatemalan Peace Coffee on their chairs, a gift from IATP. This shade-grown coffee is organic and priced according to producer-determined levels to ensure fair returns to the farmers; 3% of IATP's gross sales of this coffee are donated to the Rigoberta Menchu Tum Foundation towards the resettlement of refugees returning to Guatemala.

Points of Convergence and Divergence

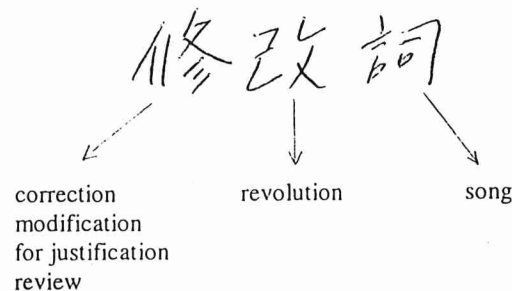
Sophia Murphy set up an easel and facilitated a discussion to identify points of convergence and divergence among the participants, posting lists about the walls. There was only one major point of divergence: the need in the North for protection of family farming versus the need in the South to be free of the dumping of the overproduction that results from the kind of protection now in practice – although, as one participant put it, we actually agree on the need to find a remedy for this situation, in order to achieve food security through fair trade. Another reminded us that the “North” and “South” distinction is simplistic and misleading: a more accurate description of the division created by today's system of protections is “beneficiaries” and “the rest of the world.”

Points of convergence were many, and can be clustered conceptually as follows:

- the problems we face are inherently political; we need to work inside and outside the system and to work on national policy as well as international; the state must play a role; the South is disadvantaged in the current system
- the financial crisis now gives our critiques of liberalization credibility; we have substantive proofs of the impacts; free trade does not guarantee food security; the WTO has effects well beyond trade; on social development, human rights, biodiversity, etc.; we need to manage financial markets, e.g. exchange rates, to ensure food sovereignty
- WTO is not the only forum to deal with food security; we need new places in the international system to discuss food security; we need new rules to regulate international trade; we need more democracy in the institutions that govern trade, including at the WTO; we need to reform Codex Alimentarius, as well as the other international standard-setting bodies, to address the very weak position of developing countries and to enable the exercise of food sovereignty by all nations; we need a new “architecture” for global food security
- the WTO needs to increase the transparency of its operations and to hold meetings with different social and economic sectors affected by trade regimes; trade rules should not be superior to other multilateral regimes governing social, economic, ecological or cultural relations among peoples

- nations should be able to feed themselves, in the way that they choose, and to exercise full sovereignty over their food systems; we need to stop all forms of dumping
- it is essential to network and share information among farmers' organizations, NGOs and sympathetic governments; we need more specific analysis and proposals

At this point, **Guo Shutian** reiterated that China was committed to food sovereignty and did not intend to negotiate away the state's role in agricultural policy during accession talks with the WTO. He emphasized the importance of networking and information exchange and declared a willingness to work with our non-governmental networks. He then sang, with the accompaniment of **Yu Mei, Jin Siyan, Chu Van Lam, Mika Iba** and **Pierre Vuarin**, a Mongolian song adapted to reflect this statement: "Under the clear moon and beautiful flowers, our friends sing with traditional harp in DC with good will, thoughtful farmers, very serious... When we work hand in hand, WTO will give in!"



Following a coffee break, the group spent quite a bit of time deciding how to proceed. With just two sessions remaining in the conference schedule, participants seemed anxious to ensure that these interesting discussions would yield substantive conclusions and a workplan. Numerous methodologies were proposed. After considerable debate, the chair reminded us that the organizers never intended the conference to produce a unified statement but rather to create a space in which we could mutually clarify our perspectives and generate a common workplan. He then proposed a compromise agenda for the rest of the day, which was accepted.

Over the lunch hour, participants listed upcoming events in which they were involved on the papers posted about the room.

When the meeting reconvened, the chair asked **Sabrina Varma** and **Tobias Reichert** to summarize their earlier presentations on the Food Aid Convention and the proposed "Food Security Box" (or "Bread Box" or "Rice Box" or whatever it might be called) and invited further discussion, which had been cut somewhat short due to time constraints.

Sophia Murphy pointed out that Article 20 of the Agreement on Agriculture requires an evaluation of the Uruguay Round's impacts. In the packet of preparatory materials for this conference, the organizers circulated a questionnaire designed by the South Centre to help document these impacts in our countries (see appendix.) If we assemble this kind of documentation, it can be used to urge governments to call for full compliance with Article 20 prior to any further liberalization. A slogan to go along with this tactic might be: "Stop. Evaluate. Then Negotiate."

Discussants noted that the application of any specific policy within a domestic market has an unavoidable impact on the rest of the world, although the impacts are most dramatic when the policies are implemented in a country with a large share of the global market. Thus, variable levies or domestic support policies could be implemented in developing countries, and most especially in the NIFDCs, under S&D treatment or a “box” of any kind, without creating severe distortions elsewhere. And yet, some negotiators are calling for zero tariffs in the next round.

One participant commented that the boxes serve as waivers to a policy which is corrupt in the first place: therefore, our “minimalist” position could be to strengthen their uses towards food security and fair trade, but our “maximalist” position ought to reserve the right for nations to define their own agriculture policies. For example, Canada’s system for supply management in the dairy, poultry and eggs sector was credited with enabling a stable and secure market for both producers and consumers, although it depends upon the capacity to limit imports – a policy denied by the Uruguay Round. Japan, too, once enjoyed food security under a supply management system for rice. China still manages a price stabilization policy and a food reserve system which this year, despite unprecedented flooding and other natural disasters, prevented famine for the first time in history.

Pierre Vuarin offered one schema summarizing the discussion to date:

1. The Big Issues:
 - a. Crisis in the governance of our system
 - b. Crisis in the global economic system
 - c. Need for social mobilization, etc.
2. Architecture of System:
 - a. what new proposals since existing system in crisis
 - b. possible Food Security Convention
 - c. need for more than WTO as mechanisms for food security (eg Food Aid Convention, Convention on Biological Diversity, etc.)
3. Specific Work on WTO and Existing Instruments
 - a. the boxes
 - b. Special and Differentiated Treatment
 - c. dumping/ prices/ decoupling
 - d. subsidies, etc.
4. Domestic Agriculture Policy
 - a. land reform
 - b. credit
 - c. investment in agriculture, etc.
5. Role of Civil Society
 - a. networking
 - b. case studies
 - c. interaction with WTO
 - d. education, etc.

This moved the discussion towards proposals for changing the “architecture” of the global food system. One such proposal, drafted by many non-governmental organizations from around the world during the preparations for the 1996 World Food Summit, calls for the negotiation of a “Global Convention on Food Security” (see appendix.)

All in all, participants agreed on the need to generate very specific technical proposals – whether applicable to the WTO or elsewhere in a new international architecture for food security -- to regulate transnational corporations, to defend Farmers' Rights to seed and community rights to genetic resources, to define and counteract dumping, to balance production capacity with food security needs as much as possible at the national and regional levels, and to organize international food aid as a safety net that does not interfere with food sovereignty.

Kristin Dawkins, acting as rapporteur, announced she would begin typing up the proceedings during the night and would appreciate the various presentors' stopping by the conference secretariat later on to check her summary of their statements for accuracy (and for a beer.) Everyone agreed to help.

After another round of the new Mongolian nature song, participants adjourned for the evening.

Day IV: October 4, 1998

Summation and Final Remarks

The organizers reconvened the group for the final session Sunday morning. A list of research projects identified during our discussions was circulated, for participants to sign on as volunteers to cooperate on specific tasks via e-mail and faxes in the coming months. One by one, participants reported on upcoming events that will further extend and deepen the work begun at this conference (see appendix). In addition, there was agreement to send to IATP disks or electronic versions of the papers prepared for the conference along with any final reflections and commitments on future work, which will be put along with these proceedings onto a web site for others to access.

Overall, there is an enormous amount of activity planned for the remainder of this year and well into 1999. There seemed to be a spirit of optimism in the room: we anticipate tremendous growth in the movement for "food security, farmers, and a fair place for the South" -- and that change is possible. Everyone bade farewell with warmth and cheer.

APPENDICES

CAMPAIGNS IN PROGRESS AND MEETINGS PLANNED

RESOURCES FROM AMONGST US

MATERIALS REFERENCED IN THE TEXT

WTO Committee on Agriculture Program on Analysis and Information Exchange (AIE)
- presented by Hesham Youssef, Egyptian Mission, Geneva

Charts on China's Agricultural Production: 1949-1997
- presented by Guo Shutian of China's Institute of Agriculture Economics and Technology

International Negotiations on Agrobiodiversity Converge: A Schemata
- presented by Kristin Dawkins, Institute for Agriculture and Trade Policy

Action Toward the 1999 TRIPs Review
- from ROAD MAPS, To a Peoples' Sui Generis Rights Plan of Action, elaborated in Bangkok, 1-6 December 1997

Checklist to Assist the Preparation of Country Experiences
- offered by Rashid Kaukab, the South Centre

Plan of Action to Achieve Universal Food Security:
Toward a Global Food Security Convention
- elaborated by NGOs worldwide before the World Food Summit of 1996

BIBLIOGRAPHY OF CONFERENCE PAPERS AND SOME RELATED MATERIALS

LIST OF PARTICIPANTS

Campaigns in Progress and Meetings Planned

The Fondation pour le Progrès de l'Homme (FPH) is undertaking numerous initiatives:

- 1) a meeting with farm and indigenous leaders in Cape Town, South Africa, 20 October- 1 November 1998, to launch a four year programme to strengthen a global network of farmer organizations;
- 2) a reflection group (known as the Groupe de Lausanne) that is considering the causes and possible solutions to the global crisis we are experiencing;
- 3) a project looking at global food availability, looking in particular at agriculture in China, including a seminar in China in June or September of 1999 to discuss, "How can we feed the world? How can we feed China?";
- 4) a meeting in December in the foothills of the Himalayas to bring together activists fighting to preserve community knowledge and to resist the imposition of genetically modified seeds;
- 5) a European meeting in Barcelona, Spain in April 1999 bringing together different sectors to build a shared new vision for agricultural development in the region. The conference is entitled "What agriculture, food and landscape for Europe."

APM Africa is planning a meeting with **FPH** in October 1999 on agriculture, the WTO and structural adjustment programmes. Different case studies will be presented with the objective of creating alliances among government, peasants and different social sectors. APM Africa is also running training programmes for farmers, and hopes to establish an African Farmers' Academy to train farmers in economics and global issues. There is a strong need for education and mobilization and to strengthen links within the continent. The network needs funding and to be put in touch with other active organizations.

La Via Campesina is planning four meetings over the next year:

- 1) a meeting with African farm leaders in Sénégal, November 3 1998;
- 2) a meeting for women farmers of la Via Campesina to plan a conference on women's issues. The planning meeting will be held in Galicia, Spain, 15-19 December, 1998;
- 3) the women's conference itself will be held in Bangalore, India, 28-29 September 1998;
- 4) the Via Campesina Congress will be held immediately afterwards in Bangalore, 1-5 October, 1999.

La Via Campesina is also planning a meeting with **FIAN** (an international network fighting for the implementation of the right to food with its headquarters in Germany) and three other German NGOs, together with government officials to discuss a joint land reform campaign. The campaign will be launched in Brazil on the 17 April 1999.

Focus on the Global South (based in Thailand with members across Asia) is planning the following meetings:

- 1) a meeting on food security in the region in February 1999. The meeting will be held in conjunction with the Food Council of South East Asian countries and Indochina, which has strong links to government and brings together a mix of NGOs and academics;
- 2) a dialogue session with NGOs on the review of the Agriculture Agreement in mid 1999, in order to empower government representatives of the South and East Asian region at the WTO;
- 3) with other networks in Asia, an NGO meeting on food security during the NGO parallel process to the APEC (Asia Pacific Economic Cooperation forum) meetings in Kuala Lumpur, Malaysia. There are several meetings in Malaysia of possible interest, including:
 - a) "Peasant Forum: Throwing Off the Yoke of Imperialist Globalization", November 11 - 12, 1998 Kuala Lumpur, Malaysia. The Peasant Forum will be one of several sectoral meetings to be held on November 11-12. It is sponsored by the **KMP (Philippine Peasant Movement)**, **Asian**

Peasant Forum of the AIWPS (Anti-Imperialist World Peasant Summit), APWN (Asian Peasant Women Network), Amihan (Philippine federation of peasant women associations) and Pamalakaya (Philippine federation of fisherfolk organizations). KMP is acting as the Peasant Forum's secretariat.

b) The Forum on Land, Food Security, and Agriculture with **Pesticide Action Network Asia-Pacific (PAN-AP)**, who are the main contact for the meeting (PAN-AP, P.O. Box 1170, 10850 Penang, Malaysia; fax: +604-6577445; tel: +604-6570271; e-mail: panap@panap.po.my)

FOCUS is also working on case studies of the impact of the Agreement in South East Asian countries, to be completed before December 1999.

International Partners for Sustainable Agriculture (IPSA) is working with a large network of NGOs and farmer organizations around the world, mostly on the UN calendar. Two events high on that agenda:

- 1) The UN Food and Agriculture Organization (FAO) is sponsoring a conference in the Netherlands in September 1999 to look at the multifunctional agriculture and land management. The conference is by way of preparation for the Commission on Sustainable Development meeting in 2000 (see below). The meeting will review the implementation experience of chapters 10-15 of Agenda 21. These are the chapters concerning agriculture in the document agreed to by governments at the Earth Summit in Rio de Janeiro, June 1992. The conference will also consider the Conventions on Biological Diversity, Desertification, Climate Change. The emphasis will be on policy instruments and successful examples of sustainable agriculture initiatives. The objective is to identify critical issues for further change and to agree guidelines and policy options.
- 2) The Commission on Sustainable Development will meet in April 2000 in New York. It's agenda that year includes: integrated planning and management of land resources; the economic sector of agriculture; and financial resources, including trade and investment issues linked to agriculture. The CSD, long an NGO haven of the UN, seems to have recently become of interest to transnational corporations.

Victor Suarez mentioned several initiatives including a meeting in Mexico 7-9 October entitled "Do Peasants Have a Future in the World?", bringing together Mexican peasant networks, NGOs and international experts from the hemisphere to discuss agricultural and trade policy. ANEC is doing a sectoral project that critiques the agricultural budget in Mexico, while the government is itself engaged in a major review of rural policy for the country. Victor made several proposals:

- 1) We should coordinate an international meeting with parliamentarians on the WTO (Biswajit Dhar picked up on this and said that there is a strong interest in India in such a meeting. Sophia Murphy said that the Swiss Coalition of Development NGOs are also very interested, and have already circulated proposals to this effect. Silvio Marzaroli has a proposal to work with Mercosur member government officials that could link to such an initiative).
- 2) The media is an essential piece of our advocacy strategy, but journalists often do not understand the issues. An international seminar for influential reporters that are sympathetic to our issues should be a priority.
- 3) We need a meeting of the key regional and international networks that are working on the WTO to plan for the 3rd Ministerial Meeting.

Silvio Marzaroli is planning a series of seminars in each Mercosur member country over the next months to look at the issue of genetically-modified organisms (GMOs) with a cross-section of social sectors.

Chu Van Lam told the group about a national meeting on food security in Vietnam, to be held in November this year. They have had a series of roundtables with the media in the country discussing the agricultural sector. Although the country exports rice, at the sub-national level there are still many problems. He proposed it would be a good country for a case study.

IATP is involved with the **International Forum on Food and Agriculture**, which is planning a meeting for reflection, education and action among its members on how to resist and change the current trends that are forcing us towards ever more industrialized agricultural production. At a meeting planned in Cuernavaca (Mexico) in February 1999, the IFA will be discussing a number of related issues and preparing for the third WTO Ministerial conference. Then in last quarter of 1999, the IFA will host a teach-in for several hundred people in the US, to share the reflections of the group, mobilize public awareness and support, and to create a high profile for food concerns on the agenda of the third WTO ministerial. IATP is also interested in further discussion on the Global Convention on Food Security, to develop an alternative place in the international system that deals in a coherent and comprehensive way with international policy related to food security.

IATP and the **South Centre** are co-hosting a workshop with NGO experts and governmental delegates to look at TRIPs Article 27.3.b, due for review in 1999. There is also a great deal of decentralized work going on around TRIPs. There are four African workshops planned (in Zambia, Zimbabwe, Kenya and Uganda) where governments and NGOs are together analysing the impacts of TRIPs and looking at the potential for *sui generis* legislation along the lines proposed by the Organization for African Unity.

Mika Iba is involved in planning: the 2nd grassroots gathering on the risks of genetically engineered food, to be held in India around February 1999 and the Asia-Pacific Campaign on Genetically Modified Organisms (GMOs), that starts in October 1998. PAN-AP (see the APEC forum above) will coordinate the campaign.

IBASE is planning a meeting on Brazil's agricultural policy where several case studies from other countries would be presented for comparison. The meeting is tentatively scheduled for May 1999 in Brazil. (Candido Gryzbowski is the contact.)

The Network of European World Shops (the fair trade businesses) are launching a campaign for 1999-2001 on the WTO and Agriculture, in particular focused on the rights of small farmers. (Tobias Reichert is the contact).

BUKO-Agrarkoordination of Germany is hosting a workshop in Hamburg, 22-24 October 1999, to discuss alternative approaches to international agricultural trade. (again, Tobias is the contact.)

The UK Food Group collaborates with a Europe wide network of organizations that work on food security and has a study group working on the role of Trans National Companies (TNCs) in agriculture. They are looking for help and information. In addition, they continue to work on the reform of Europe's Common Agricultural Policy and will host a conference in January 1999 on "The WTO: Towards a positive agenda". A sub-group of the UK Food Group is looking at the cluster of issues around patent rights, biodiversity, genetically modified organisms, and so on..

A French coalition called "La PAC Folle" is a new network of organizations from many social sectors (unions, farmers, consumer groups, environmental NGOs, development NGOs, etc) working to raise the level of public debate about the proposed reforms to the European Union's agricultural policy. They are organizing a series of events called "The Common Agricultural Policy (CAP): "It is everybody's business" / La Politique Agricole Commune (PAC): "C'est l'affaire de tout le monde". Four meetings are planned in France: CAP and employment (Lille); CAP and public health (Paris); CAP and the environment (Rennes); CAP and international solidarity (Lyon)

Green Parties will meet in December in Brussels, where employment and food security are part of the agenda.

The Coordination Paysanne Européene is working mostly on CAP reforms, but is also linking the work to WTO issues and plans to increase the WTO-related work in the future. CPE is a member of La Via Campesina, and so works on those international initiatives. At the European level they do advocacy work, at the national level they do education and collaborate with NGOs to develop policy proposals.

Christopher Jones mentioned a meeting organized in association with Rudi Buntzel and the Protestant Farmers' Network in Germany, that is now developing into a network of farmers concerned about the WTO and agriculture.

Solagral is involved in capacity-building with farmers on the WTO-related issues. They are working on an analysis of the CAP and whether the current French proposal on agricultural reform at the EU level is compatible with the WTO Agreement. They are also working on the review of the Lomé Convention (that proposes a free trade area between the EU and the member states in the Pacific, Africa and Caribbean) and on how the world market, and in particular prices, can be regulated to help net-food importing countries.

CIIR is planning a meeting at the end of January 1999 to bring together the European Union and representatives from developing country and the UK governments. Sabrina is also working on the Food Aid Convention and on CAP reform.

Resources from Amongst Us

1. Rongead, an NGO based in Lyon (France) is developing games to teach young people about trade. The first looks at rice, from the perspective of rice growers, traders and final consumers, and is aimed at university students. A second game has now been developed to look at the banana trade for high school students. Contact Joseph Rocher for more information.
2. The next issue of *Terre Citoyenne* (a paper on peasant issues and food security translated into 7 or more languages) is slated to be on genetically modified organisms (GMOs). But Pierre proposed to do it instead on preparations for the third ministerial, with a publication date of July 1999.
3. Aileen Kwa at FOCUS has produced a *Fool's Guide to the WTO* that both explains the technicalities of the agreement, and offers an analysis of how the developed countries have used the agreement to protect their interests and to continue blocking the interests of the South. A revised edition is now being prepared and any comments are welcome.
4. IATP has a relatively sophisticated web site, with the capacity to run a forum, either open or closed, to allow us to exchange information, analysis and updates. Sophia Murphy is willing to keep a running e-mail list with information as well. If people are interested in participating such a forum, I would be willing to organize it from here. Please let me know <smurphy@iatp.org>.
5. APM (Cameroon) has case materials on cotton, rice, cocoa and coffee that they can share with those who are interested.
6. The Catholic Institute for International Relations have asked IATP to write a paper for policy makers assessing the WTO Agreement on Agriculture in relation to food security policy. The paper, which will include case studies, will be published in January 1999.
7. The UN Office on Africa and Least Developed Countries has a huge database of NGOs in those countries.
8. Niek Koning wants to work on long term food availability scenarios but has been unable to secure the necessary funding for intensive research. Would be interested to collaborate with others interested in this area.

The WTO Committee on Agriculture Program on Analysis and Information Exchange (AIE)

A continuing process of Analysis and Information Exchange (AIE) is in progress. Governments are exchanging views on the next round of negotiations without having to commit themselves to positions and without drawing the attention of various interested constituencies. Once negotiations get started, the room for maneuver is considerably diminished.

The General Council of the WTO met on 24-25 September in Geneva. At that time governments launched an Informal Process to prepare for the next Ministerial meeting, to be held in the USA, probably in the last week of November. Charlene Barshefsky (the US Trade Representative) is chairing this process.

The calendar of work is:

- a) October 1998: the member governments of the WTO will consider implementation issues arising from the existing agreements.
- b) November 1998: the WTO will look at the built-in-agenda. Some issues in the original agreement came with written in decisions about their future. For instance, governments committed to further negotiations in agriculture in the Uruguay Round agreement itself.
- c) December 1998: the WTO will look at the special needs of Least Developed Countries (the 48 poorest countries, as measured by per capita GNP) and discuss the programme for 1999.
- d) January 1999: the WTO will continue consideration of the 1999 agenda and review the reports of the working groups established at the first Ministerial meeting in Singapore, as well as consider other new issues.

In the third week of February 1999, the General Council will meet again, for stocktaking and to finalize the programme for negotiations.

CHINA'S AGRICULTURAL PRODUCTION: 1949-1997

Chart 1 Population and Grain Output in China

Items	1949	1978	1997
Natural Growth Rate of Population (%)	16	12	10
Total Population (million)	540	960	1,230
Grain Output (million ton)	113	304	494
Per Capita Grain Output (kg)	209	316	401

Chart 2 Sown Area and Yield of Grain Crops in China

Items	1949	1978	1997	1997/1978
Sown Area of Grain Crops (hectare)	10,995	12,058	11,291	93.6%
Yield of Grain (million ton)	113	304	494	162.5%
Yield of Grain Crops Per Hectare (kg)	1,027	3,607	4,376	121.3%

Chart 3 Output of Industrial Crops in China (1,000 ton)

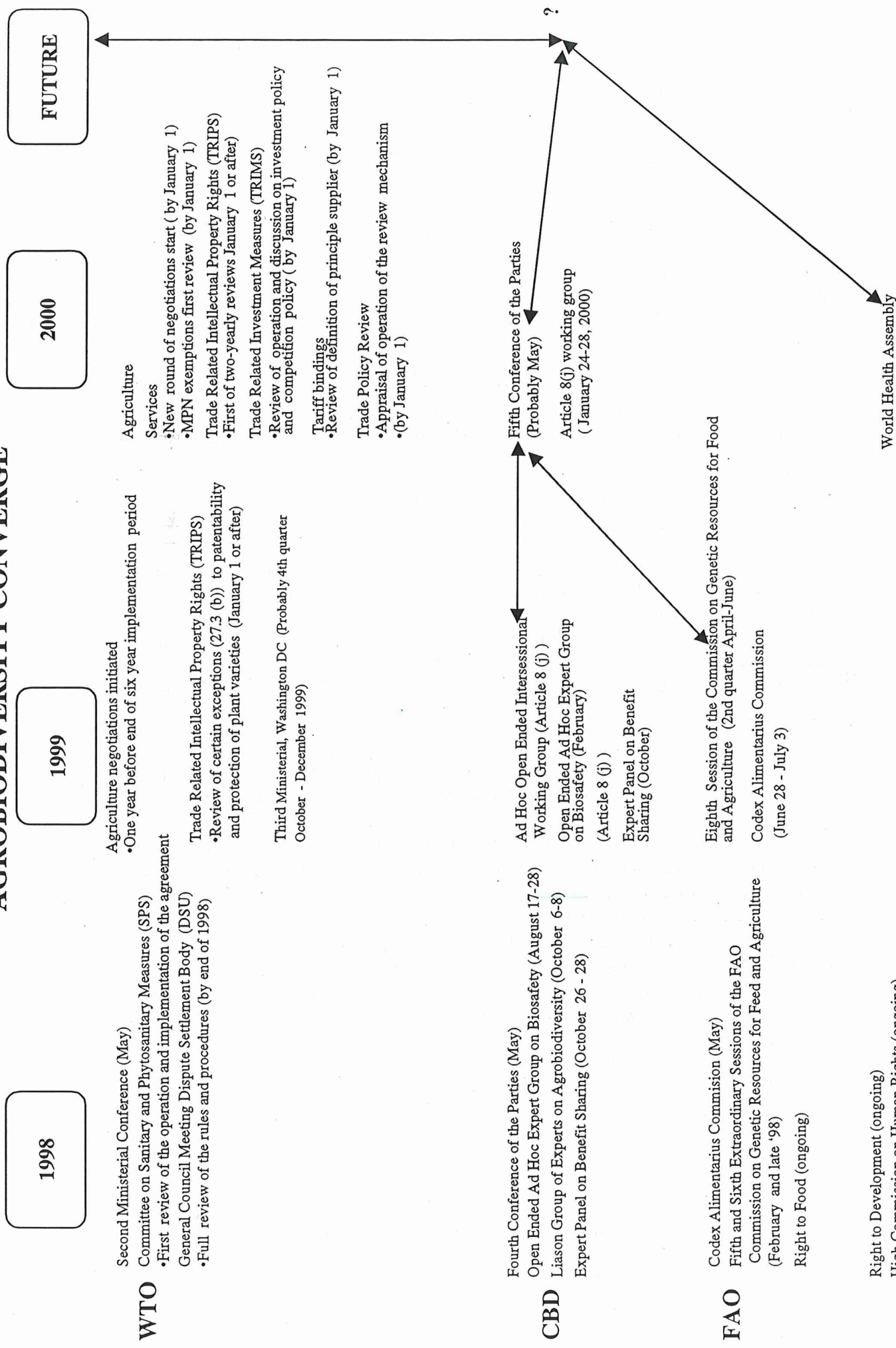
Products	1978	1997	1997/1978
Cotton	2,167	4,603	212%
Oil-bearing Crops	5,218	21,574	413%
Sugar Crops	23,820	93,870	394%
Fruit	6,570	50,893	775%

Chart 4 Output of Livestock Products and Aquatic Products (1,000 ton)

Products	1978	1997	1997/1978
Meat	8,560	47,726	557%
Eggs	5,347*	19,652	368%
Milk	883	6,294	813%
Aquatic Products	4,660	28,130	604%

*It is a figure of 1985

INTERGOVERNMENTAL NEGOTIATIONS ON AGROBIODIVERSITY CONVERGE



ROAD MAPS

TO A PEOPLES' *SUI GENERIS* RIGHTS PLAN OF ACTION

Elaborated by the participants of the
BIOTHAI/GRAIN
international seminar on *sui generis* rights

Bangkok, 1-6 December 1997

Action toward the 1999 TRIPS Review

Legal options for the 1999 TRIPS Review

1. *Our maximum demand:*

Full exclusion from intellectual property protection of all biodiversity-related products and processes under TRIPS (no patents on life).

2. *Our fallback position*

Deletion of the "However..." clause in Art 27.3(b) so that TRIPS would at least allow countries to exclude from patent protections "plants and animals, except micro-organisms." This would remove the current obligation to provide IPR on plant varieties.

3. *Our minimalist position*

The status quo (permit no change to the present text).

- SINE QUA NON -

No matter what occurs during the negotiating process, we must absolutely resist any inclusion of Farmers Rights, Community Rights, traditional knowledge or other biodiversity-related *sui generis* rights into the TRIPS Agreement or under any jurisdiction of WTO. Such rights should be developed under the CBD's legal framework.

The arguments to help our governments defend their positions in the 1999 Review

1. *Sovereignty*

Despite the multilateral trade system which WTO was set up to administer, the US still uses Super 301 to unilaterally force countries to protect US interests, including TRIPS compliance. This is illegal under the WTO and must be contested.

2. *Food security*

Patents and other IPR protection on seeds will destroy public plant breeding, enhance genetic erosion, put poor farmers out of business and swiftly bring about the negative impacts of a second Green Revolution.

3. *Anti-competitive nature of patents*

Patents are speeding up the concentration of market positions for TNCs and the creation of monopolies, especially in the food and agrochemical sector. Patents are tools for protectionism and governments are notoriously weak at trust-busting. The US will push WTO to regulate anti-competitive practices in its own interest.

4. *Morality & ethics*

Patents and other forms of IPR on life clash with many peoples' world views of nature, life and creation. This holds for Muslim, Buddhist, Judeo-Christian and other beliefs.

5. *Socio-economic*

For developing countries, patents and other IPR regimes require the payment of royalties to foreign corporations, worsening balance of payments and other economic and social conditions.

6. *Legal*

There is much flexibility within the TRIPS Agreement itself allowing countries to implement IPRs in an intelligent and socially responsible way.

Checklist to Assist the Preparation of Country Experiences on the Impacts of the WTO Agreement on Agriculture

Prepared by South Centre, Geneva

The objective of this checklist is to assist the interested developing countries in documenting the information related to their individual country experiences on the impact of the implementation of the WTO Agreement on Agriculture. This is expected serve the following purposes:

- a. Country experiences can be presented to the AIE process under the WTO Committee on Agriculture.
- b. Interested developing countries can compare their experiences to identify common elements.
- c. Most important, this should facilitate the identification of relevant issues that the developing countries may take up in the next round of negotiations on trade in agriculture.

The checklist is divided into four sections and interested developing countries can focus on one or more sections/selected questions in different sections that are relevant to their experience. Most of the required data should be available within the country. However, in some cases, the required data may be obtained from external sources including data bases/ reports by the FAO, the WTO and UNCTAD.

I. Market Access

This section includes questions related to different aspects of the market access for major agricultural exports of the developing country concerned. Two sets of data pertaining to both pre and post Uruguay Round periods will be needed to assess the impact of the implementation of the Agreement on Agriculture.

1. What are the major agricultural exports? Identify new exports, if any, in the post UR period.
2. Which are the major markets for major agricultural exports? Identify new markets, if any, in the post UR period.
3. What is the share of agricultural exports in the total country exports? Identify any increase or decrease in this share in the post UR period.
4. What are the major agricultural exports that benefit from any preferential market access in the developed markets? Identify any increase or decrease in the volume of such exports in the post UR period.
5. What are the major agricultural exports that are subject to tariff rate quotas in the developed markets? Has there been any increase in these tariff rate quotas? What have been the rates of utilization of these tariff rate quotas? (It will be useful to include any problems that have been encountered as a result of the administration of tariff rate quotas by the developed countries.)

6. Have there been any instances of special safeguard actions by developed countries against major agricultural exports? Describe a specific case to identify the problems faced due to the special safeguard action.
7. Are major agricultural exports subject to sanitary and phyto-sanitary standards in the developed markets? Has there been any increase in the use of sanitary and phyto-sanitary standards in the developed markets? Include, if possible, costs of compliance with sanitary and phyto-sanitary standards in export markets.
8. What are the tariff rates on agricultural exports in major export markets? Identify any increase or decrease in these tariff rates in the post UR period.
9. What are the non-tariff barriers against major agricultural exports in developed markets? Which non-tariff barriers have been removed as a result of the implementation of the Agreement on Agriculture? Identify new non-tariff barriers, if any, in the post UR period.

II. Domestic Support

These questions are related to the impact of the implementation of commitments on domestic support under the Agreement on Agriculture. This should help in the identification of the problems accruing due to the present provisions in the Agreement. This should also indicate the direction of possible improvements in these provisions during the next round of negotiations.

10. Has it been easy to calculate the Aggregate Measurement of Support (AMS) or the Equivalent Measurement of Support (EMS), whichever is applicable in your case? If not, identify the problems encountered in the calculation of the applicable measure of domestic support.
11. What has been the impact of inflation on the calculation of the applicable measure of domestic support?
12. What problems have been encountered in the preparation as well as during the examination in the Committee on Agriculture of the notifications on domestic support?
13. Have the domestic support measures exempt from the reduction commitments (green box measures) been sufficient to allow the implementation of national policies for increasing agricultural productivity and improve food security? If not, identify the measures that should also be included in the green box.
14. What domestic support policies in the agricultural sector have traditionally been used in the country? Are these included in the green box measures?

III. Food Security

Questions in this section deal with the issues related to food security. These may be of particular relevance to the LDCs and the NFIDCs and can be helpful in assessing the implementation of the Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least- Developed and Net Food-Importing Developing Countries.

15. What are the major food imports? What are the major sources of these imports?
16. What is the share of food imports in total imports? Identify any increase or decrease in the share in the post UR period.
17. What is the value of food imports as a percentage of total export earnings? Identify any increase or decrease in the percentage in the post UR period.
18. What is the share of food aid in the total food imports? Identify any increase or decrease in this share in the post UR period.
19. What is the share of domestic food production in the total domestic food requirements? Identify any increase or decrease in this share in the post UR period.
20. What has been the trend of staple food prices in the domestic market?
21. What has been the experience with the implementation of the Ministerial Decision on LDCs and NFIDCs? Identify major shortcomings in the implementation.

IV. General

This section includes some questions related to the general impact of the implementation of the Agreement on Agriculture.

22. What is the total area under cultivation? Identify any increase or decrease in the area under cultivation in the post UR period.
23. What are the areas under cultivation of food crops and export crops, respectively? Identify any changes in these areas in the post UR period to assess whether the land formerly devoted to the cultivation of food crops has now been devoted to raise export crops.
24. What is the share of the total labour force employed in the agricultural sector?
25. What is the rate of rural unemployment? Has it increased in the post UR period?
26. What is the percentage of population living in rural areas? Identify any increase or decrease in this percentage in the post UR period.
27. What is the size of average farm? Has it increased after the UR? It will also be helpful to include experience/apprehensions of small/subsistence farmers with regard to the impact of the implementation of the WTO Agreement on Agriculture.

Note: This Plan to achieve a Sustainable Food Security Convention will require a comprehensive decentralized global strategy for its implementation. We welcome everyone to use the concept and this document in any way that may help. It is being continually revised. Please send comments to Karen Lehman, Institute for Agriculture and Trade Policy. Fax: (612) 870-4846 or Email: <klehman@iatp.org> Thank you.

Plan of Action to Achieve Universal Food Security

Revised 11/26/97

Background

Events of the past two years have underscored significant problems in the global food system. Shortages and skyrocketing prices have distressed food importing nations that dismantled domestic food security policies to conform to demands for structural adjustment by global financial institutions and by the new global trade regime. Multilateral agencies such as the World Bank, the International Monetary Fund, and the World Trade Organization (WTO) are narrowly focused on promoting the idea that food security can be bought and sold on the world market. Many governments in developing countries, especially those who need to import much of their food, are emphasizing the need to base food security first on local and national production, and on equitable distribution.

The primary goal of an internationally coordinated approach to food security is to increase stability in the food supply by reducing supply and price volatility in agricultural markets, and by making food production and distribution systems sustainable over the long term. Such an approach requires that food security be planned and implemented primarily at the local and national levels with support for diversified peasant and family farm systems. Trade can complement domestic food security strategies, but it cannot be allowed to replace them.

Why a convention?

Multilateral collaboration on the development of a viable global food security system is more important than ever with the passage of the Uruguay Round trade agreement. With significant power over agriculture policy shifting to the World Trade Organization, farmer, consumer, and environmental organizations, as well as national governments, have lost many of the policy tools they once could employ to defend food security. There is a great need for a global debate on forms of multilateral collaboration that place food security, not trade, as the highest priority. Key to this debate is the role that civil society can play, not only in collaboration with national governments, but in a process of negotiation under UN auspices to bring food security strategies into equilibrium among civil, government and private interests.¹

¹Such a process of negotiation could be conducted through a system of "open negotiating tables" at the local, regional, and international levels in which all significant actors have the right to intervene.

Conventions are treaties. They are instruments for building accountability within the structure of international law. There are conventions to protect the atmosphere from ozone depleting chemicals and to protect the Earth's biodiversity, as well as to reduce the risk of nuclear war. The time is ripe for a convention to protect the Earth's people from hunger. With a convention in place, nations create the framework to define specific conditions under which food security, not trade alone, must be the highest priority in the development and implementation of local, national, and international agriculture and trade policy.²

Toward a Sustainable Food Security Convention

It is time to begin negotiations for a Sustainable Food Security Convention to assist governments and civil society in their responsibility to achieve food security and to establish a global network of local, national and regional reserves.

Basis for Action:

1. Food security policy must help reduce the volatility of agricultural production cycles, markets, and prices. Farmers³ and consumers suffer at both ends of boom and bust cycles. Surpluses drive down agricultural prices and bankrupt farmers, while shortages raise prices beyond the ability of consumers to buy basic staples.
2. National governments, in conjunction with civil society, have the responsibility to guarantee adequate production and equitable access to safe, adequate, nutritious food supplies for their citizens. To do so, they must design and implement policies that protect the long-term capacity of farmers to produce food domestically in diverse agro-ecosystems. These include policies to protect domestic staple food production from export dumping; strategies to control, utilize, develop and protect land, water and genetic resources; and programs to ensure access to these resources for all farmers, including women and ethnic and racial minorities.
3. Global food stocks are poorly distributed between a few large exporting countries that produce more than their regional needs, and regions of the world that have

²Many existing multilateral agreements and Conventions, as well as the Draft Plan of Action, provide the underpinnings for the Sustainable Food Security Convention. A short World Food Summit list includes:

- The Draft Plan of Action Objective 7.4, "To better define and further develop the Right to Food and propose ways to implement this right as an instrument to achieve food security."
- The International Covenant on Economic, Social and Cultural Rights
- The United Nations Draft Declaration on the Rights of Indigenous Peoples
- ILO Convention 169 Concerning Indigenous and Tribal Peoples in Independent Countries
- The Convention on Biological Diversity

³Throughout the text, the word "farmers" refers to peasant and family farmers, as well as other food producers such as fisherfolk. Corporate agriculture and agribusiness are not included in this term.

become dependent upon imports from exporting countries. Food security strategies must take into account the differences between food surplus and food deficit countries and be structured accordingly.⁴

True food security depends on the capacity of peasant and family farmers to produce and store food locally for times of shortage, on decreased volatility in supplies and prices, and on reduced transport costs. Cereals, pulses and vegetables traditionally grown in a given region are generally better adapted to local climate and soil conditions, and require less purchased chemical inputs.

Actions:

1. The Food and Agriculture Organization (FAO) should convene a process involving the General Assembly of the United Nations in negotiations for a Sustainable Food Security Convention. The intent of the Sustainable Food Security Convention is to elevate food security to the highest level of priority within international policy. Such a Convention would have five primary purposes:

a.) To help national governments develop and implement national food security plans. These would include the identification of staple foods (primarily grains and legumes) and foods that provide micronutrients essential to domestic food security. These staple foods could be exempted from WTO rules and disciplines when such rules undermine national food security plans.⁵ Plans would also include policies to

⁴ Policies structured for food deficit countries could include the use of anti-dumping tariffs and prior informed consent for concessional food trade. For food surplus countries, they could center on access to food by the poor, support for local and regional food systems, and prohibitions against food dumping, export manipulation or harmful food aid policies.

⁵ This question of staple foods requires more discussion. Many countries have consistently treated staple foods differently in domestic agriculture policy and have attempted to protect them from cheaper imports on the world market. Examples include the Canadian supply management system for dairy, poultry and eggs, and Mexico's former system of import licensing requirements, price supports for farmers, and subsidies to consumers for staples like corn and beans. Until the Uruguay Round Agreements were passed, countries with domestic supply management programs in place were able to restrict imports under Article 11. Under the logic of the Uruguay Round, all foodstuffs are commodities and should not be treated differently because of their importance to domestic food security.

There are several basic perspectives on the question of staple foods and their treatment under international trade regimes. Some believe that a proposal to permit exemptions from WTO regimes for staple foods is a viable one that can garner support from a broad range of allies, not only in low income food deficit countries, but in countries such as Korea and Japan that worked hard to protect their staple food - rice - during the Uruguay Round. Some fear that singling out any crop for different treatment could lead to overproduction and surpluses in that crop. Others question the viability of defining staple foods. Still others think it is too provocative to the global trade regime to suggest treatment for staple foods outside the confines of the WTO, preferring instead to insert safeguards for food security in the WTO.

This proposal for a Convention suggests that staple foods, when they are part of domestic food security plans, should be exempt from WTO rules if these rules undermine domestic food security initiatives. Conditions under which nations could exercise this exemption to WTO rules would be similar to those formerly required by GATT Article 11 (import controls when linked to domestic supply management programs) with the added requirement that the crop supplies under management be essential for food security.

enhance farmers' capacity to provide nutritious and safe foods through diversity-based sustainable systems. Additionally, these plans would include the identification, management, conservation, adequate use and fair distribution of ecosystems and strategic resources for food production.

The plans will also include policies to improve the capacity of farmers and local communities to produce nutritionally, environmentally and culturally appropriate foods by means of sustainable systems based on biodiversity, on the cultural and productive synergies of the communities themselves, complemented by the use of "clean" technologies.

b.) To develop an obligatory structure for consultation and negotiation that ensures that all actors (governments, non-governmental organizations, and constituency-based organizations) have the right to participate in the formulation and implementation of proposals to advance food security at the local, national, and international levels.

c.) To provide guidelines to ensure a fair distribution of world foods in relation to needs, in food importing countries as well as in those that export them. To coordinate the creation and management of an international network of local, national and regional food reserves. The Convention would also provide for an independent grain auditing system.

d.) To facilitate the development of international commodity agreements among importing and exporting countries. Such agreements could be structured both for concessional food transfers and to supplement domestic production to meet national demand for staple foods. In both cases, the goal is to ensure that demand is met without export dumping.⁶

e.) To create financial and technical mechanisms incorporated in and financed by the Convention to aid governments in disputes with other entities, such as the WTO, that might arise over food and agriculture policy.⁷

f.) To contribute guidelines that allow states to integrate resource conservation for agriculture and food production in national land use and tenure planning, as a fundamental condition towards the achieving of a Right to Food.

⁶Drawing on the experience from international commodity agreements on such products as cacao and coffee, the Secretariat could work with staple food importing and exporting countries to develop reliable, stable supplies of staple foods for countries that are unable to fill domestic demand. Domestic demand also includes supplies for local and national reserves.

⁷Disputes involving any of the functions defined by the Convention, including conflicts with other international conventions and agreements, must be resolved in internationally recognized fora with equivalent authority to the WTO and not be restricted to the dispute settlement procedures of the WTO. The Secretariat would assist governments in challenges related to local, regional, or national food security planning and policy.

2. The Food and Agriculture Organization should initiate a process to create a Secretariat to implement this Convention. Representatives from food surplus and food deficit countries including farmers, NGOs, other members of civil society, and representatives from other major food-related agencies, such as the UN Conference on Trade and Development and the United Nations Development Program, should also play a major role in defining and implementing policy.

3. The Convention's implementation will be financed by member contributions and/or alternative financing mechanisms such as a .01 percent tax on agricultural commodity trade or the proposed Tobin tax on international financial transactions.

National Food Security Plans:

With the support of the Secretariat, local and national governments, with the full participation of civil society, will develop national food security plans. These could include:

- 1.) Identification, management and sustainable use and conservation of eco-systems and strategic resources for food.
- 2.) Definition and identification of domestic staple foods essential to food security.
- 3.) Annual domestic staple food consumption projections with accompanying national production goals and commitments. These projections should also include volumes to be set aside in local and national reserves.
- 4.) Implementation of national agricultural and agribusiness plans to support the production of basic foods. Implementation of domestic agriculture policies to support staple production for domestic consumption. These policies could include price supports for staple crops and exemption from mandatory W.T.O import requirements. Countries could also implement import restrictions to ensure that staple food production not be threatened by export dumping.
- 5.) Implementation of policies which support diverse sustainable agriculture and livelihood systems of production. These include land tenure systems that would ensure adequate land and water resources for farmers; the guaranteed access, use, development and free exchange of genetic resources; and the protection of Farmers' Rights.⁸ Towards these ends, initiatives will be identified and promoted that will assist individuals or local groups towards the realization of the Right to Food and that will foster traditional methods of agriculture, in which food diversity is used, maintained and/or increased. Such initiatives will promote the participation of communities in the conservation and management of food and will promote the consumption of locally produced foods.
- 6.) Intellectual property laws that would exclude plant varieties, seeds and other genetic materials from patenting. Laws that would prohibit the privatization of

⁸See *The International Undertaking on Plant Genetic Resources*, W/IV623. United Nations Food and Agriculture Organization

plants or animals or parts thereof, through patents and intellectual property rights regimes and other forms of exclusion such as allowing only trade in registered varieties.

7.) Support and incentives for on-farm conservation and development of biodiversity, and for research and extension programs designed by farmers to reflect their priorities.

8.) Risk management policies to minimize the risk to health and the environment that may occur in the production, processing, distribution, preparation, consumption and disposal of foods and food products, including those that are genetically engineered.

International Network of Local, National and Regional Reserves:

1. The Secretariat will work with governments, NGOs, farmers, and other members of civil society to develop plans to put in place a global network of local, national and regional reserves by the end of the next decade.
2. Food reserves will be built from the local level up. National food security plans could include plans for farmer- or community-managed reserves and should set targets for their development out of local production.⁹
3. Cooperation within regions (such as West Africa, the Caribbean, North America) is fundamental to food security. The network of reserves would be structured such that regional networks of reserves would be the first sources of food aid in times of emergency.
4. Costs for food reserves will be shared. The first priority is to reassign food aid funds from exporting countries for use by food deficit countries in the creation of local and national reserves. These funds would be replaced by funds earned from the alternative tax financing mechanisms as these become available.
5. The Secretariat will develop mechanisms to ensure that reserves are not managed to the detriment of producers and consumers.

⁹The question of reserves requires more research and dialogue. While it is a broadly shared objective, mechanisms must be developed and refined. Farmers' organizations and consumer groups play a key role in the development and management of reserves. The Sustainable Food Security Convention, for example, could include programs to support agricultural and consumer cooperatives in the creation and management of reserves at the local level that could form part of the global reserve network.

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