



## **G8 Ministers of Agriculture must take concrete action to eradicate world hunger**

### **Oxfam International Statement ahead of the G8 Agriculture Summit in Italy, 18<sup>th</sup> to 20<sup>th</sup> April 2009**

Whilst Ministers of Agriculture are meeting in Cison di Valmarino, Italy, from 18<sup>th</sup> to 20<sup>th</sup> April 2009, 75,000 people around the world will die of hunger – one child every five seconds<sup>1</sup>. This is despite the repeated commitments of their leaders, most recently in the High Level meeting in Madrid in January 2009, to halve the proportion of hungry people in the world by 2015<sup>2</sup>. Unless their governments honour their previous commitments and make new ones, the world's economic crisis and climate change will result in millions more preventable deaths and widespread hunger and poverty leading to political instability.

G8 Ministers of Agriculture and their governments have a critical role to play in tackling world hunger by providing long term, predictable assistance to small-scale food producers in developing countries but also by radically reforming their trade, energy, agriculture and financial policies which have contributed to world hunger and the current food crisis. However, sustainable solutions will only be found when

Southern governments, supported by international donors, take responsibility for ensuring the right to food for all their citizens

All governments and institutions are held accountable for their actions and failures to eradicate hunger and malnutrition; and

There is a radical reform of the global system of food and agriculture, which ensures a central role for the United Nations and the active participation of Southern governments, farmers groups and civil society organisations in global decision-making.

Discussions between the G8 and G5 countries are valuable but global decisions on food security must ultimately involve southern governments and civil society organisations, which represent the majority of the world's hungry and vulnerable people.

### **World hunger is increasing**

The fight against hunger is an uphill battle. The sharp rise in food prices last year increased the number of undernourished people in the world to an estimated 963 million<sup>3</sup>. Among the poorest families, women are most affected: they are eating last and least, rather than buying food they are preparing poorer-quality foods and queuing for cheaper foods, and yet they are the primary food producers.

Global cereal prices are still 71% higher than in 2005<sup>4</sup>. Lower international commodity prices have not yet translated into lower domestic food prices in many low income countries. FAO has

warned that a new price surge is possible during 2009. Once more, poor farmers will not benefit because they are not integrated into markets and the poorest people who spend 60 to 80% of their income on food will face hunger and malnutrition.

The economic crisis will also increase the number of hungry people in the world despite the package of measures announced at the G20 last week because of its downward impact on employment, incomes, remittances and public spending in developing countries.

World agriculture is facing serious long-term challenges that need to be urgently addressed. These include land and water constraints, low investments in rural infrastructure and agricultural research, methods too reliant on expensive agricultural inputs and the impacts of climate change.

### **G8 policies have undermined agriculture in poor countries and contributed to hunger**

G8 countries through their agricultural policies have prevented small-scale farmers escaping poverty and contributed to the escalation in the global food crisis. Forced trade liberalization and decades of subsidized exports and dumping cheap food in developing countries have resulted in expanded markets for G8 countries whilst undermining agriculture in developing countries. As Oxfam's Teresa Caverio said on World Food Day last year, "Misguided or inadequate national agricultural policies, coupled with unfair trade rules and poor economic advice, have created a situation where big traders and supermarkets are gaining from price rises, and small farmers and consumers are losing out"<sup>5</sup>.

The trend in agriculture, as in international finance, has been towards deregulation and a reduced role for the State. These policies have had devastating effects and innocent lives lost due to exposure to market volatility. It is time the world woke up to the need for developing country governments to support their poor farmers, and the obligation of developed countries to help them to do so.

### **Investing in small-scale agriculture reduces hunger and helps adaptation to climate change**

If donors and developing country governments had invested in smallholder agriculture in developing countries over the past two decades, poor people would now be far less vulnerable. Investing in smallholder agriculture in the long term can deliver poverty reduction particularly for women, meet increased demands for food for domestic and international markets and enable adaptation to climate change. The few developing countries that have followed different paths and invested in smallholder agriculture and social protection have proved to be more resilient to the crisis than their peers.

For example, Brazil's PRONAF scheme provides small-scale farmers with loans, technical services and rural outreach programmes, insurance against crop losses, guaranteed prices, and a system of direct purchase from small farmers in support of food security programmes. The policy has led to a significant increase in agricultural spending, leaving Brazil better prepared to tackle the current food crisis and contributed to a considerable reduction in inequality.

Clearly, Brazil is better placed than many poorer countries, which need support from international donors to adequately invest in pro-poor agriculture and social protection. However, there are other examples, which show that substantial public action is possible using international aid. In Niger, the National System of Prevention and Response to Food Crises

combines permanent interventions aimed at addressing chronic hunger, with mechanisms to deal with disasters. The system includes a wide range of interventions, such as food and cash transfers, nutrition interventions, support to grain banks, provision of seeds to farmers, the provision of fodder to pastoralists, a national food reserve and an emergency fund for food interventions. Implementation of the plan is financed through a pooled donor fund with long-term commitments.

Global aid to agriculture declined from 18 per cent of official development assistance (ODA) in the 1980s to just 4 per cent of aid expenditure in 2007<sup>6</sup> when the aid budget for agriculture totaled around US\$ 5.9 billion. An amount which is dwarfed by the support showered by the rich countries of the OECD on their own agricultural sectors, which in 2008 stood at an estimated US\$125 billion a year in direct payments to farmers. €22 billion (US\$30 billion) are needed every year to support farmers in developing countries, according to the UN FAO. Pledges by the US and other G8 governments to increase financial aid for agricultural development are welcome. However, the world's poor have heard similar commitments before – they need to see promises turned into resources and action.

Poor farmers not only need more resources – they also need the right type of assistance from their governments, the private sector and aid agencies. Governments must regulate the activities of the private sector to ensure access to land, inputs, water and credit for small-scale farmers. Smallholder farmers also need easier access to local and national food markets. Public investments must target small food producers and help them protect and build upon their local knowledge, skills and technologies, which are suitable for a carbon and credit constrained world. There is also a need to strengthen producer organisations to engage in markets.

Climate change will have massive impacts on agriculture especially in the poorest countries. Reduced yields from rain fed crops in Africa and other parts of the world are likely to place an additional 170 million more people at risk of hunger<sup>7</sup>. A model of low carbon emitting agriculture must be supported as well as efforts to enable small-scale farmers to adapt to the impacts of climate change. Agriculture needs to be recognised as a core issue in the agenda for the UN Framework Convention on Climate Change negotiations in Copenhagen in December this year.

### **Increasing food production is not enough – poor people need jobs and social protection**

It should be recognised that increasing food production is a necessary but insufficient solution to eradicate world hunger. Most people are hungry not because there is not enough food but because they cannot afford to buy it. Actions in the agricultural sector must be accompanied by measures in health, education, employment and social protection in order to raise incomes and access to food.

Three decades of structural adjustment and pressure from donors have reduced the capacity for public interventions designed to ensure the right to food. International humanitarian assistance, particularly food aid, is filling the gap left by the erosion of national social protection mechanisms<sup>8</sup>. It means that the humanitarian system is over stretched and scarce resources are diverted from crises where there is acute humanitarian need and very limited government capacity. It is now time for developing country governments, supported by international donors, to take responsibility for providing social protection for their citizens.

Even if there is substantially increased investment in pro-poor agriculture and measures to help poor farmers adapt to climate change, periodic food crises are still likely to occur. There are good early warning systems in many parts of the world. However, decision makers are often confused by conflicting assessments of the severity and causes of food crisis coming from different government, UN and non-government agencies, which delays preventative interventions. A number of UN agencies and International NGOs have already agreed to work together with national governments using the Integrated Phase Classification (IPC) approach to food security monitoring in order to provide common analysis and response recommendations. This approach must be supported by multi-donor funding at national, regional and global levels if responses to food crises are to be more timely and appropriate.

### **Southern governments and civil society must have a voice in a new global food system**

Developing countries are still being bombarded with different food and agriculture initiatives and asked to produce multiple plans for different donors. National agriculture plans, in the context of hunger eradication strategies, should provide the basis for support from international donors and organisations. Hopefully, the work of the High Level Task Force on the Global Food Security Crisis will result in improved coordination at the national level, ensuring the participation of local farmers' groups and other civil society organisations, and in the development of national plans supported by a wide range of stakeholders.

At the global level, it is commendable that the G8 is concerned about soaring world hunger but we need to see one coordinated international response, led by the UN, which channels funds urgently to those in need, and leads on implementation of longer-term reforms.

### **G8 governments must:**

Give serious consideration to a legally binding international convention that aims to eradicate hunger by 2025 and would raise the accountability of committed governments in recognition of the fact that previous commitments have failed to bring about reductions in world hunger<sup>9</sup>.

Provide longer term (minimum of five years) and predictable financial and technical support to the poorest countries, respecting their previous financial commitments and make new ones to increase ODA to agriculture and rural development.

Support adequate safeguards and policy space for developing countries in multilateral, regional, and bilateral trade negotiations and agreements in order to promote food security and develop agriculture and stop pressing for rapid liberalisation.

Reform their agriculture and trade policies which permit dumping, restrict policy space, and hinder growth in developing countries.

Recognize the needs for public interventions in food markets in developing countries, including food stocks but also fiscal and trade measures.

Support the design and implementation of effective national and regional agricultural policies, for example ECOWAS/ECOWAP in West Africa, not just CAADP

Ensure that the US\$50 billion committed by the G20 to low income countries in response to the global economic crisis flows quickly, without harmful conditions, and addresses vulnerability by enhancing social protection to reduce hunger, improve food security and sustain the productivity of agriculture. These funds should be additional and separate from the extra US\$50 billion that G8 leaders have promised to allocate to ODA every year by 2010.

Financially support improved approaches to food security monitoring at national, regional and global levels which promote consensus between stakeholders according to a common analytical approach.

Commit to a renewed global partnership on food and agriculture, building upon existing global and regional mechanisms, and include in decision making all relevant stakeholders: southern and northern governments, farmers organisations, members of the High Level Task Force and NGOs. G8 Ministers of Agriculture must play an active role in the Committee in World Food Security (CFS) in order to promote its radical reform so that it can become the central political pillar within a Global Partnership on Agriculture and Food Security.

Ensure that a future global partnership on agriculture and food security has not only a political and technical pillar, but a financial pillar as well. Whilst this does not require a new global fund, there is a need for a mechanism, which can monitor the financing requirements of national governments and ensure donor funds coherently support national food and agriculture plans and can monitor extent to which all governments honour their commitments.

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- 4 FAO [http://www.fao.org/worldfoodsituation/wfs-home/en/?no\\_cache=1](http://www.fao.org/worldfoodsituation/wfs-home/en/?no_cache=1)
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- 7 Intergovernmental Panel on Climate Change, <http://www.ipcc.ch/>
- 8 Oxfam International (January 2009). *A Billion Hungry People. Governments and aid agencies must rise to the challenge.* [http://www.oxfam.org.uk/resources/policy/conflict\\_disasters/bp127\\_billion\\_hungry\\_people.html](http://www.oxfam.org.uk/resources/policy/conflict_disasters/bp127_billion_hungry_people.html)
- 9 See proposition for an International Convention for the Eradication of Hunger and Severe Malnutrition prepared by Andrew MacMillan and Jose Luis Vivero. [http://km.fao.org/fsn/resources/fsn-viewresdet/es/?no\\_cache=1&r=708](http://km.fao.org/fsn/resources/fsn-viewresdet/es/?no_cache=1&r=708)