THE RIGHT TO FOOD
FOR A CAP FAIR TO DEVELOPING COUNTRIES

Proposals for European and ACP Members of Parliament
Since the 1970s, Europe has passed off part of its agricultural crisis by exporting to developing countries with the help of aid for exporters. Wheat, milk and meat reaches developing country markets at knock-down prices. Unable to fight this unfair competition, hundreds of thousands of farming families have been ruined. They have left the countryside and joined the swelling shantytowns in capital cities.

This situation—decried by many civil society organizations—has not been resolved by the WTO, quite the contrary. The subsidies have been disguised, renamed. They are still there, but they are less visible, more pernicious. They continue to destroy smallholder farming in both developing and developed countries. This scandalous state of affairs must end.

In some African countries, more than 70% of the population makes its living from farming. Supporting this sector is a crucial challenge. Governments must be able to pursue proactive policies to develop smallholder farming. Resources are needed. The simplest way is to re-establish border taxes that would make it possible to raise the prices paid to farmers, allocate credits for training and organizing local farmers, and subsidize the food purchases of the poorest people. These budgetary revenues would return a degree of financial autonomy to governments. They could conduct economic policies that are less influenced by international organizations such as the IMF or the World Bank who still bet mainly on the agro-industrial sector.

Trade liberalization has not managed to curb the problem of world hunger. By 2050, the world population will reach 9 billion. Feeding humanity without destroying the environment while simultaneously adapting to global warming is a considerable challenge. Cooperating, sharing and helping each other will certainly be more useful in meeting this challenge than competing with each other, vying with each other, and giving in to national selfishness. Europe must increase the budget it devotes to development aid, and encourage its partners to devote a consequential share of their aid to agricultural and rural projects.

Europe must seize the opportunity provided by the reform of its CAP in 2013 to help re-balance the global agricultural product trade. By shoring up its plant protein production while reducing its grain exports, by ceasing to support industrial meat and dairy production, it would create the space necessary for other regions of the world to build their own agricultural policies and ensure their own food sovereignty. It must be a driving force in the creation of a market regulation system by forbidding financial speculation. It must revive global market organizations for the main tropical products.

It is by building food sovereignty in Europe that we will make this right a reality for other regions of the world.
Despite a slight drop in 2010, nearly one billion people are still going hungry. Most of them are farmers and their families. The current consensus is that priority should be given to promoting agriculture in developing countries to defeat undernourishment and poverty. The importance of greater support for smallholder farming—the most prevalent agricultural model in developing countries—is also increasingly acknowledged.

The European Union’s Commitments:
In compliance with the Lisbon Treaty, the CAP must be coherent with the advancement of developing countries. Article 208 of the Treaty stipulates that: “Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty. The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries.” The CAP is one such policy.

On May 18, 2010, the European Parliament also emphasized the importance of the coherence of Europe’s policies, including the CAP, with development when it adopted Eurodeputy Fransiska Keller’s report on this subject.

In particular, the CAP must contribute to, or not hinder, attainment of human rights. These rights are international standards that have higher legal value than other legal rules. This is the case for the right to food. “The right to adequate food is realized when every man, woman and child, alone or in community with others, has physical and economic access at all times to adequate food or means for its procurement.”

But is the Common Agricultural Policy (CAP) consistent with the attainment of human rights and, in particular, the right to food?

1- For more information, see the brochure: “Policy Coherence for Development to Reduce World Hunger” published by CFSI in 2010: http://www.cfsi.asso.fr/upload/policy_coherence_for_dev_102010.pdf
3- This strategy is in line with the proposals of seven national platforms of West African farmers’ organizations, which were adopted in Dakar in November 2010: “Miser sur les exploitations familiales pour se nourrir” http://www.cfsi.asso.fr/upload/Propositions_paysannes_resolutionAPP_Kinshasa_2.pdf
ONE PRIORITY: RESPECT DEVELOPING COUNTRIES’ FOOD SOVEREIGNTY

The CAP’s impact on developing countries depends in part on the other policies of the EU and its members. We therefore ask that all these policies respect the right to food and, consequently, the food sovereignty of developing countries, that is to say the right of a country or group of countries to establish the agricultural and food policies best suited to the needs of their populations without having a negative impact on the populations of other countries.

Yet, the EU’s trade policy (EPA negotiations, etc.) helps lessen the food sovereignty of developing countries. We ask that the EU respect developing countries’ right to protect their markets when cheap imports threaten their agricultural production.

Among other things, since the 1980s, international financial institutions (the International Monetary Fund, the World Bank, etc.) have conditioned their support on the establishment of structural adjustment plans. These plans:

- liberalize agriculture in developing countries (elimination of customs protections, government financial support and aid for agriculture, etc.);
- give priority to export crops to generate monetary income; and
- neglect food production and favor food imports, the price of which was dropping consistently until 2007.

The consequence: these policies helped change Africa from a net exporter of agricultural products to a net importer starting in the 1980s.

We ask the European Union and its member-States to take action within these institutions so that the food sovereignty of developing countries is respected. They must be able to commercially protect their agricultural systems and elaborate and implement agricultural policies suited to the food needs of their populations.

A FOX IN THE HENHOUSE: THE IMF IN GHANA

In 2003, competition from cheap imported chickens thrust Ghanaian poultry farming into serious crisis. The Parliament of Ghana therefore adopted Act 261, raising customs duties from 20% to 40% on these imports. Under pressure from the IMF, this law was applied only four days!

Germanwatch, FIAN, etc.: "Right to food of tomato and poultry farmers in Ghana", 2007, pg. 21

The official development assistance of the European Union and its member-States neglects agriculture and, in particular, smallholder farming. Although interest has been reviving over the past three years, it remains insufficient. The OECD indicates that the share of European ODA devoted to agriculture fell from 25% in 1980 to 3% in 2005-2006 before rising slightly (to 5%) in 2007-2008.6 We ask the EU to devote 15% of its ODA to financing smallholder farming.

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6 OECD-DAC: “Measuring aid to agriculture”, April 2010
EUROPE’S AGRICULTURAL EXPORT SUBSIDIES: ARE DEVELOPING COUNTRY FARMERS TRULY OUT OF DANGER?

Powdered milk, grains, meat, etc. sold on the market at cut-rate prices thanks to export subsidies financed by the CAP, allowing the EU to sell at prices below its production costs. Farmers in developing countries ruined because they cannot sell their products in the face of unfair competition from European products... Is all that really over?

Export subsidies accounted for 50% CAP expenditure in 1980, and had been cut to 2% by 2008.7 As part of the ongoing talks at the WTO, the EU has promised to eliminate them totally after 2013, if all countries adopt similar measures. Are developing country farmers really out of danger? Nothing is less certain...

A more discrete system of direct aid to farmers is already replacing product aid. This direct aid is said to be “decoupled” from production, and paid to farms no matter what they produce. It accounted for an average of 29% of European farms’ income during the 2007-2009 period.8 At the end of the day, even if exported foodstuffs no longer receive direct aid, the farms that receive subsidies can continue to sell their goods at prices below production cost. This allows the EU to continue its dumping on international markets. And, certain foodstuffs (notably wheat, dairy products and sugar) are primarily exported to the poorest countries on the planet, whose populations are mostly farmers.

This evolution is recent, and assessments of the impact of this type of subsidy on agriculture in developing countries are rare. In these conditions, it is easy to claim that there is no longer a problem. The EU must ensure that the products it exports do not harm agriculture in developing countries. We ask that independent impact assessments piloted by representatives of the actors concerned, including farmers’ organizations in developing countries, be conducted on a regular basis. The next “health check” or “mid-term reviews” that will evaluate CAP implementation should analyze the CAP’s coherence and possible inconsistencies with development, unlike the “health check” conducted in 2008. Measures that harm developing countries should be removed.

8- ODI: “CAP reform and development”, draft background paper, March 29, 2011, pg. 15
Dairy production in Kenya is 40% higher than the production of all West African countries combined even though they have more livestock. This is not surprising as most of these countries do not support this sector. Customs duties barely reach 5%. Actors in the dairy value chain often complain about the lack of policies to develop this sector. Because of this, regional production is unable to meet the population’s needs. In Burkina Faso in 2006, for example, nearly one out of every two liters of milk consumed was imported. Even worse, the proportion was nine out of ten liters in cities. And, half of this was subsidized European milk... Difficult indeed for local milk to compete when it sold, in January 2010, for 700 CFA francs per liter compared to 340 CFA francs for one liter of reconstituted milk made from imported powder.

DAIRY POLICY: WEST AFRICA CAN DO BETTER!

Many African countries could produce the milk they drink, and even export milk. According to the FAO, 200 million Africans raise cattle. Most of them produce milk, but productivity is often low. In these conditions, it is impossible to meet the growing demand from consumers. Yet, with political determination, a smidgen of economic anti-conformity, and the belief that the government can intervene in agricultural development, including by protecting it from cheap imports, it is possible to meet the population’s food needs. Kenya proves this.

In 2003, Kenya was heavily dependent on imports. Faced with the dumping by some of its suppliers, including the EU, the government decided to raise customs duties on imports from 25% to 60% between 1999 and 2004. As this was not enough, it established a value chain support policy that combined aid to farmers, training, marketing support, and market regulation through the Kenya Milk Board. This properly mixed cocktail had the desired effect: dairy production leaped by 84% from 2000 to 2007. Today, not only is Kenya able to meet consumer demand, it has also begun exporting to neighboring countries!

SUBSIDIZED EUROPEAN AGRICULTURAL EXPORTS: AN OPPORTUNITY FOR EGYPT?

"Egypt has limited farmland in the Nile Valley. Yields there, among the best in the world, have reached maximum levels and production is therefore hitting a ceiling. To feed a growing population, Egypt must therefore import its wheat. However, to protect its farmers from unfair competition, the government has for years set up a strict price control policy. Imports are managed by a public body, wheat is purchased at high prices from local producers, and the sale of bread to poor populations is subsidized. European export subsidies are therefore rather positive for Egypt as the country can lower its food bill while maintaining its farmers’ incomes.” EU export subsidies are therefore a boon for Egypt because the country was able to exercise its food sovereignty and take into account the interests of both farmers and consumers.

Since the 1960s, the expansion of intensive stock farming has led Europe’s cows to eat less and less grass and more and more imported soy. Poultry and pigs have also been placed on the “soy diet.” This dependency, which began in the wake of World War II, would increase with the establishment of the CAP in 1962. The United States used considerable commercial pressure to ensure that Europe did not apply any customs duties to its soy imports, for which it was the main supplier. Today, the EU obtains most of its imported soy from Brazil, followed by the USA and Argentina. The EU is the second largest soy importer in the world, right behind China since 2008.

An Environmental Disaster
Initially located in southern Brazil, soy production is spreading northwards where, to meet growing world demand, it is devouring the Amazon forest either directly or indirectly (the forest is first cleared to make pasture lands, which are rapidly replaced by soy crops). Between 1998 and 2007, more than 135,000 sq. km. of the Amazon forest in Brazil have disappeared, the equivalent of one fourth of France! In 2002, 70% of the 1.1 million hectares of new farmland in this region were used for soy crops according to the Brazilian Ministry of the Environment. Soy is currently the largest threat to the Amazon forest.

Widespread use of GMOs and the massive use of pesticides, herbicides and other chemical products affect the environment and even, in some cases, people’s health. The consequences of the pollution from the crop dusting of Roundup Ready soy crops are so serious that some researchers speak of an “ecological bomb.” Indeed, these products accumulate in the soil and are found in agricultural products. They have an impact on consumers’ health. But the people most affected are farmers and all rural people living near fields where these inputs are used massively. Rural populations suspect that soy cropping, which makes heavy use of pesticides, is responsible for the rise in cancers and cardiovascular diseases. The local coordinator for the Land Pastoral Commission (CPT), Antônio Gomes de Morais, accuses soy of having polluted the water supply in the Balsas region (Maranhão) in 2007, causing serious diarrhea, vomiting and the death of two children in a rural community.

A Mixed Social Outcome
Soy is mostly grown on large farms. In Brazil, for example, only 16% of production comes from smallholder farming. One should clearly differentiate between the smallholder farming situations in different regions.

In the Brazil’s southern states (Rio Grande do Sul and Parana), small farms are relatively well organized, within the FETRAF-Sul or various cooperatives. Approximately 80% of soy producers are smallholder farmers who supply one-third of local production. Soy is seen by many farmers as synonymous with progress and development. Farmers agree that it has until now offered more remunerative prices than other competing crops (corn, beans). For now, it has done more to consolidate smallholder farming than it has to destabilize it. Along with this promised income, soy brings the “public goods” financed by the government that are needed to support its growth—education, research and infrastructures—

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10 - CFSI and GRET: “L’impact des importations européennes de soja sur le développement des pays producteurs du Sud”, February 2011. This chapter on soy is drawn from this study containing detailed analyses and proposals. It can be consulted at http://www.cfsi.asso.fr
to the regions where soy cropping is developing. The situation is much less favorable in the Centro-Oeste and Nordeste, where land concentration and evictions, often conducted with the complicity of local political oligarchies, are still the main problem facing small farmers. Antônio Gomes de Morais, from the CPT, has stated that: “Before, we had many communities with people who earned their livings from the land without much difficulty. After the arrival of large-scale agro-industrial [soy] projects, the situation deteriorated and serious conflicts began to multiply. Many families were evicted to make room for agribusiness. People left the countryside for the cities. Cities (such as Balsas) swelled, and favelas sprang up where people lived in poverty because they had not found other sources of income.”

In conclusion, while some smallholder farmers make a profit from soy production, it has above all benefited agribusiness and caused considerable social harm and provoked an environmental disaster.

Alternatives to Soy and Soy Alternatives

We request:

- the development of European production of alternatives to soy (support for legume production, grass-fed stock farming, etc.); and

- the promotion of alternative soy value chains without GMOs, from smallholder farming in Latin America.

Food sovereignty is a universal right, and we believe that Europe, like other regions of the world, must be able to ensure its food independence. However, as the Coordination Européenne Via Campesina farmers’ organization emphasized in January 2010: “But make no mistake: food sovereignty does not mean autarky or a retreat behind borders. Nor is it opposed to international trade: all regions of the world have their own specific products that they can trade; but food security is far too important to allow it to depend on importation.” The poorest countries on the planet (primarily LDCs and ACP countries) must therefore be able to continue to have free access to the European market without anything in exchange. However, European quality standards and sanitary rules set up by the EU with the legitimate aim of protecting consumers can be a barrier for these countries’ exports to the European market, especially for smallholder farmers. Before these standards are established, we ask that impact assessments be conducted and measures taken to allow smallholder farmers in LDCs and ACP countries to continue to have access to the European market.
AGROFUELS: EAT OR DRIVE—MUST WE CHOOSE?

As do the CAP and the EU’s trade policies, European energy policy can have a negative impact on the food security of developing countries. In 2009, the EU committed to incorporating 10% of renewable energy (agrofuels) in transportation by 2020. To do so, the EU must have some of the raw materials it needs produced in developing countries, sometimes to the detriment of local food production and the environment.

For more information, see:


THE CAP, A WAY TO FIGHT THE VOLATILITY OF WORLD AGRICULTURAL PRICES?

The volatility of world prices for agricultural products has negative consequences for both farmers and consumers in developing countries because it causes agricultural product prices to spike and collapse. As the largest exporter and importer of agricultural products in the world,12 the European Union can play a major role in fighting price volatility for these products. Unlike what it has done for years, the CAP should strengthen tools to regulate production so as to limit the risks of over-production and shortage in relation to European consumers’ needs, establish buffer stocks, etc. The EU should also take action to promote these types of measures in other regions of the world and internationally.

ACP-EU JOINT PARLIAMENTARY ASSEMBLY: STRENGTHEN ITS ROLE IN FAVOR OF EUROPEAN POLICY COHERENCE FOR DEVELOPMENT

Article 12 of the Cotonou Agreement provides for the consultation of ACP countries “where the Community intends [...] to take a measure which might affect [their] interests.” As encouraged by the European Parliament,13 we propose that the JPA nominate two standing rapporteurs on policy coherence for development (one from an ACP country and one from the EU). They will ensure the coherence of EU and ACP policy with development, foster the JPA’s discussions and positions on these subjects, publish a biennial report notably focusing on implementation of Article 12, and examine possible complaints from victims of incoherencies.

We saw above that other policies can intensify or mitigate the effects of the CAP. For this reason, some of our proposals deal with these policies.

We invite the European Parliament and the ACP-EU Joint Parliamentary Assembly (JPA) to take into account the following points:

1. In compliance with Article 208 of the Lisbon Treaty, the CAP must be coherent with the development of developing countries (see page 3 for more details).

2. In particular, it must contribute to the attainment of the right to food, and the implementation of the paper "An EU policy framework to assist developing countries in addressing food security challenges" (pg. 3) and the resolution on food security adopted during the December 2010 ACP-EU JPA session in Kinshasa.

3. The EU must continue its efforts and increase its support for the development of smallholder farming in developing countries. We ask that the share of European ODA devoted to this sector be raised to 15% by 2014. Farmers’ organizations in developing countries must be closely involved in elaborating and implementing these programs (pg. 4).

4. The CAP must foster agricultural market regulation in Europe, in other regions of the world and on the international level in order to fight price volatility, which affects the food security of developing countries (pg. 9).

5. The trade and financial policies of the EU and its member-States (EPA negotiations, WTO, IMF structural adjustment plans, etc.) help lessen the food sovereignty of developing countries. Accordingly, we ask that the EU respect developing countries’ right to protect their markets when cheap imports threaten their agricultural production (pg. 4).

6. When this right is not acknowledged and when the means of protection available to developing countries are inadequate to the task, the CAP must renounce all subsidized exports that could harm agriculture in developing countries regardless of whether they are subsidized directly (refunds) or indirectly (decoupled direct aid, etc.) (pg. 5).

7. When the EU imports massive quantities of agricultural products, it must ensure that these imports effectively contribute to development and poverty alleviation, in compliance with Article 208 of the Lisbon Treaty. Notably, the social and above all environmental harm caused by the production of Latin American soy exported to the EU must cause the CAP to promote alternatives that allow the EU to lower its dependency on this soy. It must also support smallholder farmers producing soy in Latin America so as to develop sustainable value chains that do not use GMOs (pgs. 7-9).

8. The CAP must ensure that the various forms of quality and sanitary standards are justified on the basis of transparent scientific criteria. The consequences of such standards on agricultural systems and above all on smallholder farming in developing countries must be evaluated. Measures must be taken to allow them to comply with these standards and continue to have access to the European market (pg. 8).

9. Prior to any decision with a potential impact on the advancement of developing countries and during health checks and mid-term reviews, all parties concerned must effectively be consulted and involved in assessments of the impact on agriculture in developing countries (pg. 5).

10. Civil society organizations in developing countries and the EU, including farmers’ organizations in ACP countries, must be involved in the establishment of a CAP that is fairer to developing countries.
What is your role as PCD standing rapporteur?

Adenauer, former German chancellor, when asked to comment on the impact of the new ministry for development, called it a “rose without thorns”. Judging by the powers of the ministry, that was a fair analysis.

What changed? Of course, we learned through the mistakes made and the successes had. But politicians in this field still face the same problem: development policy is used as a repair service far too often. Only look at illicit outflows from developing countries due to tax evasion by multinational companies. They amount to an estimated 160 billion euros per year in Africa alone. Compare that with the roughly 8 billion the EU is spending on development policy and you clearly see the incoherence. Not only do the developing countries loose a big share of their revenues; the European taxpayer has to spend money that could have been generated otherwise. This incoherence is even more striking when resource extraction companies directly harm the environment or the livelihoods of people. In short, coherent policies might be more potent than more money.

The Standing Rapporteur was created precisely because of those incoherencies. He or she has to monitor the activities of other bodies to ensure that the goals of development policy are not infringed upon. In short, the Rapporteur is meant to be the thorn of the rose (the latter being the obligations toward policy coherence stated in the Lisbon Treaty). Looking at the complexity of policy coherence, his or her success will depend largely on the resources available to him or her.

What will your priorities for 2011 be, in the context of the CAP’s reform?

The main task will be to establish the institutional structures for future work. For example, he or she has to establish and maintain links outside the Parliament with selected stakeholders and to respond effectively to information which comes before him or her, and to propose a possible strategy for enhancing PCD in European and national institutions.

The priorities will be the following: I spoke about the question of transparency in resource extraction. Another field will be the reform of the Common Fisheries Policy. Other issues include trade in arms, migration of health and educational workers, coherence between climate and development policies and, of course, the reform of the Common Agricultural Policy. In the case of the latter, an acknowledgement of the principle “do no harm” would be essential. We have asked for that!

How are you planning to work on PCD with developing countries and European Civil society organizations? If one of them contacts you about EU policy incoherence, what would your role be?

The Rapporteur will also function as a contact point for non-Europeans or civil society organizations. They will be consulted when a biennial report is being drafted. I already started to set up a network of interested stakeholders. The European Ombudsman can also be contacted, although he is only responsible for cases where European institutions act against agreed European standards or laws. The scope of the Rapporteur is much wider in comparison.

How are you planning to work with MPs from developing countries, for example, the members of the ACP-EU Joint Parliamentary Assembly?

I am not sure whether a new body within the structure of the ACP-EU parliamentary assembly is the most convenient way forward for better coordination. It would simply be a question of resources. Are they institutionally capable of dealing with this extensive challenge? But the topic should be brought to a much wider notice. This is not only because of complaints about EU policies. Awareness among stakeholders from developing countries is also necessary, because some of their domestic policies infringe upon the aim of policy coherence, for instance the rules concerning land ownership or the structure of the agricultural sector.
The 'ALIMENTERRE' program aims to raise awareness among political leaders and the European public on the causes of world hunger and the means to fight it. For 2010-2012, it seeks primarily to promote policies and individual behaviors coherent with developing country populations' right to food. The ALIMENTERRE program is coordinated by CFSI (France) in partnership with PKE and PZS (Poland). It brings together the European network EUROSTEP as well as Evert Vermeer Stichting (Netherlands), COSPE and Terra Nuova (Italy), Germanwatch (Germany), SOS Hunger (Belgium and Luxembourg), and PAH (Poland).