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PROMOTION AND PROTECTION OF ALL HUMAN RIGHTS, CIVIL, POLITICAL, ECONOMIC, SOCIAL AND CULTURAL RIGHTS, INCLUDING THE RIGHT TO DEVELOPMENT

Report of the Special Rapporteur on the right to food, Olivier De Schutter**

Crisis into opportunity: reinforcing multilateralism

^{*} Reissued for technical reasons.

^{**} Owing to limited editing capacity, the present report was submitted late.

Summary

Since the global food crisis has put hunger at the top of the political agenda, important efforts have been put, at both international and national levels, into increasing the supply of food. Producing more food will not, however, reduce hunger if we neglect to think about the political economy of the food systems and if we do not produce and consume in ways that are both more equitable and more sustainable. Nor will increased production suffice if we do not ground our policies on the right to food as a means to ensure adequate targeting, monitoring, accountability and participation, all of which can improve the effectiveness of the strategies put in place.

In the present report the Special Rapporteur on the right to food seeks to explain why. He describes the current state of the global food price crisis and what the right to food has to contribute at the operational level. He goes on to argue that States should ensure that the reinvestment in agriculture will effectively contribute to combating hunger and malnutrition by assessing the contribution to the realization of the right to food of different modes of agricultural development. He also explains why we need to accelerate progress towards an international consensus on the production and use of agrofuels, and on large-scale land acquisitions or leases. He emphasizes the need to guarantee the right to social security and the role the international community could play in enabling countries to strengthen social protection. He discusses how countries may cope with increased volatility of prices on the international markets, and how international cooperation could combat the sources of such volatility. The Special Rapporteur ends the report with a plea to improve the global governance of food security. In times of crisis, more than ever, only by strengthening multilateralism can we hope to effectively realize the right to food. If we achieve this, the crisis can be made into an opportunity.

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I. INTRODUCTION

- The Special Rapporteur on the right to food submitted his first report on the global food 1. crisis (A/HRC/9/23) in September 2008. The present report is submitted in accordance with Human Rights Council resolution 9/6 on the follow-up to the seventh special session of the Council on the negative impact of the worsening of the world food crisis on the realization of the right to food for all, adopted by the Council at its ninth session. In the report, the Special Rapporteur summarizes the efforts that have been made since by Governments and international agencies to build resilience against the risk of future crises. The Special Rapporteur thanks all Governments that submitted responses to the questionnaire that he addressed to them, on 27 January 2009. He also expresses thanks for the submissions received from additional sources. The inquiry was divided into four themes. The Special Rapporteur first describes the current unfolding of the global food crisis: the crisis is not over, it is having devastating consequences, and it is further aggravated by the financial, economic, and ecological crises we are currently witnessing. Next, he examines the role of the right to food in addressing the global food crisis, with a focus on the national level. He then analyses the impact of the renewed interest in agriculture and the choices that Governments are confronted with in this area, and considers the strengthening of social protection as a means to shield the poorest segments of the population from the impact of high food prices. While both these questions are primarily matters to be addressed through policies adopted at the national level, the Special Rapporteur argues for the need to support these efforts more actively by certain initiatives that could be adopted at the international level. He then considers possibilities for the regulation of the markets for agricultural commodities; in particular, he enquires how the volatility of prices of agricultural commodities, which discourages investment and production, and leads to higher prices for buyers of food, could be combated. Lastly, he examines the case for strengthening the political will to tackle hunger and acute malnutrition effectively by improving global governance. He concludes with a set of recommendations for the Council.
- 2. To date, we have failed to tackle hunger and acute malnutrition decisively. There are five reasons for this failure: (a) an almost exclusive focus on increasing agricultural production instead of the adoption of a more holistic view about the causes of food insecurity; (b) a failure

Owing to space limitations, the present report does not include a number of data and references, or country-specific examples, which are available in the background note to the report at the address http://www.2.ohchr.org/english/issues/food/index/htm.

² Replies have been received from Afghanistan, Algeria, Belarus, Brazil, Colombia, Denmark, Ecuador, El Salvador, Finland, France, Greece, Guatemala, Iraq, Ireland, Jamaica, Japan, Mexico, Mongolia, Oman, Portugal, Romania, Saudi Arabia, Slovakia, Slovenia, South Africa, Spain, Switzerland, the Syrian Arab Republic, Thailand, Togo, Turkey and Uganda.

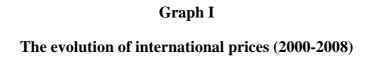
of global governance to overcome existing fragmentation of efforts; (c) a still incomplete understanding of how to work in certain areas that have an impact on our ability to achieve food security for all; (d) a failure to follow up on commitments, itself a result of a lack of accountability; and (e) the inadequacy of national strategies for the realization of the right to food at the domestic level. In the present report the Rapporteur examines what, on each of these issues, the responses to the global food crisis have taught us; whether we have learned; and what to do with the understanding gained about what needs to be done.

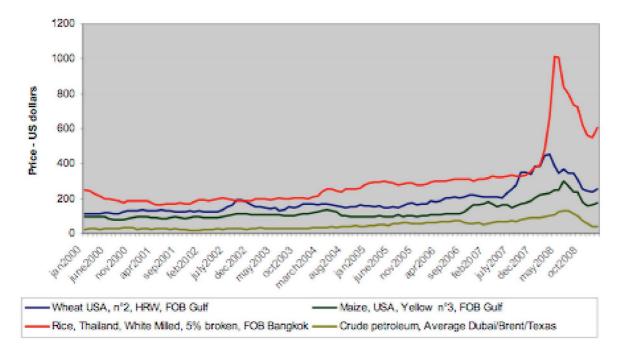
II. THE UNFOLDING OF THE GLOBAL FOOD CRISIS

- 3. In the face of growing uncertainty about the future market prices of agricultural commodities, we should have worked to increase the resilience of food systems. Instead, it is the crisis that has proven resilient. The dramatic effects of the surge in food prices of 2007/08 are well documented. High food and oil prices in 2007 and 2008 may have led to increasing the number of people living in extreme poverty by between 130 and 150 million. Women and children who have special nutritional needs are particularly at risk. As households are forced to consume a less diverse diet, the risk of critical micronutrient deficiencies, such as iron and vitamin A, increases. Thus, even though high food prices may be temporary, they could have long-lasting consequences on physical and mental growth if the coping strategies adopted by households cause reductions in the quantity and/or quality of diets at critical stages of child growth or during pregnancy.
- 4. The prices of agricultural commodities on international markets have dropped since July 2008. They have followed the prices of oil, with which they are traditionally correlated (see graph I below).

³ World Bank, *Global Economic Prospects. Commodities at the Crossroads*, 2009 (based on evidence available until 30 November 2008), p. 96.

⁴ Committee on World Food Security, thirty-fourth session, Rome, 14-17 October 2008, agenda item II on assessment of the world food security and nutrition situation, paras. 37-41.





Source: Mulat Demeke, Guendalina Pangrazio and Materne Maetz, "Country responses to the food security crisis: nature and preliminary implications of the policies pursued", February 2009 (calculated by Bureau Issala on the basis of UNCTAD and FAO data).

- 5. However, despite record cereal production in 2008 and the policy responses adopted by many Governments following the food crisis of 2007 and 2008, the crisis is not over. In its Crop Prospects and Food Situation report of April 2009, the Food and Agriculture Organization of the United Nations (FAO) reported that food prices had remained at high levels in many developing and low-income food-deficit countries. Food emergencies persist in 32 countries. The analysis of domestic food prices for 58 developing countries included in the report shows that, in around 80 per cent of cases, food prices were higher than 12 months earlier, and around 40 per cent higher than in January 2009.
- 6. The drop in prices of agricultural commodities on international markets since the peak of June 2008, combined with lower freight rates, may bring some relief to the cereal import bill for low-income food-deficit countries. But this decrease may also lead, perversely, to a loss of interest in reinvesting in agriculture, and to a disincentive for producers; the levels of wheat production are indeed expected to drop in 2009. Moreover, the global food crisis has not unfolded in isolation from the financial and economic crisis that has developed since late 2008. This crisis, according to the World Bank, confronts developing countries with a financing gap estimated at between \$270 billion and \$700 billion, depending on the severity of the crisis and on

the policy responses.⁵ High-income countries will have to finance important recovery plans, issuing debts that could crowd out many developing country issuers. Remittance flows have been declining since late 2008. Developing countries might therefore find it increasingly difficult to finance agriculture and rural development, subsidize food to improve its affordability for the poorest, and establish or strengthen social protection programmes.

III. THE ROLE OF THE RIGHT TO FOOD IN ADDRESSING THE GLOBAL FOOD CRISIS

- 7. In the face of a crisis of such magnitude, it is tempting to see the right to adequate food as a long-term objective, clearly beyond reach for the moment, and thus of little immediate relevance. Such an attitude would, however, betray a fundamental misunderstanding of what the right to food is about. The role of the right to food is more central, not less, in times of crisis. It is not simply an objective; it also shows the way towards fulfilling it.
- 8. An approach grounded in the right to food requires that we address the root causes of hunger and malnutrition. The right to food should also serve as a signpost in order to achieve increased consistency across the different sectors relevant to the realization of the right to food; including not only food aid and agricultural and rural development, but also social protection, the protection of agricultural workers, land policies, health and education, or trade and investment.
- 9. Since the first report of the Special Rapporteur on the global food crisis (A/HRC/9/23), he has sought to convince interlocutors, both within and outside the United Nations system, of the importance of devising solutions to the global food crisis grounded in the right to food. At the international level, this implies strengthening multilateralism in order to address effectively the structural causes of hunger. The global governance of our food system needs to be reformed without delay and the revitalization of the Committee on World Food Security represents a real opportunity (see paragraphs 33-40 below). At the national level, the implementation of the right to food has an institutional dimension which this section explores.
- 10. Grounding our efforts in the right to food first requires targeting the most vulnerable, identified through systems mapping food vulnerability and insecurity. A number of countries, including Côte d'Ivoire, Guinea-Bissau, Indonesia, Iraq and Panama, have regular mapping systems in place or have launched specific mapping exercises during the crisis period. Although a few tools for mapping vulnerability exist, vulnerability does not seem to have been identified fully, owing to the selective nature of coverage, which can exclude zones with good food production. Only a few countries seem to include urban areas in such mapping (Burkina Faso, Kenya). Some countries have used national maps of extreme poverty for food security purposes (El Salvador, Yemen). Despite these welcome efforts, some vulnerable groups are reportedly excluded from the mapping results. In order to be as well informed as possible, States should develop mapping systems through participatory means.

⁵ World Bank, Global Economic Prospects, op. cit.

- 11. Secondly, the right to food requires that accountability mechanisms be put in place so that victims of violations of the right to food have access to independent bodies empowered to monitor the choices made by decision makers. The right to food implies that victims must have a right to recourse mechanisms, that Governments must be held accountable if they adopt policies which violate that right, and that courts are empowered to protect that right. As in the case of Guatemala and India, an increasing number of countries, such as Argentina, Bolivia (Plurinational State of) and Ecuador are moving in this direction.
- Thirdly, the right to food requires prioritization: trade and investment policies and choices in modes of agricultural production, for instance, should be subordinated to the overarching objective of realizing the right to food. To this effect, States should put in place national strategies for the realization of the right to food. Such strategies serve a number of purposes: they encourage participation, since their adoption and implementation should involve all stakeholders; they oblige Government to make clear, time-bound commitments; and they ensure that choices in other policy areas fit into a broader strategy aimed at realizing the right to food. The Comprehensive Framework for Action adopted by the High-level Task Force on the Global Food Security Crisis advocates in favour of "partnerships for food" at the national level, under clear and visible political leadership, in order to improve coordination across different sectors and participation of various segments of society and government. In several countries - Bolivia (Plurinatinal State of), Costa Rica, Indonesia and Togo - mechanisms coordinate the various actions taken in the field of food security. National and lower-level councils on food security exist in several countries, such as Angola, the Dominican Republic, Kyrgyzstan and Senegal. In the majority of countries surveyed, however, no specific body for the participation, consultation and coordination of all actors on issues related to the right to food seems to exist.

IV. REINVESTING IN AGRICULTURE AND RURAL DEVELOPMENT

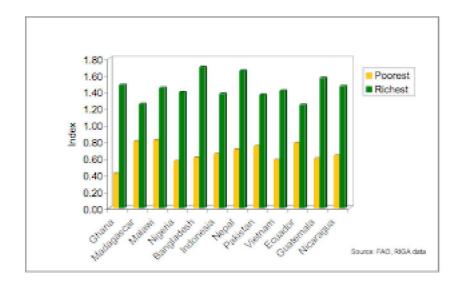
13. One of the beneficial effects of the global food crisis is that Governments and international agencies have realized that there is an urgent need to put agriculture back at the centre of their development agendas, after 25 years of neglect. Many States and agencies have pledged to reinvest, sometimes massively, in agriculture. Recent indicators of this shift include the announcement, on 15 April 2009, of the creation of the Agricultural Investment Fund for Africa, established jointly by the African Development Bank, the International Fund for Agricultural Development (IFAD) and the Alliance for a Green Revolution in Africa, with the support of the French Development Agency, which aims to collect €500 million to support agro-industries and farmers' cooperatives in Africa; the priorities defined for the United States Agency for International Development in May 2009 by the United States administration for the 2010 fiscal year, which includes \$3.4 billion to address global food insecurity and \$1.4 billion for agriculture development assistance; and the establishment by the European Union, in December 2008, of a new facility for a rapid response to soaring food prices.⁶

⁶ Regulation (EC) No. 1337/2008 of the European Parliament and the Council for establishing a facility for rapid response to soaring food prices in developing countries, OJ L. 354 of 31 December 2008, p. 62.

14. While raising public spending on agriculture is necessary, changing the allocation of existing spending is equally vital. It is crucial that investments benefit the poorest, most marginalized farmers, often located in the least favourable environments. All too often, these farmers have been left out of support schemes, partly because of their disempowerment and partly because of the belief that the larger the farm, the more productive it will be. This was incorrect. Small producers contribute to greater food security, particularly in remote areas where locally produced foods preclude the high transport and marketing costs associated with many purchased foods. As a result of past policies that favoured mostly large-scale agro-industrial production, certain public goods, the provision of which is sometimes vastly more efficient than that of inputs, have been under-supplied: these include storage facilities, access to means of communication and therefore to regional and local markets, access to credit and insurance against weather-related risks, extension services, agricultural research and the organization of farmers in cooperatives. The result of past policies that have neglected this dimension are reflected in the graph below.

Graph II

Access to transportation and social service infrastructure by poorest and richest households



⁷ Organisation for Economic Cooperation and Development, *Promoting Pro-Poor Growth: Agriculture*, Paris, 2006, p. 31.

A. Reinvesting in agriculture: the stakes

- 15. Considering self-sufficiency in food production to be the most efficient way to buffer fluctuations in international markets, several Governments (Cameroon, China, Indonesia, Malaysia, the Philippines and Senegal)⁸ have declared this to be their strategic response to high food prices. In Asia, many countries, including China, India and the Philippines, have made important efforts to reinvest in agriculture. In Africa, Benin, Cameroon, the Central African Republic and Madagascar have taken short-term measures aimed at boosting production. In Latin America and Africa, a number of Governments have designed integrated national plans aimed at coordinating different measures to improve agricultural systems. Credits at low interest rates and subsidies have been provided to producers to buy seeds, fertilizers and agricultural equipment or to improve irrigation and power systems. Some Governments have distributed inputs to the smallest farmers, and taxes on fuel have been lowered as a way to facilitate product transportation and to allow for other expenditures for farmers.
- 16. When taking steps to increase investment in agriculture and rural development, Governments should be mindful of the need to ensure that investments truly contribute to the right to food. It is striking however, that Governments hardly acknowledge the existence of different models of agricultural development the "Green Revolution" model, the agro-ecological farming approaches (ecologically friendly farming systems) and a possible model based on genetic engineering when formulating their public policies on agriculture. These models can be complementary at the crop field level; a very careful combination of fertilizers and agro-forestry, for instance, is successfully promoted in some regions. At the public policy level, however, a prerequisite for a balanced approach is that the very existence of several models is acknowledged. In the fierce competition for scarce resources, such as land, water, investment and human resources, the implications of supporting one paradigm over the others deserve serious consideration.
- 17. The right to food should guide Governments' choices between different modes of agricultural production. A number of United Nations agencies, including the United Nations Environment Programme (UNEP), ¹⁰ FAO and the United Nations Conference on Trade and Development (UNCTAD), have underscored the potential of sustainable farming to meet the growth in demand. ¹¹ The Special Rapporteur has developed further the links between sustainable

⁸ Veena Jha, Analysis and Responses to the Global Food Crisis, International Labour Organization, Geneva, 6 March 2009, pp. 16-19.

⁹ This issue was discussed in depth during a multistakeholder consultation on the challenges of the Green Revolution in Africa I, convened on 15 and 16 December 2008, with the support of the Grand-duchy of Luxembourg.

¹⁰ UNEP, The Environmental Food Crisis: the Environment's Role in Averting Future Food Crises, February 2009.

¹¹ See for example the 2006 annual report of the Nairobi-based World Agroforestry Centre or the 2008 FAO-UNEP report on organic agriculture and food security in Africa.

agriculture and the right to food in his contributions to the interactive thematic dialogue of the General Assembly on the global food crisis and the right to food (New York, 6 April 2009) and the seventeenth session of the Commission on Sustainable Development (New York, 4 to 15 May 2009). The Commission adopted a declaration in which it recognized that sustainable agricultural practices and sustainable forest management could contribute to meeting climate change concerns and that sustainable soil, land, livestock, forest, biodiversity and water management practices and resilient crops were essential. It also called for the creation of an enabling environment for sustainable agriculture.

The development of more sustainable farming approaches is directly linked to the right to food. Agricultural productivity depends on the services rendered by ecosystems. Unless from being one of the main causes of climate change and soil degradation it is turned into a net contributor to the maintenance of the environment, agricultural production will undergo a significant decline in the future. Just like its availability, the accessibility of food depends on how it is produced. The more food production relies on oil, the more food commodities will be vulnerable to price shocks. The price of oil influences not only fertilizer costs and freight rates, but also the demand for agrofuels, which in turn exacerbates the competition for land, water and capital between the production of food and the production of fuel. By contrast, more sustainable forms of agriculture could better meet the needs of small-scale farmers. Low external input agriculture, polycropping and the use of green technologies limit the dependency of these farmers on the price of external inputs, thus improving the stability of incomes and avoiding the risk of debt spirals following a poor harvest. Finally, agro-ecological forms of production rely essentially on increasing knowledge-sharing among farmers through processes that are participatory, involving affected vulnerable groups, in order to identify the solutions best-suited to their specific circumstances and their complex environments. Such approaches are therefore empowering and mobilizing.

B. Disciplining large-scale land acquisitions or leases

19. In the past three to four years, private investors and Governments have shown a growing interest in the acquisition or long-term lease of large portions of farmland, mostly in the developing world and particularly in sub-Saharan Africa and Latin America, where underused arable land exists in large quantities. The development of large-scale land leases or acquisitions can be explained by (a) the rush towards the production of agrofuels, encouraged by fiscal incentives and subsidies in developed countries; (b) population growth and urbanization, combined with the exhaustion of natural resources in certain countries, where large-scale land acquisitions are seen as a means to achieve long-term food security; (c) increased demand for certain raw commodities from tropical countries, particularly fibre and other wood products; and (d) the subsidies expected for carbon storage through plantation and avoided deforestation. While this phenomenon is not entirely new, it has accelerated since the onset of the global food crisis. A number of resource-poor but cash-rich countries have turned to large-scale acquisitions

¹² This is particularly the case under the Clean Development Mechanism provided for in article 12 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change.

or rent of land in order to achieve food security.¹³ Private investors, including large investment funds, have also acquired land, sometimes for merely speculative motives, with the conviction that the price of arable land will continue to rise in the future.

- 20. There are opportunities in this development. For host States, the arrival of investment has the potential of creating employment, both on and off the farm (in associated processing industries, for instance). It may lead to transfers of technologies. It could improve the access of local producers to markets at domestic, regional and international levels. It could increase public revenues, through taxation and export duties. For countries purchasing or leasing land abroad, this implies greater food security, since they will be less dependent on international markets to acquire the food they need to feed their populations although the risks of lower productivity in agriculture in subtropical regions owing to climate change and, in the future, higher freight costs, could partially offset this advantage.
- 21. Yet, the human rights challenges are real. In June 2009, the Special Rapporteur put forward a set of core principles and measures in order to frame the discussion on large-scale land acquisitions or leases in human rights terms. These principles are based on the right to food, but they also aim to ensure the respect of agricultural workers' rights and to protect land users from eviction that do not comply with certain conditions. They also call for the respect of the right to self-determination of peoples and on the right to development. They may be summarized as follows:
- (a) Negotiations leading to investment agreements should be conducted in full transparency, with the participation of the local communities, whose access to land and other productive resources could be affected as a result of the arrival of an investor;
- (b) In principle, any shift in land use may only take place with the free, prior and informed consent of the local communities concerned. This is particularly important for indigenous communities, in view of the discrimination and marginalization that they have historically endured. Forced evictions should only be allowed in the most exceptional circumstances, when in accordance with the locally applicable legislation, when they are justified as necessary for the general welfare, and when they are accompanied by adequate compensation and alternative resettlement or access to productive land;

¹³ See Vera Songwe and Klaus Deininger, *Foreign Investment in Agricultural Production: Opportunities and Challenges*, World Bank, 2009; Reuters, "Factbox: foreign forays into African farming", 2 March 2009; GRAIN, "The 2008 land grab for food and financial security", 18 October 2008 (available at www.grain.org/go/landgrab); International Food Policy Research Institute policy brief 13 April 2009; International Institute for Environment and Development, FAO and IFAD, "Land grab or development opportunity? Agricultural investments and international land deals in Africa", 26 May 2009.

- (c) In order to ensure that the rights of the local communities will be safeguarded at all times, States should adopt legislation protecting those rights and specifying in detail the cases in which shifts in land use or evictions are allowed, as well as the procedure to be followed. Moreover, States should assist local communities in obtaining collective registration of the land they use, in order to ensure that their rights will enjoy full judicial protection. Such legislation should be designed in accordance with the Basic principles and guidelines on development-based evictions and displacement, submitted in 2007 by the Special Rapporteur on adequate housing as a component of the right to an adequate standard of living (A/HRC/4/18, annex I), and with general comment No. 7 (1997) of the Committee on Economic, Social and Cultural Rights on the right to adequate housing (art. 11.1): forced evictions; ¹⁴
- (d) Investment agreement revenues should be used for the benefit of the local population. Depending on the circumstances, arrangements under which the foreign investor grants access to credit and improved technologies for contract farming, or precluding the possibility of buying at predefined prices, a portion of the crops produced, may be preferable to long-term leases of land or land purchases;
- (e) Host States and investors should establish and promote farming systems that are sufficiently labour-intensive to contribute to job creation and to the strengthening of local livelihood options;
- (f) Host States and investors should cooperate in identifying ways to ensure that the modes of agricultural production respect the environment;
- (g) Whatever the content of the arrangement, it is essential that the obligations of the investor are defined in clear terms, and that these obligations are enforceable, for instance by the inclusion of predefined sanctions in the event of non-compliance;
- (h) In order to ensure that investor agreements do not result in greater food insecurity for the local population, particularly as the result of increased dependence on international markets or food aid in a context of higher prices for agricultural commodities, the agreements should include a clause providing that a minimum percentage of the crops produced be sold on local markets, and that this percentage may be increased, in proportions to be agreed in advance, if the price of food commodities on international markets reaches a certain level;
- (i) Impact assessments should be conducted prior to the completion of negotiations in order to highlight the consequences of the investment on the enjoyment of the right to food through: (i) local employment and incomes, disaggregated by gender and, where applicable, by ethnic group; (ii) access to productive resources of the local communities, including pastoralists or itinerant farmers; (iii) the arrival of new technologies and investments in infrastructure; (iv) the environment, including soil depletion, the use of water resources and genetic erosion; and (v) access, availability and adequacy of food;

¹⁴ Official Records of the Economic and Social Council, 1998, Supplement No. 2 (E/1998/22), annex IV.

- (j) Indigenous peoples have been granted specific forms of protection of their rights on land under international law. States shall consult and cooperate in good faith with the indigenous peoples concerned in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources;
- (k) Waged agricultural workers should be provided with adequate protection, and their fundamental human and labour rights should be stipulated in legislation and enforced in practice, consistent with the applicable instruments of the International Labour Organization (ILO).
- 22. The principles and measures proposed are not simply a restatement of the human rights norms on which they are grounded; they are practical as well. They seek to assist both investors and host Governments in the negotiation and implementation of large-scale land leases or acquisitions, in order to ensure that such investments are balanced, work for the benefit of the population in the host country and are conducive to sustainable development. In this area too, a multilateral approach would be preferable to unilateral action by the States concerned. A multilateral framework would not only improve the protection of the human rights of the local population concerned; it could also avoid beggar-thy-neighbour policies, with countries competing against each other for foreign direct investment and thus lowering the requirements imposed on foreign investors. It could also provide greater legal certainty for investors and shield them against the risk of reputational losses if they comply with the principles. It is the hope of the Special Rapporteur that these principles will help to achieve a consensus on the establishment of such a framework.

C. Ensuring that agrofuels work for sustainable development

23. In his first report on the global food crisis (A/HRC/9/23), the Special Rapporteur discussed the impact of the increased production of agrofuels on food prices, and more generally, on the right to food. Rather than dismiss the use of liquid agrofuels in the transport sector outright, he proposed that a consensus be sought on international guidelines on the production and consumption of agrofuels. These guidelines should include environmental standards, since the expansion of the production and consumption of agrofuels results in direct and indirect shifts in land use and often has a negative environmental impact when the full life cycle of the product is taken into account. They should also incorporate the requirements of human rights instruments, particularly with regard to the right to adequate food, the right to adequate housing (given the risks of forced evictions and displacements for the production of agrofuels), the rights of workers (including in particular the right to a fair remuneration and the right to a healthy working environment), the rights of indigenous peoples and women's rights. The international community has recognized the need to make progress towards such a consensus at the international level, particularly in the Declaration of the High-level Conference on World Food Security convened in Rome from 3 to 5 June 2008. The World Bank recently noted that policies that subsidize

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¹⁵ In paragraph 7 (f), the Declaration calls upon "relevant inter-governmental organizations, including FAO, within their mandates and areas of expertise, with the involvement of national Governments, partnerships, the private sector and civil society, to foster a coherent, effective and results-oriented international dialogue on biofuels in the context of food security and sustainable development needs".

production, impose high tariffs and mandate consumption of agrofuels had led to the rapid expansion of biofuel production from food crops, such as maize and vegetable oils, and had contributed to higher food prices as well as to environmental degradation. Apart from certain voluntary schemes, however, no progress has since been made on disciplining agrofuels, despite these well-documented effects and the fewer opportunities that such policies afford to lower-cost developing-country producers to expand their production and exports.

- Instead, unilateral measures have been taken. The European Union and Switzerland, for instance, have developed sustainability criteria, based on environmental and social concerns, for the use and import of agrofuels. Certain voluntary schemes are also being put in place. These measures are welcome, but they fail to address adequately the potential impact of the development of agrofuel production on food security. Such an impact would be felt both in the price of food and the structure of revenues in the agricultural sector of developing countries. In principle, developing countries have a strong comparative advantage in the production of agrofuels. As a rule, however, crops for fuel are grown by large agricultural producers or by multinational companies that own or rent land in developing countries; small-scale farmers are not involved in that production. Unless affirmative action is taken to ensure that smallholders are included in the production of agrofuels in a way that is beneficial to them, the development of agrofuels can only lead to greater inequality within developing countries. As stated in the preliminary conclusions of the International Conference on Biofuels, held in São Paulo from 17 to 21 November 2008, there is a need for a "positive discrimination" for family agriculture, in order to encourage the increased inclusion of smallholder farmers in the market. In this regard, capacity-building, technical assistance and access to land and credit should be promoted.
- 25. Much of the current debate on the need for a new "green revolution" in Africa and on large-scale acquisitions or leases of land are a mimicry of the debate launched in 2008 on the development of agrofuels. In all these areas, unilateralism needs to give way to an agreement, at the multilateral level, on certain parameters or guidelines. Improvements to global governance are vital, because consensus needs to be reached on how sustainability and development can go hand in hand. Rules related to trade and investment must be reconciled with the requirements of human rights and with the need to slow down climate change. While developing countries should take into account these requirements as they move towards a more responsible governance of their land and other natural resources, industrialized countries should facilitate this through capacity-building and transfers of technologies and by controlling their investors and companies operating abroad, consistent with their obligation to protect human rights. In this section below, the Special Rapporteur argues that a reformed Committee on World Food Security is the appropriate forum where multilateralism can make progress on these issues.

¹⁶ World Bank, Global Economic Prospects, op. cit, p. 97.

V. PROTECTING THE ENTITLEMENTS OF THE POOREST: THE ROLE OF SOCIAL PROTECTION

- 26. The global food crisis is primarily the result not of too little food being available, but of food prices that are high in relation to the incomes of individuals. The recent sharp increase in food prices has occurred in a context in which the incomes of affected persons have not increased commensurately. The resulting decreases in real income and the ability to command food would have been less consequential had the individuals been more adequately shielded by social protection systems. In such circumstances, where food can be procured provided the purchasing power is sufficient, implementing the right to social security, as required by article 9 of the International Covenant on Economic, Social and Cultural Rights, ¹⁷ may be the most effective means of ensuring food security when real income is so volatile. The provision of social assistance in the form of food vouchers, cash transfers, employment guarantees or other mechanisms may also contribute to this. ¹⁸
- 27. A significant number of countries reacted to the global food crisis by establishing or strengthening safety net programmes, in particular, by raising their levels of support in order to help cope with the rising food prices. Others relied on existing programmes. In April 2009, the World Bank reported that funds granted under the Global Food Crisis Response Programme the Trust Fund and the Additional Funding Grant were designed to support safety-net programmes in Guinea, Guinea-Bissau, Kyrgyzstan, Madagascar, Nepal, the Occupied Palestinian Territory, the Republic of Moldova, Sierra Leone and Yemen and social protection systems in general in Djibouti, Kenya and the Philippines. Nearly 36 of the 100-odd countries surveyed by the International Food Policy Research Institute in September 2008 had used social protection measures, particularly conditional cash transfers and midday meals, in order to protect their population from the higher prices of food commodities. In the Philippines, a pilot conditional cash transfer programme, the Pantawid Pamilyang Pilipino Programme, which was launched in February 2008 in four municipalities, was soon scaled up so as to reach 320,000 beneficiaries by January 2009.

¹⁷ See general comment No. 19 of the Committee on Economic, Social and Cultural Rights (E/C.12/GC/19).

¹⁸ See also the Comprehensive Framework for Action of the High-level Task Force on the Global Food Security Crisis, para. 1.1.

This was observed in a number of Latin American countries: in Panama, the *Red de Oportunidades* cash transfer programme was re-evaluated from \$35 per household to \$50; in Ecuador, the *Bono de Desarollo* was re-evaluated from \$15 to \$30 monthly per household.

²⁰ "Doubled-Edged Prices: Lessons from the food price crisis: 10 actions developing countries should take", Oxfam International, October 2008.

Todd Benson, Nicholas Minot, John Pender, Miguel Robles, Joachim von Braun, "Global food crises: monitoring and assessing impact to inform policy responses". Food Policy Report No. 19, International Food Policy Research Institute, Washington, D.C., September 2008.

- Implementing social assistance programmes by using human rights principles can enhance their effectiveness significantly. Firstly, with regard to programmes that target the most vulnerable rather than being universal in scope, definition of beneficiaries on the basis of a prior mapping of food insecurity can improve targeting significantly, and thus the contribution of social assistance schemes to improving food security and poverty reduction as well. Secondly, the clear definition of beneficiaries in legislation - making access to social assistance a right for the beneficiaries - may limit the risk of resources being diverted as a result of corruption or clientelism and can improve accountability of the administration responsible for implementation, particularly if courts are empowered to monitor implementation. Thirdly, the definition of the programme benefit as deriving from a right held by all citizens (even where the programme is targeted) can reduce the element of stigma attached to participating in the programme, which could otherwise reduce significantly the participation of eligible persons. Fourthly, the participation of beneficiaries in the design and implementation of programmes can improve their effectiveness. Fifthly, the gender dimension needs to be taken into account in the design of conditional social assistance programmes in particular, since such programmes can have both a positive and a negative influence on gender stereotypes, depending on how well the programmes are framed.²²
- While the conditional provision of social assistance in which specific eligibility criteria must be satisfied - may be desirable from various standpoints (for example, to reduce overall programme costs or to increase programme benefits per person), unconditional or universal social assistance has much to be recommended in conditions of widespread deprivation, particularly in poorer developing countries, where the vulnerable population is a large proportion of the total population and administrative capacities may be weak, so much so that the costs of targeting could outweigh the benefits. At the same time, however, as noted by the independent expert on the question of human rights and extreme poverty in a report recently submitted on cash transfer programmes (A/HRC/11/9), there is a need for continuous attention to be paid to the accessibility and adaptability of schemes to different physical, geographical, social and cultural contexts, taking into consideration the constraints faced by groups particularly vulnerable to discrimination. Where targeting is chosen because of fiscal constraints, it can be achieved either by means testing (transfers of in kind food aid, food vouchers or cash transfers conditional on personal characteristics or resources), or by transfers conditional on individual actions, as in programmes providing food vouchers or cash against work (cash/food-for-work programmes), which are "self-targeting". Whichever the targeting method used, it is essential that targeting processes and eligibility criteria be fair, effective and transparent and that they safeguard against discrimination.
- 30. Conditional programmes are generally designed to address "long-term, structural poverty rather than income shocks, particularly if those shocks are expected to be short-term ones"; they are not the ideal instrument for dealing with transient poverty. ²³ The adoption in 2005, in India, of the National Rural Employment Guarantee Act is worth noting because it presents features

²² ILO, "Gender Equality at the heart of decent work", 2009, para. 160.

Ariel Fiszbein, Norber Schady, "Conditional cash transfers: reducing present and future poverty", World Bank policy research report, 2009, p. 197.

that are sensitive to human rights standards that have contributed to highlighting weaknesses in implementation and to redressing some persisting problems. The Act guarantees a legal minimum daily wage; workers who are unable to obtain employment through the scheme are entitled to unemployment benefit. Records of funds received and projects carried out through the Act are publicly available at the district level and can also be obtained through the right of access under the Right to Information Act of 2005. Although significant problems remain in the implementation of the National Rural Employment Guarantee Act, this transparency requirement constitutes an important safeguard. In addition, the intervention of agricultural workers' trade unions, which organized workers participating in schemes under the Act, improved both levels of participation in the scheme and compliance with minimum wage requirements.

- 31. The strengthening of social assistance programmes has a fiscal cost. For developing countries, spending on safety nets has averaged from 1 to 2 per cent of GDP in recent years, but there are wide variations between countries, depending on the generosity of the programmes and the administrative costs involved, ²⁴ and the quality of targeting. Because of these costs, questions about the fiscal sustainability of social assistance programmes can constitute an obstacle to their very adoption, and to their maintenance following a crisis, as a permanent safeguard against sudden loss of revenues for the poorest members of society. This is regrettable: one of the reasons why the National Rural Employment Guarantee Act has been generally more satisfactory than other programmes put in place as a response to the crisis is because it is a permanent programme, well known to its potential beneficiaries, and the implementation of which is easier in times of crisis because of the familiarity with the procedures of the local officials responsible. The establishment of standing social assistance programmes is also consistent with a rights-based approach; those in need of support should not have to wait until the Government declares an emergency and acts accordingly.
- 32. The international community can help overcome the uncertainty factor inherent in the strengthening of social protection in developing countries by ensuring them against the risk that social protection schemes, once put in place, do not become fiscally unsustainable following domestic or international shocks, such as a sudden loss of export revenue, sharp increases in the price of food commodities on international markets or poor harvests in the country concerned. A global reinsurance mechanism could be put in place, with premiums ideally paid in part by the country seeking insurance and matched by donor contributions, thus creating an incentive for countries to put in place robust social protection programmes for the benefit of their population. ²⁵

The administrative costs of cash transfers are relatively low: about 5 per cent of total programme costs after start-up, compared with 36 per cent of total programme costs for food-based programmes. See the World Bank, *Global Economic Prospects*, op. cit., p. 126.

On this proposal, see Sanjay G. Reddy, "Safety nets for the poor: a missing international dimension?" in Giovanni Andrea Cornia (ed.), *Pro-Poor Macroeconomics*, Palgrave Macmillan, 2006, pp. 144-165.

VI. THE ROLE OF INTERNATIONAL MARKETS: COPING WITH AND COMBATING VOLATILITY

- 33. The impact of high food prices on international markets has been greater in countries with fewer domestic alternatives to internationally traded grains, the prices of which rose the most (maize, wheat and rice). This is one of the reasons why, in the report on the mission to the World Trade Organization (WTO) and the right to food (A/HRC/10/5/Add.2), the Special Rapporteur emphasized the need for countries to avoid an excessive dependence on food imports and to avoid sacrificing their long-term interest in strengthening their agricultural sector for the production of food crops against their short-term interest in purchasing food at often artificially depressed prices on international markets. At the same time, since the pursuit of self-sufficiency in food is illusory for most countries, the risks associated with international trade should be better managed. It is for this reason that the Marrakesh Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Countries, adopted as part of the WTO agreements (see A/HRC/10/5, paras. 20-25).
- 34. Indeed, the international markets proved particularly unreliable during the global food crisis of 2007/08. One of the characteristics of the crisis was that a significant number of countries (29, according to one count;²¹ at least 20 developing countries according to another report)²⁶ resorted to export bans or restrictions, including the raising of export tariffs, to keep their domestic prices down. These measures were successful in a number of instances, particularly in larger countries, such as China or India, whose dependence on imports is limited given that they import no more than 1.5 per cent of their total grain requirements. However, to the extent that such restrictions were imposed simultaneously by a number of exporters representing a significant share of the market, it helped drive availability down and prices up on international markets, severely penalizing the low income net food-importing countries. In a number of countries, the Government therefore concluded agreements with importers or retailers, or imposed price regulations, in order to ensure affordability of food.
- 35. There are means that countries might use to protect themselves against the risk of sudden price increases on international markets. Some countries establish food reserves at the national or the local level to cushion the impact of price spikes on international markets, ²⁷ as seen following the global food crisis. The establishment and management of food reserves may also be a means to ensure sufficiently stable and remunerative prices to smallholders; for instance, in Brazil, the programme for the acquisition of food (*Programa de aquisicao de alimentos*), conceived to support the marketing of family farmers' products, is also designed to establish a bridge between

²⁶ The World Bank, *Global Economic Prospects*, op. cit., p. 123.

²⁷ A/HRC/9/23, para. 32.

food producers and consumers, stimulate food production and provide access to food to food-insecure families. The Government, through the National Supply Company CONAB, buys food from family farmers, as long as the prices are not higher than those found on regional markets. This programme guarantees an income to family farmers, and has an annual limit of 3,500 reais.²⁸

- 36. Another option is to conclude long-term supply arrangements, by which importing countries agree to buy a minimum amount of grain or other food crop each year in exchange for a commitment by the exporting country to meet larger imports when needed. Such arrangements make net food-importing countries less subject to the volatility of market prices for the crops they import, although there is a risk that the counterpart reneges on the arrangements, pleading altered circumstances. A viable alternative if food shortages do not arise simultaneously in a large number of countries is for Governments, fearing shortages, to resort to contingent option contracts, by buying options on future imports which, if exercised, would be realized by physical delivery (that is, in the event that harvests are as poor as initially feared). This is in essence the course of action taken by Malawi, with assistance from the World Bank and the Government of Great Britain, in 2005/06, using call options from the South African futures exchange to help cap the cost of managing an anticipated "hungry season" shortage of 60,000 tons of white maize valued at \$17 million. Since the spot price of maize rose significantly in late 2005, ex post the option contract proved to be an efficient way to procure food and meet the needs of the population.²⁹
- All the above-mentioned options are means by which countries shield themselves from the impact of volatile prices on international markets. But volatility itself may be combated more effectively. Many observers of the global food crisis now agree that speculation by commodity index funds on the futures markets of agricultural commodities was a significant factor in the peak of 2007/08. In the period 2006-2008, the abundance of international liquidity coupled with a slowdown on financial markets drew a large amount of investment capital into agricultural commodities exchanges. Investors not active in the underlying commodity markets (such as farmers and producers) are not present on the futures markets for price discovery or hedging. Instead, they bet that prices will either rise or fall as part of an investment strategy, rather than as a way to manage risk related to the sale or purchase of commodities. The sale or purchase of futures is a mere portfolio decision, without any relation to the "fundamentals" of the economy the underlying economic reality. This has been, in particular, the strategy of commodity index funds, which arrived massively on the futures markets of agricultural commodities in the period 2006-2008. Such funds speculate on a basket of 20 or more commodities, agricultural commodities accounting for 10 to 20 per cent of the total. It has been reported that, at the end of March 2008, investors worldwide held an estimated \$400 billion in commodity futures contracts - about \$70 billion more than at the beginning of the year, and twice as much as in

²⁸ "Soberania e seguranca alimentar e nutricional no Brasil: politicas publicas inovadoras", Governo Federal, Brasilía, 26 January 2009.

²⁹ J. Dana, C. Gilbert, and E. Shim, "Hedging grain price risk in the SADC: case studies of Malawi and Zambia", *Food Policy* 31 (2006), pp. 357-71.

late 2005, ³⁰ leading to the formation of a speculative bubble on markets for maize, wheat, soybeans and rice. ³¹ While speculation thus understood is not the immediate cause of price increases on the spot market (where commodities are effectively traded), it may nevertheless exacerbate volatility by encouraging hoarding by both private traders and Governments, and because of the relative slowness of supply and demand to react to price changes. ³² According to the World Bank, this had a significant impact on prices: "real-side speculation (the decision to hold stocks in anticipation of further price increases or to order more than needed now for the same reasons) likely contributed to the rapid increase in prices during 2007 and 2008". ³³ This is also the conclusion reached by UNCTAD in its report on the global economic crisis. ³⁴

38. A number of measures could be taken to limit the risks engendered by financial speculation. Certain measures would be of a purely regulatory or institutional nature; for instance, to dampen pure financial speculation, regulators could increase the margin (for example, from 10 per cent to 30 per cent as down payment), as this would force speculators to make a larger down payment for their speculation. The registration of funds trading on agricultural commodities on spot or derivative markets has also been proposed, in order either to exclude hedge funds from those markets or to allow for their activities to be better monitored, for instance by prohibiting certain highly speculative activities, such as short selling or dealing in over-the-counter derivatives. The International Food Policy Research Institute has proposed the establishment of a fund managed independently by a high-level group of experts allowed to intervene on the futures markets when prices appear significantly higher than what would correspond to a reasonable margin within a dynamic price band. The group would execute a

³⁰ The International Food Policy Research Institute forum, "Speculation and World Food Markets", July 2008, p. 9.

³¹ J. van Braun and M. Torero, "Physical and virtual global food reserves to protect the poor and prevent market failure", the International Food Policy Research Institute policy brief, 4 June 2008.

³² In addition, higher prices on the futures markets may be misinterpreted by traders as incorporating new market information, thus leading to the formation of a bubble, because all traders will react in a similar way.

³³ The World Bank, *Global Economic Prospects*, op. cit., p. 64.

³⁴ UNCTAD/GDS/2009/1.

³⁵ P. Wahl, "Food speculation: the main factor of the price bubble in 2008", World Economy, Ecology & Development, 2009.

number of silent short sells over a period of time in futures markets around the world at a price lower than the current spot price, thus increasing the supply of future sells and minimizing speculative attacks.³⁶

- 39. Other measures could consist of improved management of grain stocks at the global level. Improved information about and coordination of global grain stocks could limit the attractiveness of speculation. Rebuilding stocks in order to minimize temporary shortages linked, for instance, to weather-related events, and thus to buffer sharp price movements, would also limit volatility. At a minimum, the establishment of an emergency reserve allowing the World Food Programme (WFP) to meet humanitarian needs through access to grain at pre-crisis market prices would be justified.³⁷
- 40. UNCTAD calls for "a new global institutional arrangement consisting of a minimum physical grain reserve to stabilize markets, to respond effectively to emergency cases and humanitarian crisis and an intervention mechanism". Despite numerous calls to this effect, however, no progress has been made on this issue in the past year. The systemic risks associated with the current organization of the global food system remain unaddressed. Like the failure of the international community to reach a consensus on agrofuels, it reveals a gap in global governance for which people are paying a very high price. In the final section of the present report, the Special Rapporteur examines how this gap could be bridged.

VII. REFORMING GLOBAL GOVERNANCE

41. There is a common thread running through the different themes explored in the present report: the need to strengthen multilateralism to address effectively the structural causes of the global food crisis. International agencies have worked remarkably well together since April 2008 as a result of the High-level Task Force on the Global Food Security Crisis set up under the leadership of the Secretary-General, which agreed on the Comprehensive Framework for Action that lists the operational measures that Governments could take with the support of the international community. Governments too have to act in a coordinated fashion in order to ensure that investments in agriculture, including as a result of transnational large-scale land acquisitions or leases, contribute to sustainable development; they have to act together to agree on guidelines for the production and use of agrofuels; and they have to act together to establish a reinsurance mechanism to make the strengthening of social protection an option that is both

³⁶ J. van Braun and M. Torero, op. cit. Although in principle the future sells would not need to be realized and the operation would remain a virtual one, the costs of a failure to stabilize markets would be potentially very high.

³⁷ On the basis of the current emergency requirements of WFP, the International Food Policy Research Institute estimates that an emergency reserve of around 300,000 tons of basic grain would be sufficient for this purpose.

³⁸ UNCTAD/GDS/2009/1, p. 38.

desirable and fiscally sustainable for developing States, or to combat volatility on the international markets of agricultural commodities. Now is the time to achieve the reform of global governance that will allow us to define the realization of the right to food as a global common good.

- 42. The Special Rapporteur is encouraged that the issue of the right to adequate food is increasingly raised in contexts in which it was much less visible in the past. In its draft strategic framework and medium-term plan for the period 2010-2013, FAO now considers adding governance and the right to food to its efforts to combat hunger. The right to food was also a key element of the High-level Meeting on Food Security for All, convened in Madrid on 26 and 27 January 2009 by the Prime Minister of Spain and the Secretary General, who pleaded for inclusion of the right to food in the work of the High-level Task Force on the Global Food Security Crisis as a basis for analysis, action and accountability. Such a shift is essential, and it is not limited to institutional or governance components. The right to food should guide all our efforts, whether they relate to rural development and support for agriculture or to social protection.
- 43. On 27 April 2009, the contact group for the revitalization of the Committee on World Food Security held the first of a number of meetings, which should lead it to make proposals to transform the Committee into a body that could achieve this. The Committee, currently one of the committees listed in article 5, paragraph 6, of the Constitution of FAO, has the task of assisting the Council of FAO in its functions. It should transform itself into something far more ambitious: a forum in which Governments, international agencies and civil society organizations could discuss issues, such as those listed in the present report; which calls for more cooperation between States, to the extent required for the realization of the right to food; and which could lead to the adoption of guidelines revised at regular intervals on the range of issues that could contribute to this objective. The Committee should ensure improved coordination among Governments, international agencies and non-governmental organizations in implementing these guidelines; it could facilitate achievement of a consensus on emerging issues, as well as improve accountability, by monitoring the efforts of Governments and international agencies in the implementation of the guidelines.
- 44. As a member of the contact group, the Special Rapporteur proposed that the revised Committee on World Food Security should combine the three core functions of coordination, learning and monitoring progress. This could be achieved by transforming the Committee into a platform: (a) to adopt guidelines, based on the joint understanding of the obstacles to the realization of the right to adequate food; (b) to request Governments and international agencies to identify a set of targets to be achieved in the implementation of the guidelines; (c) to receive reports on the achievement of these targets, on which the Committee should comment with the assistance of a high-level panel of experts; and (d) to revise the guidelines in the light of the difficulties encountered in their implementation.
- 45. The above proposal is based on the diagnosis of the reasons for our failure to eradicate hunger and acute malnutrition, referred to in the introduction of the present report. A revitalized Committee on World Food Security could contribute significantly to addressing each of these problems. It would significantly increase accountability, particularly if the targets to be achieved by States are set at the national level, through participatory processes involving civil society organizations and leading to the identification of clear, time-bound priorities on the basis of the

mapping of food insecurity and vulnerability. For developed countries in particular, the targets could include levels of contribution to international assistance and cooperation with developing countries, in accordance with the priorities set by the guidelines adopted by the Committee.

VIII. CONCLUSIONS AND RECOMMENDATIONS

- 46. We can transform this crisis into an opportunity. But this requires that we ensure that the reinvestment in agriculture effectively contributes to combating hunger and malnutrition; we guarantee the right to social security; we enable countries to cope with volatility of prices on international markets while combating its sources at the same time; and we improve the global governance of food security.
- 47. With regard to agricultural investment the Special Rapporteur calls on the Human Rights Council:
- (a) To encourage the international community (States, international agencies, donor countries) to ensure that the reinvestment in agriculture and rural development effectively contributes to the progressive realization of the right to food, by:
 - (i) Accelerating the work for better implementation of relevant ILO conventions in rural areas, in order to guarantee that those working on farms can be guaranteed a living wage, adequate health and safe conditions of employment;
 - (ii) Undertaking rigorous comparative assessments of the impact of different agricultural modes of production on the right to food;
 - (iii) Channelling adequate support to sustainable farming approaches that benefit the most vulnerable groups and that are resilient to climate change and the depletion of hydrocarbons;
 - (iv) Prioritizing the provision of public goods, such as storage facilities, extension services, means of communications, access to credit and insurance, agricultural research and the organization of farmers in cooperatives;
 - (v) Encouraging States to locate their efforts in reinvesting in agriculture under national strategies for the realization of the right to adequate food that include mapping of the food insecure, adoption of relevant legislation and policies, and the establishment of mechanisms to ensure accountability, and which are adopted through participatory mechanisms;
- (b) To promote the adoption of a multilateral framework that ensures that large-scale land acquisitions or leases are balanced, conducive to sustainable development and comply with human rights, including the right to food, the right to adequate housing and the right to development;

- (c) To encourage the international community to accelerate work on reaching international consensus on agrofuels that includes environmental standards and incorporates requirements of human rights instruments, paying attention in particular to the specific needs of smallholders.
- 48. With regard to social protection, the Special Rapporteur calls on the Council:
- (a) To encourage States to guarantee the right to social security to all, without discrimination, through the establishment of standing social protection schemes, and to ensure that, when targeted schemes are adopted, they are based on criteria that are fair, effective and transparent;
- (b) To encourage the international community to put in place a global reinsurance mechanism, creating an incentive for countries to set up robust social protection programmes for the benefit of their populations.
- 49. With regard to volatility on international markets, the Special Rapporteur encourages the international community to better manage the risks associated with international trade and to ensure least-developed and net food-importing developing countries better protection from the volatility of international market prices, and to combat volatility on international markets more effectively by:
 - (a) The full implementation of the Marrakesh Decision within WTO;
- (b) Encouraging the establishment of food reserves at the local, national or regional levels:
- (c) Improving the management of grain stocks at the global level, including improved information about and coordination of global grain stocks to limit the attractiveness of speculation;
- (d) Establishing an emergency reserve that allows WFP to meet humanitarian needs at pre-crisis prices;
- (e) Examining further the proposals for a minimum physical grain reserve to stabilize markets, and for other means to combat speculation on the futures markets of agricultural commodities by commodity index funds.
- 50. With regard to the strengthening of global governance, the Special Rapporteur calls on the Council to encourage States to transform the Committee on World Food Security into a forum in which Governments, international agencies and civil society organizations can discuss issues that call for more cooperation between States, adopt guidelines revised at regular intervals and improve accountability by monitoring achievement of time-bound targets set by States and international agencies for the implementation of those guidelines.
