



**INSTITUTE FOR  
AGRICULTURE AND TRADE POLICY**

**Comments by the Institute for Agriculture and Trade Policy (IATP),  
Grassroots International and International Development Exchange (IDEX)  
on  
ZERO DRAFT  
OF  
THE CFS - RESPONSIBLE AGRICULTURE INVESTMENT (rai)**

Attn: Ms. Christina Blank  
CFS RAI Open Ended Working Group Chair  
Global Forum on Food Security, UN.

Thank you for this opportunity to provide input into the zero draft of the principles. We congratulate the HLPE in undertaking this study at a critical time, characterized by increasing interest in investing in agricultural development, and by financialization of natural resources. Climate related uncertainties and increasing investments in land simply as a commercial asset makes this initiative very relevant.

We hope that the report in its preamble can recognize that land is a productive, rights-fulfilling asset which is essential to the realization of many established human rights, including the right to water, the right to adequate housing, the right to health, the right to an adequate standard of living, and especially the right to food. This is especially important as investment laws tend to view land solely as a commercial asset, even though there are many kinds of non-commercial relations to land, including cultural identities, spiritual practices, and customary tenure and usufruct rights.

We hope this report will build on the work the HLPE has already done on food price volatility, land tenure and international investments, social protection for food security, biofuels and food security, and investing in smallholder agriculture for food security. They are all relevant to developing the principles for responsible agriculture investment. The CFS's [approved Voluntary Guidelines on Responsible Tenure](#), the [Global Strategic Framework](#), the [Voluntary Guidelines on the Right to Food](#) as well as the [IAASTD Recommendations](#) are existing and critical tools that can help provide the basis for developing the principles that can help ensure the food and nutritional security of small-scale food producers and workers in underinvested regions of the world, and guide responsible agriculture investments.

**1. Framing of the issues and areas related to fostering responsible agricultural investments**

The report's starting point is: 'to enhance food security and nutrition, reduce poverty and inequalities, promote sustainable agricultural and food systems development and contribute to

the progressive realization of the right to adequate food in the context of national food security, investments have to be “responsible”. However this emphasis on the progressive realization of the right to food as a goal, and responsible investment as a means is not evident in the rest of the document.

In keeping with the emphasis placed by the various CFS reports referred to in the paragraphs above, we hope that the normative framework for these Principles would emphasize (a) “the primary responsibility of governments and the central role of country ownership of programmes to combat food insecurity” (GFS), with the obligation of adhering to “existing human rights standards and the progressive realization of the right to adequate food in the context of national food security” (ToR to Develop Principles for RAI), and (b) the “due priority to enabling, supporting and complementing smallholders’ own investment” (GFS).

Principles: Even though the CFS Terms of Reference (to Develop Principles for RAI) included a request for the clarification of the term ‘responsible investment’, we were struck by the lack of clarity of the term in this draft. It is crucial that the framework of responsibility is clarified, especially given that it is not only large state investors and agribusiness but also Wall Street that is entering into investing in farmlands, exacerbating the existing potential for conflict and land grabs.<sup>1</sup> Each of the 8 principles lists a set of objectives dealing with different aspects of agricultural investment, and covers a large number of issues. However it is not clarified what makes a particular investment responsible. Instead of framing each Principle with ‘*Responsible investments in agriculture and food systems do . . . .*’ the Principles would be meaningful if reworded in the following way: ‘*Investments in agriculture and food systems are responsible only if they do . . . .*’. This will help establish them as the norms for differentiating responsible investment from irresponsible investment, rather than simply as optional descriptions attached to each principle.

## **2. Defining the Roles and Responsibilities of Stakeholders**

Small-scale food producers and workers feed the largest number of mouths, as they mostly produce for local consumption, while large investors produce primarily for value-chains or for export. The report needs to recognize the small-scale food producers and workers (and their investments) as fundamental to the progressive realization of the right to food as a national project.

Yet, while the Zero draft report recognizes that these agricultural related investments are carried out by a multiple number of actors, it groups small-scale food producers and workers in the same category as large investors or as all private sector actors. The authors of the Zero draft

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<sup>1</sup> Down on the Farm, by Oakland Institute February 2014 <http://www.oaklandinstitute.org/down-on-the-farm>

seems to assume that small-scale food producers and workers simply occupy the ‘*waiting room of history*’ before they turn into effective participants in value chain, and thus contributors to global food security. But what about their own local food security?

The challenges for national and global food security (to reiterate what we have said in an earlier submission) today are not fundamentally about size of landholdings (though size is intrinsically part of it), nor just about improving resource use efficiency (though that is important), but about whole food systems that are distinct and includes its own processing, marketing and distribution systems, and each with its own consumers. Thus it is essential to situate small-scale food producers and workers within this system and assess how they can be supported to strengthen their food sovereignty<sup>2</sup>, and how they can thrive amidst these very real challenges. Those involved in small scale food production – including agricultural workers, landless, sharecroppers, tenant farmers, pastoralists, smallholder farmers, fisher communities, youth, rural women, indigenous communities, processors and cooperatives—all have specific priorities, strengths and constraints and their needs must be addressed as a distinct set of actors, separate from the private sector, and large investors.

Accordingly, any agricultural investment that is ‘responsible’ has a special obligation to empower small-scale food producers and food system workers, and especially women amongst them, acknowledging their substantial contribution to domestic food security, rather than treat them as cogs in the wheels of agri-business owned value-chains.

Moreover, public investment has a key responsibility and role in ensuring the viability of small food producer communities—through creating an enabling environment for: domestic food security, thriving local food markets (protected from adverse international market forces), and rural development that results in ecosystem restoration and regeneration.

### **3. Changes needed: Investments in agriculture that contribute to food security and support the progressive realization of the right to adequate food in the context of national food security**

The decision to develop Principles for responsible agricultural investment was made in a context of ‘food crisis,’ rising hunger rates alongside persisting malnutrition, several decades of underinvestment in agricultural sectors and rural populations, increase in large-scale land acquisitions across the world, and growing recognition of genetic erosion. At the same time, there is an increased recognition that investments for agricultural renewal were critical to rural development, food security and for the restoration and sustenance of the ecosystems on which agriculture depends. Given the disproportionate role of small-scale producers and workers in

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<sup>2</sup> [Food sovereignty](#) is the right of peoples to healthy and culturally appropriate food produced through ecologically sound and sustainable methods, and their right to define their own food and agriculture systems.

feeding the world and working the land, and recognizing their exposure to unfair investment and trade rules, the rai initiative is an opportunity to refocus on the progressive realization of the right to food in the context of national food security by redirecting investment towards empowering small-scale producers and workers, enhancing ecosystem functions and rebuilding local food economies.

**Thus we were surprised that the report is marked by the absence of any reference to investing in agroecology.** Agroecology is an innovative approach to food security that is built on traditional knowledge and enhanced by scientific innovations. It combines the sciences of ecology and agronomy with the political economy of food production and consumption. Although it is concerned with increasing productivity, this approach equally seeks to ensure the achievement of the right to food at the household level including improved nutritional content. Agroecology is an integrated approach to the entire agro-ecosystem (rather than individual plants, animals or humans) in specific socio-economic contexts.<sup>3</sup>

We hope the report will build on and strengthen the commitment made by the CFS 40 to: “Promote access to and control (i.e. breeding, production, conservation, purchase, exchange, sale and use) by smallholders - in particular women farmers - over the seeds they need, both for indigenous crops and modern varieties. Strengthen information and technology transfer related to practical on-farm implementation, including on provision of support in-situ and ex-situ conservation and development of agricultural biodiversity by smallholders themselves and by research and extension systems, in line with sustainable agricultural objectives and good practices, including agroecological approaches.” (Report on Investing in smallholder agriculture for food security)

Accordingly, any agricultural investment that is ‘responsible’ has a special obligation to help small-scale food producers and food system workers, and especially women amongst them, nourish themselves, and help realize their right to food and water, while enhancing ecosystem functions.

Moreover, public investment has a key responsibility and role in ensuring the viability of small food producer communities. It must create an enabling environment for the practice of agroecological approaches (protected from adverse international investments that promote agro-chemical intensive agriculture), and democratic decision making at the local level on food and water policies.

### **Investing in appropriate technology especially in relation to post harvest losses**

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<sup>3</sup> Our paper, [Scaling up Agroecology: Toward the Realization of the Right to Food](#), presents examples of practices that could be used to implement that approach. We also developed a set of ecological as well as socioeconomic indicators of success, and mutually supportive national and international policies including appropriate investment that would be needed for that approach to flourish.

From the V0 Draft of 'Food Losses And Waste - In The Context Of Sustainable Food Systems', it is clear that if food/crop loss during postharvest phase could be averted (harvesting, storage, processing and distribution) it will substantially increase food availability for human consumption, and with appropriate handling and storage may even enhance the nutritional content of the food consumed. We hope that this report will build on the opportunities identified for averting the losses by investing in and empowering small-scale food producers and workers help design and develop locally appropriate technology and reduce their postharvest losses.

Accordingly, any agricultural investment that is 'responsible' has a special obligation to acknowledge the substantial contributions of small-scale food producers and food system workers to local food security. It is imperative that substantial investments must help local communities design and develop locally appropriate technology owned and operated by them and thereby help retain wealth in their communities. Moreover, public investment has a key responsibility and role in ensuring the viability of such investments in small food producer communities—through creating an enabling environment for this to happen.

#### **4. Steps to be taken for the CFS-RAI principles to be used and implemented**

In conclusion, first, the draft fails to prioritize food production and investment for the realization of the right to food. It also fails to clarify the normative framework regarding responsible investments. We also note that small-scale producers and their communities must be the principal beneficiaries of agricultural investment. Public investment must complement and enable small-scale food producers' investment.

Second, in a context where the interests of large investors are protected by 'hard law'—including international agreements and investor protection—whereas small-scale producers and workers are only protected by 'soft law' such as voluntary norms, and corporate social responsibility, it is not enough that agricultural investment generate some co-benefits for concerned communities are considered 'responsible'. Instead it is necessary that small-scale producers and workers are protected by the "[Protect, Respect, Remedy](#)" framework under the International human rights law to mitigate any negative impact of their investments.

Third, the impacts of trade agreements (and partnership) and investment on progressive realization of the Right to food and national food security is absent. Given that trade and investment agreements are legally binding, the rai principles will be rendered ineffective unless states ensure that the principles are upheld in all trade-investment agreements, partnerships and initiatives.

Thank you for your attention.

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