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PUTTING FOOD ON THE INTERNATIONAL TABLE

Abstract: Based on the recent Group of Eight (G8) Summit held in Italy, this issue of the Alert will examine international deliberations on food security with a focus on the efforts and challenges facing the G8 and the Association of Southeast Asian Nations (ASEAN) in formulating comprehensive solutions to address food security. In the section on ASEAN, we highlight ASEAN negotiations with the United Nations Food and Agricultural Organization (FAO) and the Gulf Cooperation Council (GCC), and examine ASEAN's strategic action plan on food security.

the capacity of marginalised sections of society – namely women and small-scale farmers.

The Summit ended with members pledging US\$ 20 billion to be set aside for the initiative on agriculture and food security in developing countries, which will be disbursed over a period of three years. This amount was more than what observers had suggested would be committed (about US\$ 10 – 15 billion) at the start of the Summit.

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Discussions on food security took centre-stage on the last day of the G8 Summit in Italy from 8 – 10 July, as members came to a consensus on the need to adopt policies focusing on agricultural development rather than just on food aid, in a bid to ensure food security in developing countries. This shift in approach is crucial in light of the increasing global demands for food production as a result of increased population growth globally and more importantly a means of reducing hunger in the long-term. Leaders have noted that the approach would focus on increasing agricultural productivity, providing stimulus to harvest interventions, emphasize private sector growth in agriculture and related industries, preservation of natural resources, job expansion, increased trade flows, and building

Reactions and Responses

The shift in policy has been welcomed by many leaders in the international community as a positive step forward by the developed world in addressing a critical global issue, which would also assist in synergising with other global adaptation measures to ensure sustainable development. United Nations agencies such as the Food and Agricultural Organization (FAO) welcomed the policy shift from aid to investment, as it underscores the importance of empowering farmers by providing them with the essential skills to sustain their own livelihoods, rather than being dependent on food aid.

G8 investment in the agricultural sectors of

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developing countries would also complement existing initiatives such as the African Union's New Partnership for Africa's Development (NEPAD). NEPAD commits African countries to creating the conditions required for sustainable development and the eradication of poverty, while urging developed countries to provide financial support in achieving this. According to *The Seattle Times*, the G8's new food security initiative – largely spearheaded by the US and Japan – has been inspired by the Bill and Melinda Gates Foundation, which has played a major role in agricultural development since it launched the Alliance for a Green Revolution in Africa (AGRA). Since 2006, AGRA has provided funds to improve seeds, fertilizers, irrigation and market access for small farmers in Africa. Despite these positive prospects, there have been some concerns and scepticism over several significant issues.

'Land grabbing'

A primary concern of such developments would be increased 'land grabbing' – a term used by the UN and other analysts to describe a process in which wealthier countries buy land in food-producing countries to meet their own domestic food demands at the expense of the latter's own food security. News and reports from the UN and analysts in India, Washington and London estimate that at least 30 million hectares of land are being acquired to grow food for countries such as China and the Gulf states who cannot produce enough for their own populations. Table 1 highlights the extent of land grabbing thus far in selected Asian states.

The main implication for the future would be the reduced ability of exporting countries to produce sufficient food sources for local populations, some of which are already struggling to do so. African states are already feeling the brunt of land grabbing with the largest deals thus far coming from South Korea's acquisition of 700,000 hectares in Sudan, and Saudi Arabia's purchase of 500,000 hectares in Tanzania. Even countries with scarce fertile agricultural land – for instance, Cameroon, Ethiopia, Madagascar, and Zambia – have also been targeted. Such detrimental effects on local communities would ultimately reduce a government's credibility in the eyes of its people. Madagascar is a case in point as land issues were a contributing factor in the toppling of its government earlier in 2009.

Several observers, such as ActionAid policy expert Meredith Alexander, noted that while the G8 did dedicate time to some discussion on and grabbing, it is still a far cry from effectively addressing the problem; no concrete measures or financial initiatives were suggested. Oxfam International called the

meeting 'another nail in the coffin of the goal to reduce world hunger'. A spokesman from Japan's Ministry of Foreign Affairs nevertheless noted that proper guidelines for investments in farmland are needed to ensure a win-win situation for both producing and consuming countries. In the absence of these international guidelines for the time being, however, governments themselves would need to evaluate and ascertain the costs and benefits of such farmland investments in their respective countries, and whether such investments should be regulated or left to free-market forces.

Table 1 Land grabbing in Asia

Cambodia	Land being leased by Kuwait for rice (in negotiations)
	100,000ha rubber plantation secured by Vietnam
Laos	100,000ha rubber plantation secured by Vietnam
Philippines	10,000ha for agro-fishery secured by Bahrain
	100,000ha for Qatar
	1.24 million hectares for an unknown company in China (on hold)
Indonesia	500,000ha, a USD4.3 billion rice investment, secured by Bin Laden Group of Saudi Arabia (on hold)
China	10 poultry farms worth US\$ 300 million and pig farms for US\$ 250-300 million purchased by Goldman Sachs, US

Source: J. von Braun. and R. Meinzen-Dick, "Land Grabbing" by Foreign Investors in Developing Countries: Risks and Opportunities', IFPRI Policy Brief 13, International Food Policy Research Institute, Washington, D.C., April 2009.

Developed states' failure to meet funding targets

While the proposed US\$ 20 billion investment is a positive start, there is concern that states may fall behind in meeting these funding targets, given the global financial downturn. In addition to this, some countries have been criticised for failing to meet prior commitments made during their summit in Gleneagles in 2005. According to Max Lawson of Oxfam, with the exception of the United Kingdom, member states have not been on track in implementing the increases in aid that would be generated by the year 2010.

There has also been a decline in the availability of food aid funds. According to the World Food Programme (WFP), global food aid supplies in 2008 were at a 34-year low and 18 per cent lower than in 2005. Food aid has dropped 35 per cent since 1995. This would create a bleak scenario given the

fact that global hunger is on the rise. According to an FAO report issued in June 2009, more than 1 billion people, or one in every six, are starving.

In addition, the number of hunger-affected people increased worldwide by about 100 million, or 11 per cent, in 2008 alone. As such, food aid is still needed to sustain short-term food security while mid-term and long-term agricultural investments take root.

New Approaches to Food Security

In response to the need to fulfil adequate food aid funds and the demand for increased investment in the agriculture sector, the US argued that it is not only committed to providing resources that are significant, but also to reform the global approach to food security. They proposed the following principles to be applied in partnership with other countries and international organisations:

- Strategic coordination of assistance in order to maximise effectiveness and efficiency of resource allocation for agriculture development;
- Increase investment according to country-owned plans;
- Develop a comprehensive approach in agricultural investment;
- Sustained and substantial commitments in agriculture; and
- Improve existing multilateral institutions and mechanisms.

On a global scale, there is an important mechanism to draw financial commitments from developed countries to address the issue of global food security. However, this effort also needs to be supported by improving existing regional institutions and mechanisms such as ASEAN, in the case of Southeast Asian food security.

ASEAN and Food Security

At the 14th ASEAN Summit in Thailand in early 2009, regional leaders agreed to place food security as a matter of permanent and high-priority policy. As a concrete step, ASEAN members adopted the ASEAN Integrated Food Security (AIFS) Framework at this Summit.

The AIFS Framework (2009-2013) is expected to be a five-year tool in ensuring long-term food security in

the region. It comprises four intertwined components, namely:

- Food Security and Emergency/Shortage Relief;
- Sustainable Food Trade Development;
- Integrated Food Security Information System; and
- Agricultural Innovation.

To support the implementation of the AIFS Framework, a Strategic Plan of Action on Food Security for the ASEAN Region (SPA-FS) was established.

The SPA-FS identifies corresponding strategic thrusts to the four components, and maps out measures, actions and timelines to facilitate the implementation and coordination of the AIFS Framework. The objectives of the SPA-FS are:

- To increase food production;
- To reduce post-harvest losses;
- To promote conducive market and trade for agriculture commodities

and inputs;

- To ensure food stability; and
- To promote availability and accessibility to agriculture inputs, and to operationalise regional food emergency relief arrangements.

This seems to be a positive step in response to the detrimental socio-economic impacts that emerged as a result of the global food crisis in 2008, compounded by the global financial crisis that started also in 2008, as well as the impact of climate change. Several recent developments of the regional food security initiative are noteworthy.

First, with the AIFS framework and the SPA-FS, ASEAN adopted a holistic approach on food security that was initiated in the World Food Summit in 1996. Looking at the objectives of the SPA-FS, it is clear that ASEAN took into account the dimensions of food availability, stability, accessibility, and factored emergencies into their approach.

Furthermore, with regard to food utilisation, in a joint conference with the FAO on food security, ASEAN stated that it would fully consider nutritional, food safety and health aspects in addressing food security in the ASEAN region. These are the non-food

“On a global scale, there is an important mechanism to draw financial commitments from developed countries to address the issue of global food security. However, this effort also needs to be supported by improving existing regional institutions and mechanisms such as ASEAN, in the case of Southeast Asian food security.”

components of food security. It was suggested at the conference that ASEAN incorporate this component into the AIFS framework.

Second, the element of food emergency/shortage relief is core to the AIFS, and aims to secure food security in the region during times of crisis. This focuses on strengthening national food security initiatives, and the development of effective and timely mechanisms of aid for emergency relief and/or unusual market situations. This can be implemented as a continuation of the existing ASEAN Food Reserve Board, the East Asian Emergency Rice Reserve and the Food Security Reserve Agreement in 1979.

Third, the AIFS framework acknowledges the importance of stakeholders' involvement in ensuring food security in the region. As mentioned in the previous Alert on 'Water Woes and Food Security', policies to pursue food security should seek the participation of relevant stakeholders. The inclusion of various stakeholders from the regional to local level is reflected in the strategic thrust of the AIFS framework components. It incorporates, among others, developing community-based food security initiatives, enhancing food assistance programmes for identified vulnerable groups, develop networking and regional consultations on national food security initiatives, and promoting public and private sector partnerships to support effective and long-term sustainable food production, consumption and trade.

Despite having the emergency relief component as the core, following the adoption of the AIFS framework, ASEAN member states have agreed to provide assistance to small-scale agriculture sectors in order to increase and sustain food production. In a joint statement with the FAO at a regional conference on food security in May 2009, ASEAN pledged to provide financial and technical help to smallholder farmers. The statement also called for civil society organisations to help local farmers in land and water management that are essential for agriculture production.

On the regional level, a stronger partnership between ASEAN and the FAO in addressing food security is expected – by building sustainable development of agriculture, good practices for bio-fuel production, and mitigation and adaptation of climate change in Southeast Asia. ASEAN could also strengthen partnerships with its East Asian dialogue partners by utilising the existing East Asian Emergency Rice Reserve mechanism. At the G8 Summit in July 2009, South Korea pledged US\$ 100 million over three years to boost global food supply. This is a financial opportunity that ASEAN could seize to support regional food security measures. Moreover, ASEAN

also recognised an urgent need for support from other international organisations and development agencies in tackling this issue.

Food For Fuel Trade Between ASEAN and the GCC

While ASEAN has constantly reiterated the need to ensure food security, recent initiatives – such as the new trade agreement between ASEAN and the Gulf Cooperation Council (GCC) – may inadvertently undermine food security in the region. The recent joint meeting of foreign ministers from ASEAN and GCC was a means of ensuring ASEAN's energy security and the GCC's food security. Speaking at a news conference in Manama, ASEAN Secretary-General Dr Surin Pitsuwan said to his Arab counterparts, 'You have what we don't have, and we have in plenty of what you don't have, so we need each other.'

Based on preliminary discussions, Gulf Arab states are targeting food imports and investments in ASEAN farmland to secure their strategic food supply. In addition to providing food supplies to the Gulf, agricultural crops in Southeast Asia are also marketed as sources of renewable energy. According to Thailand's Foreign Affairs Minister and ASEAN Chairman, Kasit Piromya, Thailand and Vietnam currently export around 24 billion tonnes of rice worldwide, of which 40 million tonnes go to the GCC. According to Bahrain's *Daily Gulf News*, Mr Piromya noted that Thailand would be able to 'guarantee any amount of rice consumption in the Gulf for the next ten years'.

In light of such negotiations and the existing socio-economic circumstances of farmers and other poor and marginalised communities in ASEAN, there is concern that Southeast Asians themselves would not have access to or have sufficient amounts of their own food resources.

IRIN News reported that since 2008, activists and NGOs have criticised visits by Kuwaiti and Qatari delegations to Cambodia for the purpose of securing leases on land in order to export food to their home countries.

According to the news report, Kuwait has reportedly offered US\$ 546 million to Cambodia in loans for dams and roads, while Qatar is set to invest US\$ 200 million in agriculture. Such criticisms seem to have been taken into account, given efforts to establish a working group to formulate a comprehensive agreement and framework for co-operation in areas such as energy, food security, and public and private sector collaboration between the GCC and ASEAN.

However, to understand holistically the issues of food security, there are several gaps that still need to be addressed.

Firstly, more research needs to be done to validate claims by farmers on the issue of land grabbing. Studies must also establish whether these farmers would effectively benefit from the agricultural investments promised by the Gulf states. Secondly, it remains to be seen what specific measures will be taken by the GCC and ASEAN in ensuring the food security of both regions, and more importantly, how long it would take to effectively implement such measures at the local level.

Prospects For the ASEAN Integrated Food Security Framework

Given this emerging scenario, it still uncertain how well the AIFS Framework and its SPA-FS will be implemented. By and large, the implementation of these regional initiatives is still based on the commitment and ownership of all member states.

As a means to pursue concrete steps, the ASEAN Secretariat has been asked to develop a concept note on strengthening the Secretariat's capacity in coordinating and monitoring the implementation of existing food security policies. An effective mechanism should be developed to follow up, coordinate, monitor, evaluate and report on the implementation of the AIFS Framework and the SPA-FS.

Furthermore, while the AIFS has made extensive mention of food from agricultural production, fisheries have received less attention. The goal of the SPA-FS, for instance, stipulates that it is to 'improve the livelihoods of farmers' while its initial priority commodities are rice, maize soybean, sugar and cassava.

As mentioned in the previous Alert, an emphasis on measures to ensure agricultural production may affect mechanisms in ensuring sustainable fisheries.

One example is the use of dams, which on the one hand would irrigate agricultural lands, but on the other, may affect the flow of water for fisheries downstream. This concern was observed during the ASEAN-FAO regional conference on food security in May 2009. A truly integrated food security framework in ASEAN

must therefore also take into account the significant role of fisheries as a means of sustaining economic livelihoods and proper nutrition.

Realising the problem in fulfilling the demand for increasing food aid, the developed countries in the G8 have begun to drive their resources to boost agricultural development so that hungry people will be able to feed themselves.

Sharing a similar idea to that of the G8, ASEAN through its AIFS framework and SPA-FS is also driven to increase food production by supporting smallholder farmers. Yet, ASEAN is also determined to put food emergency relief as its core policy to prepare for future food crisis and to provide food assistance to vulnerable communities.

Looking at these international practices, food aid and agriculture investment are, indeed, complementary.

As reiterated by WFP Executive Director, Josette Sheeran, 'It's a false logic for the world to say that we will either invest in tomorrow's agriculture or today's urgent food needs.'

There is no question that we must do both.'

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