


A Food Security Perspective on Canada's International Trade and Development Assistance Policies

A Discussion Paper for the Government of Canada's International Policy Review



Submitted by the
Canadian Food Security Policy Group
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The **Canadian Food Security Policy Group** (FSPG) brings together Canadian international development agencies, emergency relief providers, farmers/producers' organizations and human rights groups who have worked for decades in sectors related to enhancing food security in developing countries and in Canada. Members include Canadian Council for International Co-operation, Canadian Foodgrains Bank, Developing Countries Farm Radio Network, Development and Peace, ETC Group, Inter Pares, Mennonite Central Committee Canada, National Farmers Union (Canada), Oxfam Canada, Partners in Rural Development, Rights and Democracy, UPA Développement international, USC Canada and World Vision Canada.

The FSPG seeks to promote development assistance and international trade rules that protect and enhance food security in developing countries. We are committed to the development of a global governance system that will contribute to fulfilling the human right to food, strengthen the livelihoods of small food producers in developing countries and foster a healthy agricultural sector for farmers in Canada.

Executive Summary

In a world that produces enough food for all, more than 840 million people suffer the effects of hunger. The majority of these live in developing countries. The persistence of hunger world-wide demonstrates the failure of governments North and South to meet their obligations with regard to the right to food.

The Canadian Food Security Policy Group (FSPG) calls on Canada to promote food security as a key priority in its international policy. The Group proposes that Canada adopt a human rights framework to pursue this goal.

A human rights framework for food security policy requires national governments to:

- govern based on the rights they have committed to uphold;
- implement policies that increase food security and avoid policies that constrain it;
- undertake to promote and protect the rights of the most vulnerable;
- refrain from actions that threaten to undermine food security in other countries;
- ensure coherence between human rights treaties and other international agreements.

This paper lays out proposals for Canadian international aid and trade policies that flow from such an approach.

Development Assistance

Small-scale agricultural production is the foundation of rural food security and the rural economy in most developing countries. International and national policies must strengthen and not undermine the capacities of small producers.

The FSPG commends the Government of Canada for CIDA's 2003 commitment to increasing support for agriculture for sustainable poverty reduction and we urge continued leadership in this area. Aid spending commitments for agricultural programming must be maintained and strengthened. Funding should target the livelihood and entrepreneurial strategies of small holders and the rural poor. Development assistance for entrepreneurial activity is most useful when it supports local production and distribution by small-holder farmers and the rural poor, leading to revitalized local economies. Strengthening the rights and participation of rural women is central to the success of these efforts.

International Trade Policy

The rules that govern international trade in agriculture are in need of major reform. Two key trade policies work hand-in-hand to perpetuate hunger: agricultural subsidies in rich countries, and forced removal of tariffs in poor ones. Massive below-cost exports are dumped on the international market, driving down prices and making it impossible for

poor farmers to compete. Subsidized exports also compete unfairly with those from Canada. While Canada rightly decries US and EU subsidies, at the same time it supports rules that pry open developing country markets. The effect on food security is grim.

Canada has many shared interests and concerns with developing countries: as trading partners, as global partners in meeting development goals, and as allies in ending perverse subsidies. We also have common interests in ensuring that trade rules allow all governments to pursue what have become hallmark Canadian solutions to agricultural development – the promotion of orderly markets, including supply management and single desk exporting.

Canada must re-think its positions and alliances at the WTO in order to advance the food security needs of developing countries and to protect the interests of Canadian farmers' within a viable multilateral system.

Summary of Recommendations:

- 1) The Government of Canada should undertake a comprehensive approach to food security by adopting a human rights framework to determine international trade and development assistance policy and priorities.**
- 2) The Government of Canada should honour and strengthen current spending commitments for development assistance to agricultural programming for food security and rural development.**
- 3) The Government of Canada should complement existing development assistance commitments by supporting the entrepreneurial activities of small-holder farmers and the rural poor.**
- 4) Government of Canada policies and programs designed to support agricultural and entrepreneurial activities must include specific strategies to strengthen the position of women.**
- 5) The Government of Canada should support a comprehensive approach to end dumping.**
- 6) The Government of Canada should actively support trade rules that provide developing countries adequate flexibility to implement food security initiatives.**
- 7) The Government of Canada should defend the rights of governments to promote orderly markets through diverse national and international strategies.**

1. Introduction

The Government of Canada has launched an International Policy Review, highlighting the need for a coherent and integrated approach to Canadian foreign policy. The Canadian Food Security Policy Group (FSPG) welcomes the opportunity to contribute to this critical process. This discussion paper outlines key elements of the Food Security Policy Group's analysis, drawing particular attention to the impact of Canadian official development assistance and international trade policies on global food security.

World leaders, including Prime Minister Paul Martin, have repeatedly underlined that ending global poverty is a key political imperative of the 21st century. However, despite international commitments, progress in reducing hunger and malnutrition – a key indicator of poverty - is stalled. In a world that produces enough food for all, more than 840 million people suffer the effects of hunger, and every seven seconds a child under the age of 10 dies directly or indirectly as a result of not having enough to eat.¹ The majority of these people live in developing countries and depend on agriculture for their livelihood.

The Food Security Policy Group calls on the Canadian government to examine its international policies through the lens of food security and that it promote policies that enable national governments to fulfill their human rights obligations, including the human right to food. This would require a fresh analysis of the issues that affect food security, such as international trade and development assistance policies.

Governments should have the flexibility to legislate in the public interest and not be prevented from doing so by trade policies or other international agreements imposed in multilateral, bilateral or regional processes. Canada must promote this flexibility by prioritizing food security and building upon its experience in developing innovative policies and institutional responses for viable agricultural sectors. In doing so, Canada will strengthen its reputation as a forward-looking and dignity-promoting actor in the global community;

This discussion paper explores relationships between food security and international policy, particularly in the areas of trade and development assistance. It highlights the need for a coherent strategy on which to base future action. The FSPG proposes that Canada adopt a human rights framework to promote food security, and identifies key issues and proposals for Canadian aid and trade policies that would flow from such a framework.

2. International Commitments to End Hunger

The international community, including Canada, has made a number of commitments to reduce food insecurity around the world. Despite these promises, the United Nations

Food and Agriculture Organization (FAO) has cautioned that the goal of halving the number of people who suffer from hunger can be reached only if annual reductions are accelerated to 26 million people per year - more than 12 times the average annual decrease of 2.1 million people achieved to date.

The Human Right to Food

The persistence of hunger worldwide illustrates the failure of governments to meet their obligations with regard to the right to food, as articulated in article 25(1) of the *Universal Declaration of Human Rights* and codified in article 11 of the *International Covenant on Economic, Social and Cultural Rights* (ICESCR). State parties to the ICESCR are required by ratification to adopt and implement policies that increase levels of food security and to avoid policies that constrain their ability to do so. This obligation is extended beyond national borders by requiring that governments “in international agreements, whenever relevant, ensure that the right to adequate food is given due attention.”²

The human right to food is realized when every man, woman and child enjoys food security. As a party to the ICESCR, and thereby a supporter of the human right to food, Canada's international policies must respond to this fundamental objective. A human rights framework for national food security policy offers multiple advantages for both developed and developing countries. Properly implemented, it responds to the issue of political will by requiring national governments to govern based on the rights it has committed to uphold.

States parties to the ICESCR are encouraged to make specific efforts to promote the rights of the most vulnerable. This means they should enact policies and programs aimed specifically at reducing the number of hungry people. In addition, States undertake not to adopt measures that might undermine such efforts or result in increased levels of hunger. This commitment extends to international trade agreements and positions taken at the World Bank (WB) or the International Monetary Fund (IMF) that could undermine food security in other countries.

The Millennium Development Goals

As a means of providing markers for the elimination of hunger, United Nations member-states unanimously adopted the Millennium Development Goals (MDG) in 2000. Canada has been a strong supporter of the MDGs. The first MDG promises to “reduce by half the proportion of people living on less than \$1 a day and to reduce by half the proportion of people who suffer from hunger.”³ It has become abundantly clear, however, that in order to honour this international commitment and to re-invigorate Canada’s place in the world, fundamental changes are needed in Canada’s over-arching international policy framework.

3. The Role of Development Assistance in Supporting Food Security Initiatives

In many developing countries, 60-80% of the population relies on agriculture for their livelihood, mostly small-scale farmers. Small-scale agricultural production is the foundation of rural food security and the rural economy, providing employment for the landless and food for farming families and local markets. It is critical that international and national policies strengthen and support small-scale agricultural producers and, at the very least, do not undermine the very assets and capabilities that sustain rural livelihoods for the majority of the planet. While the obligation to protect the human right to food is universal, the type of support required is specific to each context. It is therefore essential that international policy provide sufficient space for communities and national governments to elaborate and enact their own food security frameworks, allowing diverse rural development strategies to flourish.

Small-scale agricultural producers are a critical link between agricultural policies and the reduction of hunger. Canada has in the past effectively used its official development assistance to support food security through programs targeting small and resource poor farmers. The Government of Canada, and specifically the Canadian International Development Agency (CIDA), is to be commended for its 2003 commitment to strengthening support for agriculture in sustainable poverty reduction and rural development. Nevertheless, more Canadian leadership is needed. In the context of the current International Policy Review, a key concern is that government action and spending commitments for agricultural programming for food security be maintained and strengthened.

Full implementation of the recommendations outlined in CIDA's policy on *Promoting Sustainable Rural Development through Agriculture* should be a high priority in the new international policy framework, minimally meeting existing commitments. The current targets for aid spending on agriculture of \$225 million in 2003/2004/2005 and \$500 million by 2007/2008 should be maintained or enhanced in order to ensure that the Millennium Development Goals for hunger and poverty reduction are met.

An international campaign advocating increased quantity and quality for agricultural aid has in fact cited Canada as an example for donor countries to follow.⁴ CIDA's programming commitments in agriculture have played, and should continue to play, a positive role by strengthening and promoting sustainable rural development through agriculture. This can be achieved in ways that ensure rural populations, particularly small-scale producers in developing countries, can remain on the land, enhance their livelihoods and produce food for consumption and sale in local and regional markets.

Increased coherence among relevant government departments would enable Canada's international policies to have a dramatic impact in addressing hunger. However, coherence around principles that do not place the human right to food at the core, risk eroding the potential benefits of CIDA's rural development and agriculture policy.

Community-based food security systems are a central component of innovative and viable rural development strategies because they ensure sustainability and local ownership. One such system is briefly examined in the box below, illustrating the food security implications of support provided by a non-governmental organization to a local food security system in the Indian state of Andhra Pradesh.

Food Security in Women's Hands: A local approach to food security

In the Indian state of Andhra Pradesh, in a semi-arid district called Medak, a group of women are revolutionizing the way we look at food security. Medak is part of India's "hunger belt" – a section of the country that routinely requires emergency food assistance. Historically, families have had to rely on a combination of survival strategies, including borrowing from moneylenders at usurious rates, migrating for wage labour and applying for food rations. Yet, even in times of drought, women who have formed *sanghams* (village women's groups) with the help of a local NGO called Deccan Development Society (DDS), have not needed food rations, are no longer borrowing money and rarely migrate for work. They have enough food of their own to eat. The sangham women, nearly all of whom belong to the Dalit, or so-called "untouchable" caste, have created their own locally-based food security system through community grain banks.

The sangham community grain banks are run entirely by local women who grow, buy and store traditional crops such as sorghum and millet. At harvest time, the villagers keep some grain for their own consumption, and deposit the rest in their own community grain bank to be distributed within the community during lean times. The grain is bought from villagers at decent market prices and sold back when needed at a slightly cheaper rate – the difference being made up by interest earned on bank deposits made after the grain is sold. This system is financially sustainable and allows families to grow and eat inexpensive nutritious food all year around, as well as increasing local employment opportunities.

These sorghums and millets, all of which have adapted over time to thrive in local soil and water conditions, provide the cornerstone of community-based food security. In addition, because the community grain bank crops are all grown ecologically without the use of chemical pesticides or fertilizers, there is an abundance of uncultivated food such as green leafy vegetables, roots and tubers, which grow among and around the grain fields. These locally-available, free of charge, uncultivated foods provide up to 60% of poor people's food supply, especially during times of hunger, and are extremely rich sources of nutrients.

By providing support to these sanghams, groups such as DDS play a small but vital role in helping to ensure local food security, as well as community participation in wider development issues. In turn, local production and distribution benefits the local population in a truly sustainable fashion, building the foundation for a vibrant local economy free of the food security vulnerabilities associated with a dependence on export crops, or externally-led food assistance programs.

Linking private sector initiatives with small scale farmers

In developing a coherent approach to food security, the Government of Canada should expand support for non-traditional partners in private sector development. CIDA and other government agencies should work with farmer organizations in developing countries and civil society in Canada to identify innovative approaches to maximize impact. Such activities could include increased support for marketing agencies and cooperatives as well as communal market systems, including those based on joint property rights established through common land systems.

The use of a gender-sensitive approach would support and strengthen the positive contribution of rural poor women to food security, and would build upon existing expertise in CIDA. Women's activities have often been undermined by biased legal and economic systems that do not recognize their rights as citizens or their contributions to the economy. Women have had disproportionate difficulty securing land rights and access to credit and training and have experienced difficulty accessing production inputs and information. Programming aimed at supporting the entrepreneurial initiatives of the poor must explicitly seek to strengthen the position of women by acknowledging and addressing biases in economic, political and social relations.

The FSPG supports Prime Minister Paul Martin's vision that local small businesses and informal, village-based micro-enterprises contain an "untapped" potential for economic development.⁵ Development assistance for entrepreneurial activity is most useful when it promotes local production and distribution by small-holder farmers and the rural poor, leading to revitalized local economies. However, local and national markets are undermined by international trade rules that permit dumping of subsidized food into their markets and discourage the application of protective measures. This situation constrains the development benefits that could result from the activities of small and medium enterprises and erodes food security. Such erosion is a violation of the human right to food.

A "whole of government" approach to international policy-making on agriculture and food security is urgently needed. For Canadian foreign policy to be effective, its various components must complement, rather than conflict with, each other.

4. Re-thinking Agricultural Trade Rules for Food Security

The rules that govern international trade in agriculture require major reform if the international community is to make significant progress towards food security and realisation of the human right to food. Indeed agriculture has become the pivotal development issue of the Doha Development Agenda of the World Trade Organisation (WTO).

Paragraph 13 of the Doha Declaration explicitly requests WTO members to formulate rules that will "enable developing countries to effectively take account of their

development needs, including food security and rural development." This is crucial since certain agricultural rules and trade practices of wealthy countries discourage effective national strategies to fight hunger and promote development.

Rules governing two key trade policies work hand-in-hand to perpetuate hunger: agricultural subsidies in rich countries, and forced removal of tariffs in poor ones. Rich-country price supports and subsidies –totaling \$235 billion in the Organisation for Economic Cooperation and Development (OECD) in 2002—allowed the export of grain up to 40% below the cost of production.⁶ Massive below-cost exports drive down the world price and make it impossible for poor farmers to compete. At the same time, subsidized exports compete unfairly with those of Canada's farmers.

Canada rightly decries US and EU subsidies, but at the same time supports rules that pry open markets and compound the damage. Subsidized imports flood poor countries thanks to IMF and WB loan conditions that roll back tariffs, and WTO rules that prohibit raising them. Oxfam research shows many poor country markets are now far more open than rich ones. Peru and Bolivia are twice as open as US or Canada. Mozambique, Zambia and Mali are more open than UK, France and Germany.⁷ FAO research has documented the results across numerous developing countries: the promised rise in exports has largely flat-lined while imports of cheap, often dumped, agricultural imports have surged.

The development impacts are grim. With poor countries locked into open market policies, the world price becomes the local price and poor farmers are unable to sell their harvests even in their own villages. The evidence points to rising rates of poverty and increased concentration of land as small-holders buckle under economic pressure. This is development going in the wrong direction.⁸

Agricultural development, propelled by small-scale farmers, has historically been a key building block for national economic development. For agriculture to prosper, farmers must receive prices that more than meet their costs of production. If the production and marketing of key staple crops is disrupted by lower priced imports, the consequences are immediate and serious – children are removed from school for lack of school fees, family food intake is reduced, and the use of agricultural inputs drops. Given the linkages between farmers as food producers and as purchasers and providers of other services in the rural and urban economy, national government must be given the flexibility to enact policies which favour local and regional agricultural development.⁹

New Context for Trade Talks

Power is configured differently in the world now than it was during the Uruguay Round, and the North can no longer impose its preferences on the South. The emergence of the Group of 20 and Group of 90¹⁰ countries provide an important new context for trade talks. Canada must re-think its positions and alliances at the WTO in order to respect our human rights obligations and development objectives as well as to advance Canadian interests within a viable multilateral system.

Canada has many shared interests and concerns with developing countries: as trading partners, as global partners in meeting the MDGs, and as allies in addressing EU and US intransigence on subsidies. We have common interests in assuring flexibilities to continue pursuing hallmark Canadian solutions to the challenges of agricultural markets, including supply management and single desk exporters.

A new “out of the boxes” approach is required that treats international trade as a means not an end, and derives priorities from a human rights framework for food security and development more broadly.

5. A Forward-looking Vision for Canada on Agricultural Trade Policy

The promotion of a human rights framework for agricultural trade policy requires action in three key areas:

- A) Comprehensive policies to end dumping;
- B) Flexibility provisions to promote food security initiatives;
- C) Promotion of orderly markets through diverse strategies.

A. Comprehensive Policies to End Dumping

Agricultural subsidies must be brought under strict multilateral discipline since they are tools of the wealthiest countries and inflict significant damage on all others, including Canada, but particularly the poorest. Nevertheless, bringing down the subsidies will be a gradual process and there is growing evidence that it will not be enough to curb overproduction, raise prices or address dumping.¹¹ Canada should, therefore, pursue a more comprehensive approach.¹²

Subsidies: In the short to medium term, Canada must keep up the pressure to end all export subsidies and impose effective disciplines on other expenditures that contribute to over-production and dumping. An overhaul of the definitions and “boxes”, for what constitutes “allowable” spending is in order to tighten up these disciplines.

Defensive tools: Exhortation is not sufficient to end perverse subsidization. It will take measures that cost the offenders. Farm policies in the US and EU will result in at least another five, and more likely ten years, of high subsidies. For developing countries, whose treasuries cannot “compete,” new low-cost trade flexibilities are crucial to enable them to meet the challenge of reducing hunger for their population. To put it simply, in light of continued dumping, the rules must allow developing countries to defend themselves by raising tariffs on subsidized imports. Proposals along these lines that rich countries — including Canada — pushed off the table before Cancun, must be revived and supported.

Increased transparency of producer supports: All supports must also be accounted for in determining what policies contribute to lowering export prices below costs of production.¹³ As the Institute for Agriculture and Trade Policy has argued, the OECD

should be encouraged to publish annual full-cost of production estimates for all exported crops by member countries.

The Bitter Taste of the Global Trade in Sugar

European subsidies, quota restrictions and high tariffs distort and undermine the international trade in sugar for all countries including those under preferential access agreements. According to Oxfam International, the European Union spends almost 2 billion euros annually on the sugar industry. That works out to a subsidy of 3.30 euros for sugar worth only 1 euro. In addition, quota restrictions in Europe block access of sugar products from countries like Mozambique. Even under the improved terms of the Everything but Arms Initiative (EBA)¹⁴, Mozambique is only permitted to supply EU markets with 10,116 tonnes of sugar, representing only four hours of EU consumption of sugar annually. Mozambique could in theory, export 80,000 tonnes of sugar to European markets competitively. As Oxfam notes, “for every US\$3 the EU gives Mozambique in aid, it takes back US\$1 through restrictions on access to its sugar market.” Projected losses from EU quota rates in Mozambique are US\$38 million, equivalent to total expenditures on agriculture and rural development by the Government of Mozambique.

Rather than improve the situation of agriculture in Mozambique, the Agreement on Agriculture legalized EU subsidies, quotas and tariff rates. This situation has undermined the ability of farmers in Mozambique to reach the international market and has reduced their ability to compete in domestic markets. The distorted trade in sugar drastically undermines the livelihoods, and thus the food security, of farmers in Mozambique.

B. Active Support for Trade Rules that Promote Food Security

Because 60% to 80% of the population in many developing countries derives its living from agriculture, the needs of farmers in these countries are fundamentally different from those in developed economies. This means that the “one size fits all” approach to trade policy is a non-starter. Amartya Sen has argued that equal rules for unequal partners make for unequal rules. The Doha Declaration acknowledged that reducing the gap between high-income and low-income trading partners is essential for a trading system to be fair.

Canada must adopt a more robust approach to the Doha Round commitments with regards to special and differential treatment if it is to bring meaning to the development promise of the current negotiations. Canada should support developing country proposals for food security including a special safeguard to address import surges and price volatility, as well as the designation of a limited number of special products as key food security staples exempted from tariff reductions. Canada should respect the spirit of asymmetrical concessions in this regard and not attempt to narrow the scope of these strategies or link them to market access concessions that can damage small farmers.

Special attention must also be paid to the needs of the G90 countries who face the erosion of preferential treatment agreements that were critical in nationally-determined poverty eradication strategies.

While border measures are their most ‘affordable’ policy option, some developing countries also provide small amounts of domestic support to their farmers, often in the form of assistance with inputs or transportation. This type of domestic support can encourage increased production in countries where food is in short supply and can also be targeted towards low income, resource-poor farmers.

C. Promotion of Orderly Markets through Diverse Strategies

Canada’s experience in orderly marketing in the supply-managed sector and via the Canadian Wheat Board sets useful precedents for developing countries. In the face of increased consolidation of corporate control in the supply of agricultural inputs and in the purchase, processing and marketing of commodities, orderly marketing has provided Canadian farmers with the means to increase their voice in the marketplace and secure sustainable livelihoods. Mechanisms that allow farmers to cooperate in marketing their produce are vital to strengthening rural economies and giving farmers a say in the processes that determine their livelihoods. Yet they are under constant attack from powerful WTO members.

Canada could garner support from developing countries for the Wheat Board and for our supply management system if it supports the right of all countries to make use of similar instruments, adapted to their local needs. If disciplines are to be applied to the Wheat Board, they should also apply to all entities of similar market power, including private corporations.

Over the longer term, Canada should develop alliances and research in the interest of renewing support for international supply management approaches. This would include commodity agreements supported by sound national policies to help address overproduction and the attendant hemorrhaging of commodity prices, which is inimical to the interests of farmers everywhere.

Supply-Managed Dairy and the Canadian Wheat Board Innovative responses to global market pressures

Canadian farmers have developed unique responses to help them mitigate the distortions of agricultural markets. Often referred to as “orderly marketing systems”, both the supply-managed farming practices of the dairy industry and the marketing system of the Canadian Wheat Board have provided Canadian farmers with tools that increase their ability to achieve a more sustainable livelihood.

Due to the highly concentrated structure of agricultural processing industries, farmers are at a distinct disadvantage when they market their products – they are price-takers, rather than price-setters¹⁵. Dairy and wheat farmers in Canada have sought to increase the power of farmers as sellers by working together, whether agreeing to limit the supply of goods or to market their products through one seller.

Both of these institutional and policy responses reflect farmers’ interests in increasing their power in an unstable global marketplace, dominated as it is by limited buyers and multiple sellers. Developing country farmers should be supported in their efforts to develop their own approaches to similar problems faced in agricultural markets.

6. Conclusion

Agriculture and food security are critical to successful development. A review of Canadian policy in this area is critical if the government is to meet Prime Minister Martin’s challenge to reinvigorate Canada’s role in the world. The agenda for international trade and development assistance proposed here challenges fundamental assumptions in the current Canadian approach. It therefore will not be without controversy. At its heart, this agenda reflects our commitment to the fulfillment of human rights, including the human right to food, as the first responsibility of government.¹⁶

The FSPG is confident that the Government of Canada will find great public and global support for this forward-looking vision. We would welcome an opportunity for further discussion regarding the implications of and opportunities presented by a human rights framework for food security and poverty eradication policies.

Recommendations

- 1) **The Government of Canada should undertake a comprehensive approach to food security by adopting a human rights framework to determine international trade and development assistance policy and priorities.** At a minimum this would mean that existing and new trade and aid agreements would not erode human rights. Specifically, Canada should demonstrate how it is pursuing its commitment to the progressive realization of the human right to food through its aid and trade policies.
- 2) **The Government of Canada should honor and strengthen current spending commitments for development assistance to agricultural programming for food security and rural development.** These programs will be most useful when targeted to community-based food security programs, as well as to local production and distribution by small-holder farmers and the rural poor, leading to the revitalization of rural economies.
- 3) **The Government of Canada should complement existing development assistance commitments by supporting the entrepreneurial activities of small-holder farmers and the rural poor.** This could be done through support to alternative marketing systems such as cooperatives and communal marketing systems, including those based on joint property rights established through common land systems.
- 4) **Government of Canada policies and programs designed to support agricultural and entrepreneurial activities must include specific strategies to strengthen the position of women.** This must be done through targeted programs that address biases against women in economic, political and social relations such as, but not limited to, land rights and access to credit.
- 5) **The Government of Canada should support a comprehensive approach to end dumping.** This must include continued pressure to eliminate export subsidies and other supports that promote dumping; a re-definition and restriction of allowable supports; and flexibility for developing countries to use border measures to defend their farmers against dumped goods. Canada should also call for increased transparency through full cost of production estimates for export commodities in OECD countries.
- 6) **The Government of Canada should actively support trade rules that provide developing countries adequate flexibility to implement food security initiatives.** This should include, but not be limited to, support for robust safeguards, exemptions for food security crops from further market opening, scope for increased support to promote production by poor farmers, and special measures to address preference erosions for the least developed countries.
- 7) **The Government of Canada should defend the rights of governments to promote orderly markets through diverse national and international strategies.** Canada should support trade rules that allow governments to promote farmers' power in the

market place; call for increasing WTO transparency requirements of large companies trading in agricultural commodities; adopt the *UN Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights*¹⁷; and, build consensus for international regulation of commodity production.

We would welcome an opportunity to further discuss our ideas on the implications and opportunities presented by a rights-based approach to food security and poverty eradication.

End Notes

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- ¹ The UN Food and Agriculture Organization, *The State of Food Insecurity in the World*, 4th ed., 2002
- ² E/C.12/1999/5, United Nations Committee on Economic, Social and Cultural Rights, *General Comment 12: The right to adequate food*, April 1999. <http://www.unhchr.ch/>.
- ³ MDG, www.un.org/millenniumgoals ratified by all 191 countries of the United Nations.
- ⁴ More and Better: an International Campaign for Food, Agriculture and Rural Development Aid to Eradicate Hunger and Poverty (www.moreandbetter.org).
- ⁵ Prime Minister Paul Martin, “Presentation to the United Nations Secretary General of the Commission Report Unleashing Entrepreneurship: Making Business Work for the Poor,” March 1, 2004, www.pm.gc.ca.
- ⁶ IATP (2003). *United States Dumping on World Agricultural Markets*. Cancun Series Paper no. 1. www.tradeobservatory.org
- ⁷ Oxfam International (2002). *Rigged Rules and Double Standards: Trade Globalization and the Fight Against Poverty*.
- ⁸ FAO (2000). *Agriculture Trade and Food Security: Issues and Options in the WTO Negotiations, from the Perspective of Developing Countries*. Vol. II Country Case Studies. Rome: Food and Agriculture Organization.
- ⁹ Agricultural income growth generates strong multiplier effects beyond agriculture. Research by the International Food Policy Research Institute (IFPRI) in Sub-Saharan Africa suggests that every \$1 generated in the agricultural sector can produce \$3 through linkages to other sectors. Watkins, (2004). “WTO Negotiations on Agriculture: Problems and Ways Ahead”. Background Briefing Paper for Conference *Breaking the Deadlock in Agricultural Trade Reform and Development: How Could a Leaders’ Level G20 make a Difference*, Oxford, June 8-9; 3.
- ¹⁰ The G20 is a group of developing countries led by Brazil that formed in the lead up to the WTO Cancun Ministerial. Membership has changed over time. Current membership is 22 and includes a range of larger and smaller developing countries including India, China, South Africa, Nigeria, Philippines, and Chile. The G90 brings together the Africa, Caribbean and Pacific (ACP), Least-Developed Countries (LDC) and African Union (AU) groupings. At Cancun it represented 91 developing countries, 60 of which were WTO members. Their objectives have included protecting their preferential access to northern markets, and resisting the introduction of the Singapore Issues. Members include: Bangladesh; Jamaica; Botswana; China; Cuba; Egypt; India; Indonesia; Kenya; Malaysia; Nigeria; the Philippines; Tanzania; Venezuela; Zambia and Zimbabwe.
- ¹¹ Agricultural economist Daryll Ray at the University of Tennessee has done in-depth analysis to show how land in use has a greater influence on production levels than subsidies for example. “Subsidies and Production” March 12, 2004 available at www.apacweb.ag.utk.edu/articles04.
- ¹² These proposals more fully fleshed out by the IATP (2003) *op. cit.*
- ¹³ Including government paid input costs, transport and handling subsidies etc.
- ¹⁴ The EBA is the 2001 initiative of the EU to eliminate import quotas and duties on all products except arms from the world’s 48 poorest countries. The initiative has very slow phase in for key products such as sugar, rice and bananas.
- ¹⁵ Sophia Murphy, “Managing the Invisible Hand: Markets, Farmers and International Trade” IATP, April 2002.
- ¹⁶ The *Vienna Declaration and Programme of Action* (UN World Conference on Human Rights, 1993), states in article 1, that “The promotion and protection of human rights is the first responsibility of governments”.
- ¹⁷ Full text available at <http://www1.umn.edu/humanrts/links/norms-Aug2003.html>