



## **Input from Greenpeace International to the CFS e-consultation on Draft 0 of the Principles for Responsible Agriculture Investments (RAI)**

20 February 2014

The RAI principles should not be adopted in their present state. A significant re-write is needed to ensure that investments in agriculture protect, sustain and restore the diversity of life on earth, respecting ecological limits; support equity and food sovereignty to ensure healthy food is grown to meet fundamental human needs; and ensure control over food and farming rests with local communities. And, although we welcome the opportunity of this e-consultation, these comments should be considered in addition to, but not in lieu of, the combined civil society comments submitted through the civil society mechanism (CSM).

The voluntary nature of these Principles is a fundamental weakness in Greenpeace's assessment. Greenpeace believes in globally enforceable rules for global players. In our view, therefore, the RAI principles should be legally-binding to ensure that agriculture investments not only protect farmers, consumers, communities, and the environment, but actually lead to food security, poverty reduction, and enhanced ecological function.

In a constructive spirit, we do suggest the following concrete proposals to improve the RAI principles.

### **Reworking style and structure**

**The overall framing of the document needs to be changed.** Despite mentioning other stakeholders at the beginning, the language throughout the document supports the perspective and interests of large-scale, external private sector investments. It focuses excessively on increasing productivity, promoting market mechanisms, and integrating small-scale producers into value chains. Yet, it is a globally accepted reality that food security is not an issue of quantity of production but food access for poor people. And, market mechanisms are largely designed to support corporations over small-scale producers, promoting purchase of polluting chemical inputs instead of supporting ecological farming approaches that sustain the natural resource base and build resilience to climate change and other external shocks. Value chain linkages generally only involve the top 2-10 % of small-scale producers who have the assets and access to capital, information, and infrastructure.<sup>1</sup> Furthermore, the framing of the current draft protects the interests of large-scale investors with 'hard law' international agreements while small-scale producers, workers, and the environment are only protected by 'soft law' voluntary norms.

**The draft needs clarification and specificity.** The draft is quite vague and confusing as it stands. The principles are overly simplistic and most of the detail is written outside of the principles themselves, leaving the door open to widely divergent interpretations. In its present state, almost any investment could be finessed to seem to adhere to these principles. For example, in Principle 1 it reads, "depending on context and in the presence of persistent food insecurity create an enabling environment for increased food production." Critical questions arise from this sentence: create an enabling environment for whom? To grow what? In what way? For what markets? These are all critical questions with underlying issues impacting environmental sustainability and imbalance of power between stakeholders. Another example comes in the application section of Principle 3 where it reads, "strengthening capacity building for proper adaptation and uptake of best practices." Again, critical questions are raised: building capacity of whom? Who defines what qualifies as 'proper' and 'best practices'? Throughout the

document these vague references need to be clarified. Also in Principle 3, “Achieving food security with simultaneous environmental benefits.....requires a focus on: the use of traditional and scientific knowledge...appropriate technologies and practices”. Who gets to decide what is appropriate? For some people Genetically Modified Organisms (GMOs) constitute an ‘appropriate technology’; for others, including Greenpeace, GMOs undermine food security and entrench poverty. These are not the only vague references, but a representative sample of the clarifications needed to make the document valuable in achieving its stated aims.

**The stakeholder groups and concurrent roles and responsibilities must be reworked.**

There is overlap in the stakeholder groups and distinctions between the groupings are unclear. Public and private investments must be clearly differentiated throughout the document, including in the layout of roles and responsibilities. In addition, the private sector as written is also too large and divergent of a group. Most importantly, small-scale producers should be considered separately from (multinational) corporations. Creating an ‘enabling environment’ for responsible small-scale agriculture investments is completely different from creating an ‘enabling environment’ for responsible corporate investments, particularly those of TransNationalCompanies (TNCs).<sup>ii</sup> Different private sector actors along the food chain should also be split out (input industry, traders, processors, retailers, financial sector) as they have different roles and influence on agriculture investments. Furthermore, the stakeholder groups are written to recognize only small-scale food producers/processors in developing countries; yet, small-scale producers exist and deserve support in developed countries as well.

**The document needs to be strengthened.** *Fundamentally, if an investment is deemed likely to have negative impacts on the environment and/or local communities even with remedial actions, implementation is unacceptable.* Social and environmental impact assessments must be required prior to investment (excepting investments by small-scale producers on their own farms). Accountability and transparency are not only important in review mechanisms, but should be evident throughout the document. For example, in the roles and responsibilities of stakeholders for Part I, the responsibility of monitoring and evaluating the application of the principles is seen as the responsibility of civil society, when it should be the responsibility of host governments and donor governments as the elected bodies responsible for monitoring and mitigating the impact of investments on their populace.

Overall, the language needs to be more assertive. Language throughout the document, even when considering human rights, is weak. For example, words such as ‘request’, ‘encourage’, or ‘recommend’ should be changed to ‘require’ or ‘obligate’.

**Filling major gaps**

**Explicitly include agroecology** in Principle 3, with specific recommendations on promoting the scale up of uptake of ecological farming<sup>iii</sup> approaches in the objectives, application, and roles and responsibility sections. Specific mention of soils, water, and biodiversity are needed. As the CFS Global Strategic Framework states, agroecology is critical “in improving agricultural sustainability as well as the incomes of food producers and their resilience in the face of climate change.”

Industrial agriculture has expanded at the expense of forests, grasslands, wetlands, coastal and marine areas; the conversion of natural ecosystems for large scale monocultures has picked up speed in recent years due to the increased demand for animal feed and bioenergy, creating competing land use pressures. Use of pesticides and chemical fertilizers is still increasing rapidly in developing countries and in North America with GMO cultivation, despite profound impacts on natural ecosystems and the health of farmers by the use of agrochemicals.<sup>iv</sup> Genetic engineering technologies undermine resilience, by creating farmer

dependence on seeds and other inputs to a few global corporations, and threaten the diversity of our crop plants and the agro-ecosystems we depend on to meet future food needs. In a recent study<sup>v</sup>, even KPMG ranked the food sector as the worst of all sectors in two respects: 1) it faces the “highest risk from sustainability mega forces” and it is the “least ready” to respond to them, 2) it is the worst actor in terms of care and handling of the environment.

Ecological farming, based on biodiversity and utilizing resources that are affordable and locally available, can increase production and improve livelihoods where it is most needed, and without creating reliance on external actors, while protecting the natural resource base needed to sustain life on Earth.<sup>vi</sup>

Ecological farming is the most promising, realistic and economically feasible solution to the current destructive agriculture model. It is also ideally suited for poor and small-scale farmers, as they require minimal or no external inputs, use locally and naturally available materials to produce high-quality products, and encourage a whole systemic approach to farming that is more diverse and more resilient to adverse weather conditions, pests and diseases (UNEP and UNCTAD, 2008).

Additionally in Principle 3, a specific bullet point is needed to address prevention of environmental pollution, adverse affects on ecosystem services, and harm on farmers, farmworkers, and communities through contamination.

**Revise the way research and development is approached.** Principle 3 needs a bullet in the ‘application’ section about revamping extension and research and development to focus support on uptake of agroecology, gender equity, and building resilience of small-scale farmers to climate and economic shocks. This re-focusing on agroecology should be included in the ‘Roles and Responsibilities’ section of Part I for each of the stakeholders (particularly states, research institutions, intergovernmental organizations, and donors and foundations) and their relative role in reaching that overarching goal. Farmers are not simply passive recipients of technologies designed in a lab; all over the world they are already adapting to climate change with their own innovations. Thus, research and development should start with farmers’ own knowledge and innovations that are adapted to their local agro-climatic zone, and be an iterative process done in partnership between farmers and scientists. Some studies have shown that if more agricultural research were focused on sustainable methods, yield increases would rise.<sup>vii</sup>

**Include farmers’ right to save seeds.** Responsible investments must have agricultural biodiversity conservation and development as a cornerstone. In particular, investments should support seed systems that are resilient to climate change; strengthen farmers’ management of their seeds (allowing for seed saving, using, selling, exchanging and developing); secure seed supply (quality and quantity) in the community, ensuring that the community has the ability to replenish seeds in times of crisis; and is built around conservation of agriculture biodiversity and ecosystem intra-specific and inter-specific diversity and landscapes.

**Explicitly include references to key environmental principles and agreements.** Existing environmental regulations and other relevant policies have failed to adequately protect human health and the global environment. Therefore, corporations, government entities, organizations, communities, and scientists must act in accordance with the *precautionary principle* and *polluter pays principle* in agriculture investments. Compliance with the Cartagena Protocol on Biosafety must also be included in the document, as it is an important step towards biosafety and the protection of biodiversity. Furthermore, in order to provide for the conservation and sustainable use of plant genetic resources for food and agriculture, the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) must be referenced in the

principles and countries should be encouraged to translate the ITPGRFA into national policy and legislation.

**Explicitly delineate critical investment roles of the state: investment in public goods, policy frameworks that balance power among stakeholders, regulation of investments, and enforcement to uphold national sovereignty and democracy.** It is the job of governments to ensure food security and long-term sustainability; history has shown us that profit-driven agencies and the market cannot be relied upon to serve the public good in the agriculture sector.<sup>viii</sup> The private sector does not have the mandate to deliver public services to small-scale producers, particularly the marginalized. Nor will they encourage uptake of ecological farming practices that rebuild soil health, water quality, and biodiversity. Thus, critical public investments - including agriculture services such as extension, R&D, storage, and access to information services (i.e. climate and price information) but also related services such as education, healthcare, and infrastructure - cannot and should not be replaced by private investments.

At the moment, the draft only suggests policy 'carrots' but not the equally necessary 'sticks'. The state is responsible for holding other actors accountable for their investment impacts. Thus, the draft must state that adequate regulatory frameworks should be put in place to first ensure that investments have no negative impacts on farmers, farmworkers, communities or the environment; and then go one step further to ensure that investments have positive impacts towards achieving the goal of food security while building the natural resource base.

Currently the draft contains nothing on regulating public private partnerships and contract farming, although these forms of investment are on the rise. At a minimum, states must ensure that PPPs do not undermine ecological sustainability, food security (e.g. by growing monocultures of crops that drain aquifers) or farmer/community rights. Further, any public expenditure should be used directly to support ecological farming and the improving the livelihoods of small-scale farmers and building their resilience to climate and economic shocks.

And, while risk management is mentioned, there is no recognition in the document of varying risk assumption by different stakeholders and mechanisms to address that. Usually, lead companies that have market advantage take much of the profit while forcing the small-scale producer to take on much of the risk. The state's role is to protect producers, particularly small-scale producers, from being forced to take on the lion's share of the risk.

Fundamentally, the document needs to address the role of the state in balancing power differences between various actors. Current market dynamics and government policies favor large-scale industrial production over ecologically-sustainable small-scale production. The document must be clear that specific policies are required to level the playing field. Small-scale farmers cannot economically compete with large-scale farmers and companies. Governments have the responsibility to set in place policies that at the very least uphold the rights of vulnerable groups, such as small-scale farmers and women, and protect the environment. In addition to policies that rebalance power, small-scale farmers and civil society must be facilitated to participate in all decision-making processes that affect them and their livelihoods.

**The role of donors, multilaterals and research institutions must be elaborated.** Part I contains no role for donors and foundations; this is a major oversight. They are major investors in agriculture and have the power to influence the direction of investments, not just their own, but those of states and farmers as well. This power must not be wielded lightly and requires agreement by all CFS stakeholders on specific roles and responsibilities. They are often playing the 'technical advisory' role in large PPPs and are encouraging their propagation. They are also often driving the policy changes envisioned to create an 'enabling environment'. Thus,

their role is central and should be clearly outlined to be in support of the uptake of agroecology, gender equity, and building resilience of small-scale farmers to climate and economic shocks.

Similarly, the role for multilaterals and research institutions is not well laid out. Multilaterals like the World Bank, AfDB, CGIAR, FAO, etc. have an increasingly important responsibility to steer investments (particularly R&D and extension) towards small-scale ecological agriculture.

**Adjust Principle 5 on policy coherence** to include government responsibility to ensure investor conduct is consistent with environmental regulations and impact mitigation requirements. The way policy coherence is framed in the draft is solely to improve the ease of external investment. However, policy coherence is important for avoiding waste of public spending and ensuring that all investments and policies that impact agriculture and food systems, including non-agriculture policies, support the principles in this document.

**Include two new sections on implementation and monitoring/evaluation** of the principles. The current principles are not able to provide practical guidance to stakeholders. These sections should recognize the leading role of the CFS, specific metrics/indicators, and established budget to carry implementation forward. We support the suggested mechanism of Oxfam International in their comments.

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<sup>i</sup> Vorley, Bill, Lorenzo Cotula, Man-kwun Chan, Tipping the Balance: Policies to shape agricultural investments and markets in favor of small-scale farmers. December 2012.

<sup>ii</sup> Ibid.

<sup>iii</sup> Ecological farming is a food and agriculture system that follows the principles of agroecology and that is ecologically, economically, socially and culturally sound and holistic in its approach.

<sup>iv</sup> Between one and three agricultural workers per every 100 worldwide suffer from acute pesticide poisoning, and adolescents are often the victims: <http://www.who.int/ceh/publications/pestipoinson/en/>

<sup>v</sup> KPMG report "Expected the unexpected - building business value in the changing world":

<http://www.kpmg.com/Global/en/IssuesAndInsights/ArticlesPublications/Documents/building-business-value-exec-summary.pdf>

<sup>vi</sup> UNEP & UNCTAD 2008. Organic Agriculture and Food Security in Africa. United Nations, New York and Geneva

[http://www.unctad.org/en/docs/ditcted200715\\_en.pdf](http://www.unctad.org/en/docs/ditcted200715_en.pdf); De Schutter, O. 2010. Agroecology and the right to food. *UN Special Rapporteur on the right to food*. [http://www.srfood.org/images/stories/pdf/officialreports/20110308\\_a-hrc-16-49\\_agroecology\\_en.pdf](http://www.srfood.org/images/stories/pdf/officialreports/20110308_a-hrc-16-49_agroecology_en.pdf); Bommarco, R., Kleijn, D. & Potts, S. G. 2012. Ecological intensification: harnessing ecosystem

services for food security. *Trends in Ecology & Evolution*, 28, 230-238.; Tittonell, P. 2013. Farming Systems Ecology.

Towards ecological intensification of world agriculture. *Inaugural lecture upon taking up the position of Chair in Farming Systems Ecology at Wageningen University on 16 May 2013*. <http://www.wageningenur.nl/en/show/Feeding-the-world-population-sustainably-and-efficiently-with-ecologically-intensive-agriculture.htm>

<sup>vii</sup> Badgely, C. et al, Organic Agriculture and the Global Food Supply' *Renewable Agriculture and Food Systems*, 22 (2), 2007.

<sup>viii</sup> House of Commons International Development Committee. DFID's Agriculture Policy: Seventh Report of Session 2003-04. 15 September 2004.