

## **Speech by the President of the Senate of Parliament of the Netherlands, René van der Linden, at the Ottawa G20 Speakers consultation 2-5 September 2010.**

### **Theme: 'Food security and peace'**

Chairman, esteemed colleagues, ladies and gentlemen.

It is a great honour and privilege to be here today by courtesy of all G20 members. Let me express my sincerest gratitude to our host. Considering the limits of time, let me start immediately. I would like to underline that international welfare and peace begins with the establishment of stable institutions, respect for the rule of law, and respect for human rights. Conflicts over land, water and raw materials have in the past - and unfortunately also in the present - often caused social unrest or even wars and acts of aggression between or within states. Therefore the effect of food security on global stability and peace cannot be underestimated. 'Food first' is the motto of this speech. Moreover, it is a human right to be free from hunger and to have access to adequate food. Under article 11 of the International Covenant on Economic, Social and Cultural Rights, every State is "obliged to ensure for everyone under its jurisdiction access to the minimum essential food. This food should be sufficient, nutritionally adequate and safe to ensure their freedom from hunger". In addition, the first Millennium Development Goal is to "Eradicate Extreme Poverty and Hunger".

Although the right to food is internationally acknowledged and even though plenty of food is being produced on this planet to feed everyone in surplus, still nearly a billion people live on less than a dollar a day. Since the beginning of the 20th century, there is more food per capita available than ever before, yet for the first time since 1970 more than a billion people are hungry and undernourished worldwide, according to the recent FAO-

publication: 'The State of Food Insecurity in the World'. These figures show that economic growth in the past decades did not translate automatically in sufficient purchasing power for everyone to buy food of good quality. The figures also show that economic growth in the past decades did not automatically lead to more stability in the world. According to the World Bank, the high price of food and energy is leading to potentially serious tensions and social unrest in at least 33 developing countries, where many families are forced to spend half to three-quarters of their income on food [while in the developed world this figure is less than 15%]. For these people, hunger is an ever-present threat and reality. The right to food for them exists only in documents - in documents they probably have never heard of.

Especially since the global food price rise in 2008, international action has been taken. I want to mention of course the good work of the United Nations High Level Task Force on the Global Food Security Crisis, and the establishment of international funds [e.g. the Global Food Emergency Response Programme, the European Union food facility and the Global Agriculture and Food Security Programme]. Let me also mention the renewed Committee on World Food Security in Rome as a centre for international food governance. Despite these new commitments, we should remind ourselves however that the share of total Official Development Aid (ODA) spent globally on agriculture declined to a mere 4% of total ODA in 2004 and led to underinvestment in this crucial sector for the past decades. Recently nonetheless, following the release in July 2009 of the L'Aquila "Comprehensive Framework for Action", the G8 donors pledged to mobilize an amount of around 20 billion dollars. The Netherlands is not a member of the G8 as you know, but we nevertheless participated and pledged two billion dollars at the L'Aquila summit. I would also like to take this opportunity to praise and thank the Canadian government who as Chair of the G8 put a lot of efforts to get a transparent and accountable tracking system for accountability of all these promises, so that the countries fulfill their commitments.

I also very much welcome the change in appreciation that after twenty, thirty years has taken place in the international community in favour of agricultural production, food provision and employment in rural areas. In fact, the World Bank report of 2008<sup>1</sup> was the first international report in twenty years that courageously exhibited the importance of this base for well being and economic growth.

As a matter of fact my Senate in a resolution of 2004 requested from the Dutch government to fully prioritize food production and food security in developmental cooperation.<sup>2</sup> My country thus fully supports a greater focus on agricultural-related ODA, and not only because we are the world's second largest trader in agricultural produce. But of course, our programs for private sector development reflect our know-how on farming and rural development. By investing in high-quality knowledge and logistics infrastructure, The Netherlands has become a leading global player in the trade and distribution of agricultural produce. In several cases, Dutch farmers share their knowledge of seeds and assist local farmers through the entire cultivation process. Yet, if logistics infrastructure remains inadequate, due to timely or costly distribution lines or storage problems, then many harvests are partly or wholly wasted and large amounts of agricultural produce never reach the people who need it, neither will we be able to optimize market access.

Our national policy on global food security and agricultural development is demand-driven and based on multilateral agreements. For direct development we promote bilateral arrangements. Our government aims to prioritize investment in research and innovation in order to increase productivity in developing parts of the worlds. Secondly, we support public service improvement and institution building in places where institutions are weak. National and local governments play a key role in creating the proper conditions for businesses to flourish, to generate employment, and to optimize the involvement of the private sector – including farmers. The

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<sup>1</sup> Rising food prices: Policy options and World Bank response, World Bank, 2008

<sup>2</sup> First Chamber of the States-General, Resolution Rabbinge c.s., 25 May 2004, EK 2003-2004, 29200 V

Netherlands will also continue to work towards ambitious and balanced DOHA Agreements. This entails making real progress in improving market access, notably full free market access for all products from the least developed countries.

We are now all awaiting the final report of the Comprehensive Framework for Action, but from the draft report which circulates since May 2010, it is clear that the impact of the global financial crisis and food crisis has been disastrous for many households in rural areas throughout the world. Although in low income countries the financial crisis greatly eased the inflationary pressures as a result of the food price rise, at the same time these economies were hit by a downfall in export growth, reduction of remittances and sharp fall in Foreign Direct Investment.

The causes of food insecurity and malnutrition are as complex as the solutions. The High Level Task Force on Food Security has already identified market failures, price volatility and governance shortcomings amongst the factors that account for persisting food insecurity. In my view, and in the view of my government, and a large majority in the Senate, both the participation of the private sector and the existence of stable government institutions are a precondition for securing the right to food on a global level. Or, put differently, food security is a civil rights issue, as much as it is an economic and social issue. Aid is most effective when it lands in fertile soil; and this soil is best fertilized with institutions that respect the rule of law and the right to food, but also property rights and market access. In other words: the 'enabling environment' must be improved. One of these enabling factors is know-how and expertise.

One of the main elements in the Dutch approach is to connect and mobilize partners to exchange know-how. I will now briefly mention a number of examples. Firstly, because a large proportion of private entrepreneurs in developing countries are farmers, we have a program to support cooperation between producer organizations in developing countries and their peers

from a number of OECD countries (including Canada). This program is called Farmers Fighting Poverty. Secondly, in the Netherlands we have established a network called Agri-Profocus. In this network development organizations, knowledge institutes, private sector and others coordinate their efforts towards better and more agricultural production by sharing expertise. May I also mention the support and encouragement given to small farmers by not for profit organizations, cooperations of farmers, cooperative banks and faith based organisations (Dutch missionaries who are often sons of farmers).

Thirdly, we bring together some major private sector companies and our best research universities. These knowledge institutes and companies are then connected to partners in developing countries where we try to broker partnerships to improve the exchange of knowledge. An example is the African Agribusiness Academy, composed of African companies and European companies, managed by knowledge institutions from the Netherlands and Africa. We also mobilize our outstanding water-management expertise. The University of Delft for example is participating in knowledge based water related programs. I may also mention the University of Wageningen with great expertise on agritechology and the Maastricht school of Management with a special Round Table Africa program to stimulate expertise development in the area of sustainable business in Southern and Eastern Africa. Other Dutch programs include support for new insurance instruments to reduce the financial vulnerability of smallholder farmers. Lastly, we support the stimulation of know-how in rural banking, by means of a cooperation scheme between our Ministry of Foreign Affairs and our national cooperative agricultural bank, Rabobank. It is a project to strengthen credit institutions, not a traditional type of investment banking.

In this respect it is quite understandable that the Netherlands fully supports the five Rome Principles of the World Food Summit held in Rome in November 2009: 1. the responsibility of developing countries for their food security policies, 2. solidarity of the rich countries with the poor 3. subsidiarity, what can be solved at local level should be solved at local level 4. One UN,

further cooperation of all UN Organizations and 5. Public Private Partnership. I would like to call on governments to take these principles seriously and to promote and implement them in their policies at all levels.

The challenge however remains to make sure that smallholder farmers benefit from local food purchases. Many food crops find their way to local and regional markets. Improved access to these markets for small-scale farmers and traders (often women) and local processing enterprises will contribute strongly to economic development. It provides employment in rural areas and prevents a premature outflow to urban regions. For this, the local and regional purchasing power of the average citizen must be adequate. Unfortunately it is not, especially since food prices are soaring. Yet, it is the key to any progress on food security, since smallholder farmers and their families represent some two billion people, about one third of the global population. I wish to highlight a point in this respect. Recently, in December 2009, the United Nations Special Rapporteur on the right to food, Mister De Schutter reported about a trend that has accelerated after the global food price crisis. He identified a trend of increasing large-scale acquisitions and leases of land. The draft CFA of the UN High Level Task Force also mentions this development and I quote: "such large land purchasing deals often neglect the voice of smaller farmers and their families. Large-scale acquisition of land in agriculture based economies, may lead to displacement of populations, the undermining of human rights, increased corruption, reduced food and nutrition security and environmental damage". Unquote. On the one hand these large investments can benefit the region through investment, development and employment, but we must also be vigilant about the negative effects of large scale leasing and acquisition of land, such as rising food prices on local markets and exhausting the best soil in the region. We have to follow these developments closely [and we may be careful not to use the term colonialism too easily, as this is trade, not power by the gun].

[Chairman, I come to my concluding remarks now]. Complex though it may be, in one way or another, we need a common

horizon to work towards. A common horizon and concerted action that is beneficial to all, not just a few. Food security, but also energy security and climate change must be addressed through human decisions on the use of natural resources and financial resources. It is all about the global interaction between peoples, between states, between organizations, NGO's and above all between individuals. We must co-operate, there is no doubt about this. Many conflicts about the redistribution of resources today are not settled with acts of aggression, but around a conference table. So we know how to do it. We might just need to become a bit more *effective* in doing it. We must be ambitious and I look forward to having an open discussion and exchange of ideas today about this important issue that affects us all.

Chairman, ladies and gentlemen, thank you very much for your attention.