

Civil society work on agricultural investment in the 37th session of the CFS

Agricultural investment is a point of convergence for a number of civil society/small-scale food producer concerns: local people's control over resources vs land grabbing, agroecological family-based farming vs industrial agriculture, domestic markets and "food webs" vs global markets and corporate-controlled food systems, public policies and programmes that are accountable to citizens' interests. These issues came up during the 37th session of CFS not only during the agricultural investment Policy Round Table but also in discussions on the Voluntary Guidelines (VGs), price volatility, gender, and the Global Strategic Framework. Our strategic goals across these agenda items were to:

1. achieve more support and opportunities for small-scale food producers and their models of production through enabling public policies, support programmes and research; remunerative prices; access to domestic markets through appropriate infrastructure and credit; value addition through small-scale processing, cooperative enterprises etc.

2. protect small-scale food producers from corporate take-over by resisting land grabbing, value chain/contract farming approaches for linking producers to markets, initiatives to stimulate adoption of GMOs, etc. and public-private partnerships promoting these corporate strategies.

This report documents civil society action on the issue of investment in the run-up to and during the 37th session of the CFS. It makes an essentially positive assessment of the degree to which civil society/small-scale food producer positions were reflected in the outcome of the agricultural investment Policy Round Table and notes factors that contributed to this result. It suggests follow-up action to be taken over the coming months, when strong action by proponents of corporate investment can be expected.

1. Background: from October 2010 to October 2011

Thanks in good part to civil society pressure, the 36th session of CFS in October 2010:

- agreed that the VGs would be negotiated in an Open Ended Working Group for presentation to the 37th session of CFS rather than being formulated by FAO as a technical document;
- declined to endorse the RAI Principles prepared by WB/IFAD/FAO/UNCTAD and agreed instead to launch a broad, inclusive consultative process on principles governing responsible investments;
- requested the HLPE to prepare a study on land and international investments.

In follow-up to this session, work on the VGs proceeded over the successive months, with civil society input ably coordinated by our land working group. A proposal for how to conduct the consultative process on principles for investment in agriculture was adopted by the CFS Bureau/Advisory Group (AG) on 26 May. Civil society fought hard - and successfully - to ensure that the process would be truly inclusive and would not focus on the RAI. The HLPE prioritized the report on land and investment for the 37th session and set to work on it.¹

In late May the CFS Bureau decided to establish "Task Teams" (TT) to prepare for the three Policy Round Tables (RT) to be held during the 37th session. Advisory Group (AG) members were invited to participate in this preparation for the first time in the history of the CFS, and four places in each TT were allocated to civil society. The TTs were expected to draft discussion papers and "decision boxes"² to be submitted to the Bureau for its consideration with the understanding that, in the end, the documentation would be the responsibility of the CFS Secretariat.

At the first meeting of the CSM Coordination Committee in Cordoba from 30 May–1 June an initial discussion on agricultural investments was held and a working group was established to prepare for the agricultural investment Policy RT in October.³ The group came to include some 40 people, 25 of whom intervened more or less actively in the email exchanges on successive drafts of the document/decision box.⁴ During June FAO

¹ It was completed in July 2011. Consolidated CS comments on the first draft were submitted in late May.

² The "decision boxes", placed at the top of the discussion papers, are the focus of the policy negotiations.

³ Nico Verhagen (VC), Mamadou Goita (ROPPA), Margaret Nagata (WFF) and Sofia Monsalve (FIAN) were selected as the four CS TT members and Nora McKeon was asked to facilitate the working group (which she did along with Nico).

⁴ The breakdown of the 25 was as follows. Regions: Europe (12), Africa (4), Asia (3), LA (2), NE (2), N. America (2). Constituencies: NGOs(16), Peasant farmers (5), Fisherfolk (2), Agricultural workers (1), Women (1). 9 were Coordination Committee members.

prepared a “concept note” for the discussion paper which included many of our suggestions. Coordination of the agricultural investment TT subsequently passed to IFAD, however, and the zero draft of the paper circulated by IFAD on 26 July bore very little resemblance to the concept note. The four CS TT members reacted strongly on grounds of both process and substance.⁵ The revised draft released on 22 August still did not incorporate our major concerns, and the CS TT members addressed a firm note of protest to the TT, the Chair of the Bureau and the CFS Secretariat. In the end some of our concerns were incorporated into the decision box, but the bias of the paper towards corporate investment and public-private partnerships remained.⁶

In parallel, the Open Ended Working Group (OEWG) established by the Bureau to draft terms of reference for the consultative process on principles for agricultural investment met on 20 July. US/Canada/Australia and WB/IFAD tried to re-focus the process on the RAI or, failing that, to stall or eliminate it. We fought to keep the initiative alive, to keep it broad and inclusive, and make it clear that the consultation would start only once the VGs were adopted. In the end a compromise “decision” was drafted and was added to the decision box of the agricultural investment Policy RT.

2. Action in Rome – 10 to 22 October

During the *VG negotiations* (10-14 October) the section on investment proved to be one of the most contentious and remains to be dealt with when the negotiations resume. Sticking points were the determination of some parties to consider land acquisition as an acceptable form of investment, their reluctance to entertain proposals for what we felt could be effective safeguards, and their allergy to human rights discourse. The CS strategy was to reiterate the focus on small scale producers as the primary investors and food producers, to incorporate as much as possible in the way of safeguards, and to keep the terms of the investment section sufficiently open to be able to evolve during the CFS consultation on principles.

A working group on investment in agriculture met during the *Civil Society Forum* (15-16 October) and discussed on the basis of a background document prepared by the TT members/facilitator (available at <http://cso4cfs>). The outcome of the group’s work was a document that presented the five interventions that CS was entitled to make during the RT discussions. These were on: supporting small-scale food production, protecting small-scale food production from corporate take-over, re-focusing the decision box on food security and small-scale food production, monitoring and accountability, and an inclusive consultation process on principles of investment. A two-page summary was prepared as a lobby tool (both documents available at <http://cso4cfs>). Each intervention ended with a concrete proposal of language for the relevant parts of the decision box. The 5 CS spokespersons selected were from the constituencies of small-scale farmers, fisherfolk, Indigenous Peoples, rural youth and NGOs.

The *Policy Round Table on “How to Increase Food Security and Smallholder-Sensitive Investment in Agriculture”* (18 October) got underway with a panel presentation in which our panelists made strong statements addressing our two strategic objectives. A bit of initial confusion on the part of the chair regarding when to call on CS was resolved, and our interventions were well received. The summary report of an African government/small-scale producer co-organized side event that had taken place just before the RT, read out by the Africa Group, also supported our positions. Contentious issues that emerged from this first discussion included the potential of value chains and private-public partnerships to benefit small-scale producers, the scope of the CFS consultation on principles, the focus of a study to be requested from the HLPE, what reporting mechanisms to put in place. The CFS plenary met on 20 October to discuss a revised decision box prepared by the Rapporteur on the basis of the Policy RT debate. CS prepared proposals for revised wording focused on four priority points. These proposals were made available to the Chair, the Rapporteur and friendly government delegations, and CS spokespersons intervened repeatedly during the debate. An assessment of the outcome is given in the next section.

Several *side events* during the week provided further support for our positions. The CSM side event on 17 October focused on land grabs with testimony from the field. The event on investment in agriculture co-

⁵ “Although the paper purports to be ‘smallholder focused and sensitive’ we find very little in it that addresses smallholders’ stated needs and proposals and quite a bit that seeks to ensure an environment for safe and profitable investments from outside the smallholder sector.”

⁶ It should be noted, however, that IFAD did accept our two proposals for panelists in the Round Table: Mamadou Cissokho and Jan Douwe Van Der Ploeg.

organized by African governments and farmers' organizations on 18 October fed straight into the Policy RT with a joint message in favor of small scale food production and questioning the ability of industrial agriculture to contribute to food security (summary report available at <http://cso4cfs>). A CSM side event on "Financing small food producers: successful financial and rural development models from small food producers" provided positive evidence of alternatives that work. All of the events were well attended. The African event had a strong impact in terms of procuring African government support for CS positions during the plenary debate. Other governments were lobbied using the CS position papers. Finally, the CS strategy on agricultural investment included *media work and demonstrations*. A demonstration and press conference on land grabbing on 11 October – backstopped by the Italian Food Sovereignty Committee - received good coverage. A VC press conference took place on 19 October, and posters inviting the World Bank to get out of agriculture were stuck up outside FAO by an Italian Food Sovereignty Committee member during the night of 20 October.

3. Assessment of impact

Civil society undoubtedly succeeded in shifting the terms of the debate on investment in agriculture. The discussion paper was strongly oriented in favour of corporate investment, public-private partnerships and global value chains. The decision box approved by the CFS plenary, instead, recognizes the primacy of small-scale sustainable food production and the fact that small scale producers are the major investors in agriculture. The acclamatory discourse about partnerships and corporate investment that featured in the draft decision box was eliminated. The consultation on principles of responsible agriculture was defended and it was specified that it is to be initiated once the VGs have been adopted. A last-ditch effort to focus the consultation on the RAI Principles was defeated. A detailed analysis of the debate and conclusions regarding the decision box, highlighting CS positions and wins/losses, is attached in annex.

Factors that contributed to this good result included the following. There was good team work in preparation for the Policy RT from June on, with participation by a range of people from all constituencies and regions. The strong presence of small-scale food producer organizations in helping to frame the civil society positions and as spokespersons undoubtedly enhanced the legitimacy of what CS had to say. It also helped to ensure that we highlighted the political stakes that would make the negotiations relevant to social movements. Keeping the food security mission of the CFS up front was a winning strategy, as was providing testimony and evidence from small-scale producers themselves. The fact that we developed an overall strategy linking the agricultural investment Policy RT to the investment section of the VGs was important. So was the effort to identify and occupy the range of spaces available for CS presence during the CFS, from the formal space of the RT to the side events, media work and lobbying. Alliances with some friendly governments were important in getting our positions accepted in the final negotiation on the decision box.

Nonetheless there are some points on which a better job could be done next time. We need to mobilize the necessary resources for CSM working groups to operate in three languages. Reflection on the key issues that will be coming up at the next session has to start up now, so that we are not locked into a rushed CFS-dictated time table focused essentially on document-drafting. This reflection should take off, instead, from struggles being conducted and alternatives being developed at national and regional levels in order to invert the top-down tendencies of global policy forums. In order to avoid fragmenting our positions and our efforts we need to integrate the reflection on investment in agriculture into the overall context of the Global Strategic Framework and relate it to the implementation of the VGs. In planning for the next CFS plenary session it will be important to keep leaders around until the end of the session. Better-organized use of people's energies needs to be planned. Small-scale food producer people should be integrated into the team with specific tasks (in addition to that of serving as spokespersons).

4. Follow-up action

- The **VG negotiations** will start again – and hopefully conclude - in the early months of 2012, with the section on investments still open for negotiation. Immediately after their adoption we need to start work on promoting implementation.
- The **consultation on principles for responsible investment in agriculture** will get underway "promptly after approval of the VGs". The first phase of the consultation will consist in formulating the terms of reference of the process "including the scope, purpose, intended recipients and structure of the principles as well as the format of the consultation process". It will be important for CS/small scale food

- producers to start reflecting on these terms of reference now, without waiting for the official beginning of the consultation, in order to allow adequate time for internal consultation by social movements.
- Discussions on investments, partnerships, value chains – as well as the GSF - will be coming up at the **FAO Regional Conferences** in 2012. It will be important to use these regional meetings to contextualize in the different regions the positions that we will be bringing to the next global plenary session of the CFS. A link also needs to be made between the CFS discussions on agricultural investment and the **IFAD Farmers Forum** in February 2012.
 - Outside of the CFS context we need to **monitor field testing of the RAI Principles undertaken at national level by WB and by FAO** as well as **corporate initiative/strategies**, and to **mobilize against land grabbing**.
 - The CS members of the AG and the Vice-Chair of the HLPE SC can be invited to **prioritize the HLPE report on value chains and public-private partnerships** so that it is presented to the 38th session of the CFS.
 - In some countries (Central America/Honduras) we can examine the utility of involvement at national/regional levels in the **“mapping food security” initiative**, which may evolve in the direction of establishing a multi-actor forum for reporting to the CFS and formulation food security policies.
 - We should start to think about **our input to the report on implementation of the CFS recommendations regarding investments** that the Secretariat/AG is committed to preparing for a future CFS session.
 - We need to **build up our expertise and data** on specific contentious aspects of investment (e.g. the implications of value chains approaches for small food producers) in preparation for making input to the above processes.