Towards Food Sovereignty: Constructive Alternatives to the World Trade Organization’s Agreement on Agriculture

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Constructive Alternatives to the WTO’s Agreement on Agriculture

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The working group has benefited from analyses and proposals made by other meetings of NGOs and farmers’ organizations, in particular from the drafts: “Alternatives for the Americas,” The Hemispheric Social Alliance, December 2002; and “Our world is not for sale. Priority to Peoples’ Food Sovereignty. WTO out of Food and Agriculture” issued by another meeting in Geneva in February 2003 and signed by Via Campesina and several of its associated organizations. However, this document reflects only the consensus reached in this working group, and does not claim to represent the views of others.
Introduction

There is growing evidence that rapid agricultural trade liberalization facilitated by the World Trade Organization (WTO) has increased rural poverty and food insecurity and devastated livelihoods of millions of small farmers and rural women in the South—and to a lesser but still serious extent, family farmers in the North. Nevertheless, the draft text on modalities proposed by Chairman Harbinson for the Agreement on Agriculture (AoA) betrays the Doha Ministerial Declaration’s stated intention of placing development at the heart of the Doha Round. Instead of redressing the imbalances and inequities inherent in the existing AoA, the draft modalities continue to allow developed countries to maintain high levels of support and protection to their agribusiness sectors, while inhibiting developing countries’ (DCs) capacity to enhance domestic food production and protect their small farmers’ livelihoods.

The Harbinson draft fundamentally fails to alter the AoA’s existing structure, which legitimizes dumping through perpetuation of domestic price supports that developed countries claim to be “non-trade distorting.” This approach unfairly exempts from immediate curtailment such existing domestic subsidies—which are, in effect, also export subsidies when the benefiting products are exported and dumped at below the cost of production on world markets. Instead, Harbinson delays their phase out over an unacceptably long timetable. This exemption is unacceptable because it strengthens the monopoly control of transnational corporations over the global agri-food markets at the expense of every country’s food sovereignty.

Developing Countries (DCs) have presented significant proposals to the AoA negotiators that would better enable DCs to renegotiate and strengthen their anti-dumping measures to counter unfair dumping and prevent massive loss of rural livelihoods. Some of these proposals have reflected the input of civil society groups. Unfortunately, such proposals were—for the most part—omitted from the Harbinson text. To the contrary, the draft offers only smaller rates of tariff reduction for products identified as “strategic” to food security and rural development, to serve as Special and Differential Treatment (S&D) to DCs. As past experience has shown, slowing tariff reduction will not stem the massive dumping of food imports that are inundating local markets, leading to a further erosion of DCs’ food self-sufficiency and of their capacity to generate sustainable employment for the rural poor.

We are convinced that, whatever marginal improvements might be incorporated in the present AoA, they will not make the resulting Agreement compatible with the essential concept food sovereignty that would promote socially and environmentally sustainable agriculture worldwide. The current WTO structure precludes the fair regulation of agricultural trade for three main reasons.

First. The ‘single undertaking’ rule of the Doha Round would have the AoA be only a bargaining chip among all other ongoing WTO trade negotiations. The AoA is therefore likely to suffer important concessions—with little or no public scrutiny—which could profoundly and negatively impact agricultural sustainability in many countries. In other words, agriculture could easily be sacrificed on behalf of other issues.
The second reason relates to the profoundly biased definitions of dumping and actionable subsidies, not only in the AoA, but also in the GATT Agreement, the Agreement on Antidumping, and the Agreement on Subsidies and Countervailing Measures. So long as these definitions are not changed—this is out of reach of the agricultural negotiators alone—the AoA is unlikely to address fairly existing imbalances between developed and developing countries. Consequently, we advocate the development of alternative multilateral agreements on agriculture that better articulate and ensure the food sovereignty of all peoples, including the right to food.

The third reason relates to the unfair running of the Dispute Settlement Mechanism (DSM) since the WTO does not recognize the primacy of human rights and of the environment rules over trade rules. By adopting the Declaration on Human Rights in 1948 and the International Covenant on Economic, Social and Cultural Rights in 1966, member states recognized everyone’s right to feed oneself, the right to education, the right to access to adequate health services, the right to housing, the right to drinking water, etc. These rights build the cornerstone and the indicators of real development. Member countries of the AoA commit themselves to abide by the International Labor Organization conventions and the international conventions on the environment.

Therefore, the 50 civil society and farmers’ groups from North and South gathered in Geneva for the International Workshop on the Review of the AoA on Feb. 19-21, 2003 call for the development of alternative multilateral agreements on agriculture that better articulate and ensure food security and food sovereignty—including the right to food—as well as equitably address all sources of unfair trade distortions in world agricultural markets.
Preamble

I. The Right to Food is a Basic Human Right

Food has been declared a basic human right in many international agreements such as the Universal Declaration of Human Rights, the Preamble of the FAO Constitution, the International Covenant of Economic, Social and Cultural Rights, among others. Yet, the right to food is continually denied. Even worse, it is presently considered more an item for trade than for sustenance.

Existing rules for the global economy encourage excessive economic concentration in agricultural markets that results in the manipulation of global food supplies and the depression of farm prices, threatening food security and the survival of family farmers in both developing and developed countries. Poverty is increasing instead of decreasing in many regions around the world. Outside pressures are displacing local agricultural practices with industrialized agricultural practices, thereby destabilizing families and communities around the world. Increasingly, many small producers are giving up farming completely. Suicide rates are high in rural areas in the North, and many rural migrants in the south end up in miserable conditions in urban shantytowns or migrate to provide cheap labor in the North.

Presently there is no internationally binding instrument that recognizes and guarantees peoples’ right to produce or have access to food. Nor is there an instrument for the realization of these rights by guaranteeing that governments recognize and assure the food sovereignty of the people and their communities—providing the people with the freedom, means and legal authority to exercise these rights. Such an internationally binding instrument is essential to promote and guarantee the exercising of national food sovereignty by nation-states whether such sovereignty is affected by trade agreements, investment agreements or agreements with international financial institutions. We must therefore create new paradigms that will provide all governments with the moral and legal basis, as well as the material means, to establish and to exercise food sovereignty, which in turn will guarantee the basic human right to food.

The pursuit of trade and investment liberalization within the dominant form of globalization and the WTO process will inevitably cause serious social and economic problems for rural peoples engaged in agriculture and fishing around the world. The probable consequences of an expanded WTO Agreement on Agriculture (AoA) accord include the abandonment of lands, acceleration of migration from rural to urban areas, with subsequent pressures on local governments to provide basic services. This will also result in the growth of poverty and increased marginalization in both urban and rural areas.

The transnational agribusiness cartels pushing for new AoA measures are eager to increase their own access to large quantities of under-priced grains, which they then will use to depress global market prices through the strategic “dumping” of grains at prices far below farmers’ cost of production. This market manipulation undermines the ability of smaller-scale producers worldwide to compete against imports in their own domestic markets, let alone gain prosperity through expanded exports. The practice of dumping is predatory pricing on a global scale. In many countries, vast vertically integrated transnational corporations are building mega-barns for
mass industrial style production of hogs, dairy and other livestock. This production, which is geared for export, is displacing local farmers and destroying rural environments and communities. Furthermore, in several countries, large corporations are pressing for the sale or lease of agricultural land to be converted into forestry plantations, resulting in the displacement of subsistence farmers from their lands and the permanent loss of the means of feeding their families.

The current U.S. farm policy, further expanded in the 2002 Farm Bill, devastates independent family farmers in the United States. By eliminating supply management and price floors, it puts incredible economic pressure on U.S. farmers to plant field crops fence-row to fence-row, cultivating all of their land without leaving any part of the soil to rest. Massive taxpayer subsidies provide both direct and indirect export subsidies—primarily to large agribusiness cartels rather than independent farmers. This in turn allows transnational agribusiness cartels to purchase commodities at prices far below their cost of production—both domestically and internationally—a and thereby encourages predatory dumping of key agricultural commodities onto world markets in a manner that undercuts the price paid to farmers and peasants around the world.

Below-cost feed grains provide an unfair, distorted economic advantage to feeding grains over feeding grass. This in turn favors centralized, industrial animal factories, which need massive amounts of feed grains—over smaller, independent, decentralized livestock producers who could otherwise be more competitive by utilizing grass instead of feed. This subsidy of cheap feed grains allows industrial animal factories to externalize the costs of their water, air and land pollution to society as a whole while increasing their own profit margins. Additionally, mounting evidence reveals increasing health threats associated with reduced medical effectiveness of antibiotics due to these operations contaminating our food and water supplies by the sub-therapeutic use of antibiotics needed to keep animals alive in their inhumane cubicals.

An expansion of the WTO’s AoA would make all countries’ food security increasingly uncertain and dependent on volatile international market prices and far-flung distribution chains. In many countries such trade liberalization policies have gone hand-in-hand with increases in government spending for military and paramilitary forces, which then confront the mass movements that have emerged to regain land and the means to a decent and dignified livelihood. An expanded AoA is also designed to break down the authority of countries to regulate on behalf of the public interest the widespread dissemination and cultivation of patented genetically engineered food crops. The patenting that is essential to the very existence of this technology is already beginning to disenfranchise farmers of their resources, unbalancing natural ecosystems, and destroying the genetic diversity of crops upon which farmers and consumers depend now and into the indefinite future.

II. Food Sovereignty Must Claim Primacy Over Trade Agreements

In light of these threats, the principle of food sovereignty must be respected in any trade agreement. We therefore reject the liberalization of agricultural markets under the parameters of the WTO’s AoA. Agriculture and traditional fishing are activities that fulfill a series of essential functions for the stability and security of nations: the preservation of the cultural riches and
multi-ethnicity of societies; the preservation of biodiversity; the creation of dignified employment and self-sustainable communities (in agriculture, fishing and related economic activities); the maintenance of rural populations; guarantees for basic food security; and contributions to sustainable development with economic, social and political stability. In short, agriculture, fishing and biodiversity should not be treated as mere commodities, but rather as elements of a complex social, environmental and cultural pattern which should therefore not be opened indiscriminately to trade liberalization. Only then can agriculture fulfill its complex social role and contribute to the achievement of a just and peaceful existence for all.

Therefore, as a response to the deleterious impacts of trade liberalization, countries should be allowed and encouraged to develop their own sovereign long-term rural development strategies and policies, and to prohibit the cross-border dumping of commodities by transnational corporations. The principle of food sovereignty implies the ability of nation states to protect their farmers and fishers from predatory trade regimes and economic exploitation, while ensuring food security and a decent rural life and livelihoods.

**III. Neoliberal Globalization: The Imperative of Food Sovereignty**

Neoliberal globalization has intensified the structural causes of hunger and malnutrition. On the one hand it has resulted in the economic and oftentimes physical displacement of the rural and urban poor. On the other hand, the further dominance of corporate control of food and agriculture has eroded peoples’ access to nutritious and safe food.

Neoliberal globalization has removed whatever limited support and protection existed for the majority of the world’s farmers. Structural adjustment programs of the World Bank and the International Monetary Fund (WB/IMF)—as well as other international financial institutions and various agreements under the WTO—have systematically removed quantitative and qualitative trade restrictions that have served to protect the traditional independence of smaller scale, farming and fishing in both developing and developed countries. Independent small-scale farmers and fishers have been rendered bankrupt by the dumping of artificially priced subsidized food and agricultural products by transnational agribusiness cartels under the auspices of “free” trade.

Neoliberal globalization has not just resulted in the displacement of food production. It has also resulted in the rapid industrialization of agriculture that is replacing self-sufficiency in food production with dependence on and subservience to the demands and exigencies of transnational agribusiness cartels, which relentlessly tighten their stranglehold over agriculture production and food distribution around the world.

Throughout the world, family farmers and peasants are losing access to land. Large-scale and unscrupulous landowners and big corporations produce for export or take land out of agriculture. Massive farmer displacement is caused by the concentration of food-growing land away from small farmers and into the hands of an elite of large companies to produce cash crops such as flowers, and luxury commodities such as shrimp, for export.
The neoliberal policies, such as liberalization, privatization and deregulation have had tremendous impact on food security resulting in the increase of rural displacement, poverty and hunger. It has also resulted in the dismantling of the already-limited food support and food production programs.

**IV. Intellectual Property Rights and Genetically Engineered Crops: The Threats to Farmers, Peasants and Consumers**

Limited structures and mechanisms of agricultural support, such as state companies in seeds and other inputs, are being dismantled and privatized. Price protection for food products, food distribution systems, and state subsidies for purchases are being deregulated and removed. WTO rules that prevent the increase in subsidies make the much-ballyhooed safety nets inconsequential.

Other WTO agreements such as The Agreement on the Trade-Related Aspects of Intellectual Property Rights (TRIPS), and on Sanitary & Phytosanitary Standards (SPS), strengthen corporate control and further displace the independent and farmer-peasant sectors. Farmers are rapidly losing control over seeds and other genetic resources while the corporations are increasingly consolidating their control over these resources through patenting, biopiracy and genetic engineering. Genetic engineering and the patenting of life forms not only threaten our ecology and food security, they also threaten the economic independence of farmers.

Intellectual property rights (IPR) are theoretically intended to balance the interests of inventors of socially useful products with those of society at large. However, the recent wave of trade agreements generally favors ensuring corporate profits over the public interest. Moreover, the WTO’s Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs), which has become the standard for intellectual property rights provisions, is biased towards protecting and compensating private corporations, instead of society’s more creative individuals.

Of special concern are the TRIPs rules that privatize, accommodate and monopolize products derived from biodiversity. Under these provisions, corporations have the right to patent products, processes and organic material such as medicines, biotechnology and seeds. These rights raise new ethical, economic and social issues because they affect the self-determination of individuals, groups and peoples, as well as their ability to meet basic human needs.

Traditionally, knowledge of biodiversity has been treated as the common property of local communities. In new trade negotiations around the world, the corporate-government biotech lobby has been a pushing for rules that go beyond even those already agreed to in the WTO, which we could call “TRIPs-plus”. These rules even more rigorously facilitate private monopoly rights, despite the efforts of several regional groups to establish principles defending sovereignty and community rights to traditional knowledge and biological diversity.

**V. The Need to Curtail Agribusiness Cartels from Predatory Dumping of Agricultural Commodities**
International trade in agricultural commodities and agri-foods is lucrative for only a handful of vertically integrated transnational agribusiness cartels, which lobby intensively for expanded trade liberalization. Their lobbying efforts have now culminated in the drafting and implementation of the WTO’s Agreement on Agriculture (AoA), the agricultural components of the FTAA, as well as the U.S. Farm Bill and the EU CAP reforms. Neoliberal apologists have argued vociferously that agri-trade liberalization would provide new opportunities for farmers in developing countries to improve their standard of living: both through the adoption of biotechnology and other industrial agricultural practices, such as animal factories; and through increased agricultural exports to developed countries. Proponents have also argued that expanded trade liberalization would lower the cost of food for consumers worldwide.

However, this “free” trade “prosperity-for-all” myth has now been clearly exposed as a failure, as neoliberal polices such as the North American Free Trade Agreement (NAFTA) have resulted in lower farmgate prices, while escalating retail food prices for consumers. Independent family farmers in the North, and peasants in the South, are faced with an historical trend of declining prices for their agricultural products, both domestically and worldwide, resulting from this increased control of international markets by transnational agribusiness cartels. Farmers and peasants are continually forced to lower production costs, and to implement agricultural production systems that threaten ecological sustainability. Terms of trade between producers of raw agricultural commodities, and the products farmers and peasants must buy (additional food-stuff, agricultural inputs, medicines, education, etc.) to secure their food security and well being, are continually against them. “Farmers buy retail, and sell wholesale.”

At present, international trade in agricultural products involves only ten percent of total worldwide agricultural production, and is mainly an exchange among transnational agribusiness cartels from the US, EU and a few other industrialized countries. The so-called ‘world market price’ is extremely unstable, and is usually below the actual cost of production of farmers and peasants in virtually all countries. Additionally, because most agricultural exports are heavily subsidized by taxpayers in developed countries, and because distribution systems from farmgate to retail are substantially under the monopoly control of various transnational agribusiness cartels, the term, “market” is misleading and inappropriate. These are not “free” or “competitive” markets in the classical sense, because they lack transparency and true price discovery. They are, in fact, “captive” markets controlled by predatory cartels.

In order to take full advantage of the market power provided by vertical integration, these cartels strive to eliminate national border protections for domestic markets that interfere with intra-firm transactions. Despite their misleading mantra of “free” markets that will raise the standard of living for everyone across the world, these transnational cartels are in fact becoming obscenely rich by paying farmers and peasants less than the cost of production for their commodities, while steadily increasing prices paid by consumers. Their vertical integration of “pasture-to-plate” production gives these cartels the monopoly power to lower world market prices for raw agricultural products, while at the same time gouging urban consumers.

Transnational agribusinesses continue to increase their dumping of agricultural commodities at below the cost of production on domestic markets around the world. This practice is forcing both peasants in developing countries, and independent family farmers in developed countries, either
to leave the land, or to specialize in export cash crops in a last ditch effort to survive. This increased vertical integration and monopoly control of world agricultural markets has triggered a race-to-the-bottom among producers, regions and countries that usurps and destroys local markets through the anti-competitive, predatory practices of transnational agribusiness cartels. These cartels are aided and abetted in this hegemony by their home governments, which continue to push for new and increasingly exploitive trade regimes designed to give the cartels ever increasing stranglehold over the world’s food supplies. The primary goal of these trade agreements is to increase profits for transnational agribusiness cartels at the expense of farmers, consumers and the environment worldwide.

This destruction of local markets for the benefit of transnational agribusiness cartels is not how we want the world to be. Producing export crops is not what is needed, but rather it is what the cartels want in order to further increase their monopoly control over world agricultural markets. Farmers, peasants and consumers around the world all have an enormous stake in developing and implementing alternative mechanisms to protect and expand sustainable, independent, decentralized agricultural production against this cartel practice of predatory dumping that subsidizes unsustainable, centralized, industrialized agricultural production. We all must fight to ensure that independent farmers and peasants around are given the opportunity to produce quality food for their families, and for their domestic markets at reasonable prices. This can and must be done without inflicting harm upon rural communities in other parts of the world, and with full respect for our ecological environment and our diversity in cultural identities. World trade in food must not be an end in itself, but instead should be targeted in a constructive manner as an instrument of sustainable rural development, thereby securing the livelihoods of independent farmers and peasants around the world, and ensuring access to affordable food for all.

**VI. Predatory Agricultural Dumping Should Not Be Disguised As Food Aid**

Food aid is sometimes necessary to cope with emergency situations, but often disrupts local markets by importing subsidized surplus production from developed countries that acts as a disincentive to domestic production in the developing countries. While food aid from international stocks is growing, the capacities of national governments to establish food security reserves has been undermined as a result of restriction in Structural Adjustment Programs imposed by IMF and World Bank.

Recently, the transnational biotechnology lobby, supported by the U.S. government, has argued that developing countries don’t have the sovereign right to reject food aid that is genetically contaminated. They have also extended this argument formally before the WTO to mean that other countries, e.g., in the European Union, don’t have the right to regulate genetically engineered crops under the precautionary principle, as is guaranteed by signatories to the Cartagena Protocol under the Convention of Biological Diversity. Critics argue that the biotech industry, desperate because of growing consumer rejection of biotech foods, is cynically attempting to intentionally contaminate world food crops, which would make regulation of GE crops a moot point. This represents a prime example of transnational biotech companies attempting to wield the power of the WTO on their own behalf to suppress countries’ right to
regulate genetically engineered crops already guaranteed under international law, e.g., the Convention on Biological Diversity.

**VII. The Need to Enhance Production Possibilities for Independent Family Farmer and Peasant Agriculture**

Family farm and peasant agriculture is limited in most countries by constraints on access to land, water and capital, which are systematically imposed by landed-elites and agribusiness. Other constraints are related to the high risk caused by climatic conditions, the lack of productive infrastructure and high price volatility. There exist enormous potential to intensify agriculture in a sustainable way on large landholdings that now are being unproductively used, principally as collateral for loans to invest in other sectors of the economy.

The WB/IMF model of market-oriented land reform subverts national governments to implement genuine agrarian reform by imposing debt bondage. It does not aim to distribute land to the landless, but rather to increase the concentration of land by the landed-elite. International institutions such as World Bank, Asian Development Bank, Inter-American Development Bank, etc., are even attempting—through privatization programs—to transfer peasants’ rights and access to water as a public resource to private corporations and large-scale producers.

WTO regulations (TRIPS) limit the possibilities for peasants to keep using their own seeds and to engage in on-farm innovation and seed selection. Patents on life have opened the doors for biopiracy, as biotech corporations have access to juridical and administrative procedures to pilfer local communities of their ecological heritage.

Peasant organizations from many countries, which have attempted to add value to their primary production, are continually frustrated by the constraint on access to capital, tax discrimination and legal prohibitions or lengthy and costly administrative procedures needed to enter the formal economy. While corporate agribusinesses increase their profits by transforming primary production, farmer and peasant production is limited and reduced to the less remunerative link in the production chain as producers of raw material.

Rich governments continue to heavily subsidize export-oriented agricultural and fisheries production in their countries, with the bulk of support going to large producers. The majority of taxpayers’ funds are handed out to big business—large producers, traders and retailers—who engage in unsustainable agricultural, fisheries and trading practices; not to independent, small-scale family producers who produce much of the food for internal markets, through more sustainable practices.

**VIII. The WTO Threat to a Consumer Choice & a Safe and Healthy Food Supply**

The current rules of global trade, as dictated by the WTO, restrict governments from prohibiting the importation of foods that have been produced by environmentally harmful methods. Current trade rules also restrict consumers’ right to choose foods though labeling based on methods of production. These restrictions are reflected in WTO decisions striking down U.S. laws designed to prevent the unnecessary killing of dolphins and sea turtles when fishing methods are available.
to reduce the risks of such deaths. These WTO rulings have similarly restricted the rights of consumers to choose foods based on more benign methods of production. The WTO has also issued rulings, e.g., the striking down of the European ban on beef hormones, which further erodes the power of national governments to protect the health of their citizens. These rulings have begun to impose worldwide policies that severely restrict the rights of governments and consumers from choosing which types of foods to eat based on either production processes or questionable food safety. These precedents have grave implications for the future viability of organic and other sustainable agricultural production methods, for the humane treatment of animals, for the environment, as well as for the right of self-determination of countries to regulate the use of biotechnology in crops and food.

Such interference in the rights of countries to protect the health of their citizens, along with the suppression of information available to consumers, exposes the hypocrisy of the apologists for neo-liberal globalization. The efficiency of truly free, transparent and competitive markets depend on informed buyers who have access to accurate information. The WTO’s suppression of consumers’ right to choose what food they will eat based on food labeling is antithetical to free and transparent markets, and reflects the typical monopoly’s fear of real competition. It is also antithetical to the sovereign rights of governments to protect the health and safety of their citizens. The WTO’s record of suppressing both the consumers’ rights to choose safe and healthy food, and their right to have the demands for their food preferences reflected back to producers through transparent markets, severely compromises the ability of farmers and peasants utilizing sustainable production methods to compete effectively with transnational agribusiness cartels on a level playing field.

Food safety protocols are increasingly incorporated in international trade agreements that preempt individual countries’ rights to regulate food safety. However, consumers are beginning to resist this trend, because they are becoming increasing alarmed by food safety, public health and animal welfare risks that are associated with increasingly industrialized agricultural production, and that are exacerbated by the expansion of trade liberalization. This concern is reflected in the attempts by many countries to construct non-tariff barriers to protect domestic production. We think the latter should be realized by more appropriate and less discriminatory measures at the border level, while national food safety regulation must be based on concerns regarding food quality criteria, appropriate to the preferences and needs of their citizens.

Transnational biotechnology corporations press for limiting the generally accepted timeframes to test new technologies with potential negative impact on food quality and ecological balances. Scientists disagree on the potential threats posed by genetic engineering and other food alterations necessitated by industrial agriculture such as food irradiation. The transnational cartels again like talk about “free” markets, but true consumers’ choice over where their food will come from and how it will be produced, threatens to break their monopoly stranglehold over the food supply. Agribusiness cartels fear competition and decentralization of their market power, so they fight with every ounce of their being any and all efforts to label food, either by its geographical location, or by its means of production.

The current WTO modes of economic development reflects the power of transnational cartels to dictate the types of food that are produced, as well as how food is produced, traded and
marketed. Instead, local, regional, national and international policies should give priority to local sustainable production of affordable, safe, healthy and high quality food, and to culturally appropriate subsistence production for domestic, sub-regional and regional markets.

IX. The Imperative to Foster the Political Influence of Small-scale Producers

Developing countries have very limited room for maneuver in formulating national policies to address developing problems. Essential parts of political decision-making have been transferred from the national level to the international level and from the national treasury to the International Monetary Fund, because of high indebtedness. The debt burden of the south makes it impossible to reinvest profits made from agricultural trade as this is directed to debt repayment.

Despite promises to improve the system made at the Seattle Ministerial Meeting in 1999, governance in the WTO has actually become worse. Rather than addressing existing inequities and power imbalances between rich and poor countries, the lobbying forces of the rich and powerful in the WTO are attempting to expand the WTO mandate to new areas such as environment, labor, investment, competition and government procurement (the Singapore issues).

The WTO presents itself as the most comprehensive and politically dominant mechanism for the globalization of food and agriculture. It has sidelined UN agencies such as the UNCTAD and the FAO, which were mandated to address key development and food concerns. The political question facing activists is to define a strategy to challenge the current, indisputable bias of the WTO which favors transnational agribusiness cartels in agricultural production and food distribution at the expense of farmers, peasants, rural communities, consumers and the environment.

Principles

I. Overview

All countries should assume the responsibility to ensure food security for their population in a manner that gives maximum benefits to domestic producers and local markets before seeking imports and/or promoting exports. Countries should have the right to protect or exclude staple foods (such as corn, wheat, beans, potatoes and fish, among others) that form the basic diet of their people from trade agreements.

Agrarian reform is needed throughout the world. Such reform must legitimize the property and territorial rights of small producers and landless rural workers, whether individual or collective, of both men and women, and respect the traditional rights of indigenous peoples to collectively live off their lands with territorial integrity. The concentration of agricultural lands and markets in fewer and fewer hands must be reversed and a concerted effort made to maintain and, in many cases, to restore ethnic diversity in production systems.

Antitrust laws at the local, regional, national and international levels must be vigorously enforced, and strengthened where necessary, to guarantee independent family farmers and
subsistence peasants the right to sell their products in open, transparent and competitive markets. All countries must be guaranteed the right to establish domestic and global reserves, manage supply, enforce anti-dumping disciplines, and ensure fair market prices.

The use of patents to control agricultural seeds and healing herbs and plants must be regulated, and in certain cases prohibited, through legitimate international law, not by fiat through trade agreements written in secret by lawyers from the biotechnology industries. The patenting process must be substantially reformed to close the legal loopholes that allow the blatant theft of genetic resources by biotech company agents—and even by universities—from developing countries, indigenous communities, and individual farmers and peasants. Respect must be given to the agrarian peoples who through generations have developed the crop varieties in use around the world today. The benefits accruing from the marketing of crop seeds, fish products and medicines should go primarily to the peoples who, together with their ancestors over generations, have bred these crop seeds, protected fish populations or protected and studied the effects of these medicinal plants.

Agricultural workers are frequently submitted to abuses and injustices. The labor movement and peasant organizations of the world demand that any international agreement must work toward guaranteeing the following rights:

- The protection of trade union freedoms that allow for the establishment of unions in the rural areas and among fisherfolk.
- The promotion of standards that allow the negotiation of wages and other working conditions, through an efficient system of collective bargaining.
- The recognition of working women’s needs, taking into consideration the obligations of childcare, nursing and education.
- Guarantees of specific health and safety standards linked, for instance, to the effects of chemicals on farm workers.

Sustainable development and the protection of the environment can best be promoted by a process of democratization of national agricultural, fishery and environmental policies. Agrarian reform that fosters economic justice and dignity for farmers and fisherfolk is a vital element in protecting the fertility of the land and water in the future. Farmers, both men and women, need to participate directly in the development of such policies. Civil society is already developing self-governance forms, both in the rural and urban areas, which need to be respected as the basis for the strengthening of democracy in the countryside. No element of any international integration agreement should limit the capacity of nation-states to promote and consolidate this process.

II. Principles of Food Sovereignty

Food Sovereignty is the right of peoples, communities, and countries to define their own agricultural, labor, fishing, food and land policies that are ecologically, socially, economically and culturally appropriate to their unique circumstances. It includes both the right to food, and the right to produce food. Food as a basic human right is organically connected to the most basic right to life. This right should be the foundation in any effort to end hunger and achieve food security. It is also axiomatic that if we recognize the people’s right to food, then we must also
recognize their right to produce food and assure their access to the productive resources such as land, water, seeds and technology. Land is the source of livelihood, survival, identity, food security and culture. In some of the poorest countries, agriculture generates as much as 30 to 50 percent of the gross domestic output, employs 70 to 80 percent of the labor force and contributes 40 to 70 percent of the export earnings. Rights must not simply be recognized; they must be realized. Food sovereignty is the freedom and capacity of the people and their communities to exercise and realize these rights. It assumes the recognition and empowerment of people and communities to realize their economic, social, cultural, and political rights and needs regarding choice of food, access to food and food production.

Thus the demand of peasant movements, rural women’s movements and hundreds of NGOs/CSOs is no longer the just the recognition of the rights to food and produce food, but further, to achieve food sovereignty as the means to eradicate hunger and malnutrition and to guarantee lasting and sustainable food security for all peoples. In other words, the democratic participation of the people and their communities in eradicating hunger is a key factor to the success of this endeavor. Towards this end:

* All countries, big or small, rich or poor, are equal. All countries, and their peoples, have the full right to participate in the decisions on food policies.

* Food Sovereignty fosters the economic, political, cultural and spiritual sovereignty of peoples, particularly indigenous peoples. It guarantees access to healthy and sufficient food for all individuals, particularly the most vulnerable in society, and is oriented to meeting local and national needs first. Food programs must be based on the people’s cultural and religious choices in food. People have the right to define their own policies and strategies for the sustainable production, distribution and consumption of food. Where poverty is not yet eradicated, governments must institute food distribution programs for the poor and malnourished through programs and policies defined with the participation of the poor and national sectors.

* Food Sovereignty guarantees the right to food for the entire population, on the basis of small and medium-sized production, respecting the cultures and diversity of peasant, fishing and indigenous forms of agricultural production, marketing and management of rural areas, in which women play a fundamental role. Rational food distribution systems should be instituted based on specific national conditions and the needs of food producers. Food reserves should be built from the local level up. National food plans should include plans for farmer- or community- managed reserves, and should set targets for their development out of local production. Emergency food relief programs should be instituted through consultations with civil society, and should take into account the realization of self-sufficiency in food production. Countries must not allow transnational agribusiness cartels, or their home governments, to disguise predatory dumping of agricultural commodities as food aid.

* Food sovereignty implies the implementation of radical processes of comprehensive agrarian reform adapted to the conditions of each country and region, which will provide
Food sovereignty is a call to governments to adopt polices that promote democratic, sustainable, decentralized, domestic family-farm and peasant based production, rather than totalitarian, unsustainable, corporate-industrial, transnational export-oriented production. This means ensuring adequate prices for all farmers, supply management, abolishment of all forms of export subsidies, and the regulation of imports to protect domestic food production. All food products must comply with high environmental, social and health quality standards.

All international agreements must make it a priority to encourage all nations and regions to build the capacity to feed their people, and to avoid excessive dependence on agricultural and food imports. Food security and rural sustainability can only have meaning when a country is able to supply a significant portion of its own food needs without abusing its land, its maritime ecosystems or its producers. All countries must encourage local production and processing of foods that are safe, healthy, culturally appropriate. Countries must encourage food production primarily for domestic markets, and must begin to wean themselves from the current export-at-all-cost premise promoted by the transnational agribusiness cartels and enforced through existing trade regimes like the WTO and NAFTA.

In cases where a country cannot feed itself adequately by the cultivation of its own land or sustainable fishing in its own waters, there may be cause to import. Likewise, if a country’s farmers are sustainably producing a surplus beyond domestic needs, there may be justifiable reasons to produce and export goods with value added. International agreements should not limit the ability of nation-states to internally define these policies.

Neither governmental policies, nor trade agreements, should not encourage or allow the destruction of small producers by means of supporting or foreclosing on unjust indebtedness that result from factors beyond their control or by excessive interest rates. Towards this end, debts claimed by the IMF and World Bank on loans to the world’s most impoverished countries must be canceled in full. Debt cancellation must be de-linked from regressive conditionality that disadvantages people in poverty, women, and working people, including those in the informal economy. Individual countries, as well as the international community should instead support small producers through policies of low-interest credit, together with providing technical assistance and subsidized inputs if possible. Governments should not tax the inputs small farmers need, such as seeds and fertilizers. All countries, with appropriate assistance from the international community, must guarantee adequate production and equitable access to safe, nutritious and adequate food for their citizens by ensuring minimum income for the people that is sufficient to provide for basic needs, especially minimum nutritional requirements through effective poverty eradication programs. No element of any international trade agreement should limit the ability of national governments to implement these supports.

A minimum requirement for taxpayer-financed subsidies to be deemed politically and economically justifiable, is that they must not benefit industrial agribusiness. Nor should such subsidies support—directly or indirectly—the overproduction of commodity crops primarily
produced for export. Subsidies should be based on the social and economic needs of the majority of a country’s producers.

Farmers should be able to earn a fair price for their production from the national as well as the international marketplace. Farmers must not be forced to depend on income support from taxpayers, which is neither politically nor economically justifiable when the bulk of these subsidies go to large agribusinesses and to underwrite unsustainable agricultural practices such as industrialized animal factories.

In countries that overproduce certain crops, supply and inventory management programs—including an effective system of global food reserves, combined with price guarantees on basic staple commodities—are necessary, both to reign in overproduction and reverse the bankruptcy of the farming economy. International agreements should both safeguard the ability of national governments to grant subsidies justified by social concerns, food security and environmental equilibrium, while at the same time prevent excessive benefits through an indirect taxpayer subsidy to large companies, which contribute to the predatory practice of dumping agricultural products on world markets at below the cost of production.

While food sovereignty lies in the empowerment of peoples and their communities, it is of utmost importance to the realization of the people’s food sovereignty that the governments recognize, guarantee and provide to the best of its ability the opportunities and develop the capacity of the people and their communities to exercise food sovereignty. This is a fundamental responsibility of governments in the assurance of food security of their societies.

All countries must be free to develop policies that assure their people’s right to food; their access to land, water, and seeds; and otherwise ensure food sovereignty. Such policies may include—but are not limited to:

* ensuring fair prices for small producers through supply and inventory management programs, strategic reserves, inventory management, and antitrust enforcement that effectively curtails the anticompetitive, predatory practices of agribusinesses in trade and finance;

* encouraging food self-sufficiency through the development and promotion of necessary infrastructure, appropriate technology, sustainable agricultural practices and marketing support;

* genuine agrarian and fisheries reform based on the policy that tillers have adequate access to land, and that fisherfolk have adequate access to aquatic resources;

* recognizing the rights and providing women farmers access to land and to productive resources including seeds, water, technology/training, and credit;

* recognizing, protecting and enforcing indigenous peoples’ right to ownership of their ancestral domain and their right to self determination.
In order to guarantee their food sovereignty, all countries must be guaranteed the right to defend their societies’ food production and distribution programs in the context of international economic cooperation as well as trade and investment. International agreements should not mandate that sanitary and phytosanitary standards be met through specific technologies, such as irradiation and the use of genetically engineered seeds. Nor should they prohibit countries from requiring labeling of their products based on how or where it was produced. In the case of a kind of export agriculture that does not threaten a country’s food security, smaller independent producers, consumers and all other interested parties must be involved in designing and implementing sanitary and phytosanitary standards that ensure high quality produce, protect the environment, and guarantee consumers access to safe food that is both healthy and nutritious. When legitimate demands for certain standards, justified for consumers’ health, cannot be met by smaller-scale farmers, countries should develop interim measures that provide the means for them to meet those standards within a reasonable time. Smaller-scale organic agriculture is the healthiest and most sustainable form of agriculture, and organic producers should be supported by appropriate government policies toward that end.

This should not be interpreted as ‘nationalist protectionism’ that is contrary to the spirit of free and fair trade. Rather, it is the exercise of national food sovereignty that holds the interests of food security and the protection of peasants, fisherfolk, indigenous and other marginalized sectors fundamental to society and paramount to the interests of international trade.

Governments should respond to the need of many smaller, independent producers to diversify into agro-forestry. Incentives and easy licensing of small commercial tree planting and processing activities in the rural sector should be put into effect. However, policies and forest-management practices regulating tree cutting should be agreed upon only with the democratic participation of indigenous and peasant movements and organizations.

III. Intellectual Property Rights & Biotechnology

All countries must be guaranteed the right to establish rules for the protection and enforcement of intellectual property rights that reflect their specific social, cultural, economic and environmental contexts. This must includes the right to ban the patenting of life forms. All countries must be guaranteed the right to invoke compulsory licensing, parallel importing and public non-commercial use provisions intended to protect biodiversity, indigenous knowledge that of traditional and farming communities, as well as to ensure access to essential medicines. These safeguards are necessary to protect the basic human rights to life, food and health guaranteed in the Universal Declaration of Human Rights.

In no case should trade sanctions force countries to adopt measures that subordinate the interests of the national population to those of transnational corporations or to their national subsidiaries. The International Court of Justice should review possible conflicts between international trade agreements and international human rights, health and environmental law and policy to ensure that an appropriate balance between private and public interests is achieved globally.

No trade or investment agreement should be allowed to supercede national laws requiring foreign investors to transfer appropriate technology to the host country. Instead, international
agreements should make it a priority facilitate the transfer of new, appropriate and sustainable technologies on fair and most favorable terms in order to reduce the enormous gap in technical and scientific knowledge, and the gap in benefits derived thereof, between nations—a provision explicitly stated (albeit ignored) in the WTO TRIPs Agreement.

International agreements affirming these principles and establishing appropriate enforcement mechanisms should be negotiated through bodies such as the Conference of Parties to the Convention on Biological Diversity (CBD), the World Intellectual Property Organization (WIPO), the World Health Organization (WHO), and the United Nations Conference on Trade and Development (UNCTAD), and not through trade agreements.

Any proposed rules on the protection and enforcement of intellectual property rights should be subjected to a detailed, forward-looking assessment that examines the potential effect of any proposed rules on, among other things, the following issues:

*Human rights.* A United Nations Subcommittee on Human Rights has declared that “there are apparent conflicts” between TRIPS and human rights, specifically the right to food, the right to health, and the right to self-determination.” Sovereign nations and intergovernmental institutions should demand that human rights have priority over trade laws, including those involving intellectual property.

* Market competition in sectors covered by strengthened intellectual property rules. In many key markets for developing countries, particularly in agriculture and medical biotechnology, current rules are leading to reduced competition. Examples include: increasingly broad patent claims (e.g., over new crop varieties); the acquisition and strategic use of patent portfolios to prevent competition by similar but non-infringing products; and continued blurring of the lines between invention and discovery. This consolidation of key industries into monopolies has serious implications for social welfare, including access to food, health, and nutrition for citizens in both developed and developing countries. This suggests that before countries agree to rules, they should consider the relationship between strengthened intellectual property rights, competition in these industries, and the economic and developmental interests of developing countries.

Investment in countries at different levels of development. The assessment should examine how strengthened intellectual property protections might affect the level and nature of investment in participating countries. In particular, attention should be given to the potential for strengthened intellectual property rights to:

- undermine the opportunity for investment in follow-up research by permitting patents on fundamental research processes;
- limit the extent to which local companies can invest in adapting existing technology to local conditions; and
- otherwise limit access to fundamental products and processes.

Innovation in different sectors, including in the informal sector. Innovation exists in many countries with little or no enforceable intellectual property rights protection,
Illustrating that the existence of intellectual property rights is at best only one factor contributing to technological innovation and economic development. It is also possible, as has been observed in North American universities, that given the possibility of gaining a future patent, researchers stop sharing their results, reducing the pace of current discoveries. Countries should assess the potential implications of strengthened intellectual property rights on local innovation, particularly in the informal sector.

The implementation of other international agreements, including the Convention on Biological Diversity (CBD) and the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGR). All countries must ensure that any intellectual property rules [pertaining to life forms] are based on the CBD. In particular, governments should bear in mind Article 16.5 which calls on “Parties to co-operate, subject to national legislation and international law, to ensure that IPRs are supportive of and do not run counter to the CBD’s objectives.” Particularly in light of their submissions to the WTO’s Council on TRIPs regarding the relationship between TRIPs and the CBD, developing countries should be careful not to adopt rules in any regional agreement that would exacerbate concerns about the potential for IPRs to undermine the CBD’s objectives. The ITPGR proposes the guideline that patents should not be authorized if they have the effect of limiting access to genetic resources for food and agriculture, specifically that they should not be authorized for “their parts or components, in the form received from the Multilateral System.” Therefore, countries supported in the ITPGR should be careful not to create conflicts with this restriction on intellectual property rights according to this international treaty.

Constructive Alternatives to the WTO’s Agreement on Agriculture:

Article 1. International and Multilateral Foundations for Guaranteeing the Right to Food as a Human Right, and the Right of Every Country to Food Sovereignty

Many existing international and multilateral agreements and conventions provide the basis for reasserting the right to food as a human right based on the principles of Food Sovereignty. The list includes, but is not limited to:

a. Universal Declaration of Human Rights
b. The International Covenant on Economic, Social and Cultural Rights
c. World Food Summit Plan of Action
d. The Convention on Biological Diversity
e. The International Treaty on Plant Genetic Resources for Food and Agriculture
f. Agenda 21
g. Beijing Platform for Action
h. Habitat Agenda
i. Convention on the Rights of the Child
j. Universal Declaration on the Eradication of Hunger and Malnutrition
By adopting these agreements, member states recognized everyone’s right to feed oneself, the right to education, the right to access to adequate health services, the right to housing, the right to drinking water etc. These agreements provide the foundation for asserting the primacy of human rights and food sovereignty over corporate trade rules, and can provide the world a solid cornerstone for effective development strategies that can put world on the road to ending hunger.

All countries should review and rewrite their agricultural policies to reflect the basic principles of food sovereignty.

**Article 2. Concrete Steps Towards Curtailing Predatory Dumping of Agricultural Commodities**

All countries agree to phase out all forms of dumping of agricultural commodities and agri-food products within three years for developed countries, and six years for developing countries. Dumping is defined as the exporting of agricultural commodities at prices below the full cost of production—including fair remuneration for farmers and peasants for their labor and management.

**A. Ending All Export Subsidies**

Every country must eliminate all forms of export subsidies for agricultural commodities and agri-food products. The distinction made in the WTO’s AoA, and in the Agreement on Subsidies and Countervailing Measures, between non-specific subsidies (when they are computable) and specific subsidies is unfounded and should be abolished. The differences between amber, blue and green box subsidies, are also unfounded and should be abolished. All types of subsidies have the distorting effect of artificially lowering the production cost for agricultural commodities and agri-foods, and thereby unfairly increasing the competitiveness of the benefiting products on world markets. Consequently, such indirect subsidies have a dumping effect when they are exported at below the true cost of production, while simultaneously having an import substitution effect. This distinction is particularly unfair to developing countries, which have limited budgetary means to subsidize their farmers and agri-food products.

Given the unfairness of developed countries continuing their massive subsidies for their agribusiness sectors, and given the obstinate refusal of developed countries to address this unfairness despite commitment to do so in Doha two years ago, the so-called “Peace Clause,” which currently protects developed countries from trade challenges to their hypocritical domestic protections and subsidies, should not be renewed.

Until export subsidies completely abolished, all countries must be guaranteed the right to impose equivalent tariff barriers on any subsidies embodied in exported. National food and agriculture trade policies may institute quantitative barriers such as time-definite or open-ended import bans and quotas on nationally determined basic food items. Such trade policies may identify additional sectors considered sensitive where tariff protection may be instituted. National food and agriculture policies may designate certain sectors of agriculture as limited or closed to foreign investment.
Provided that the benefiting products are not exported, countries have the right to use the kind of subsidies they fit the best, given their level of development. In particular, coupled subsidies are generally preferable in developing countries since they constitute a direct incentive to increase their agri-food production.

All subsidies given to farmers or agribusinesses in developed countries shall be designed in such a way that the benefiting products are not exported, and that they contribute to the achievement of clearly defined aims designed to ensure food security, e.g., to achieve an environmentally friendly way of production, to maintain farming in rural areas, or to complement the income of the smallest farms or of those located in underprivileged areas. Additionally, developing countries may use subsidies to promote public stockholding or other measures of assistance, whether direct or indirect, to encourage agricultural and rural development, whether these products are exported or not.

The monitoring, where the domestic subsidies contribute significantly to the achievement of the desired objectives, shall be done by the respective UN agencies. In the case of a non-fulfilment of the aims, the UN agency is asked to make a proposal on how to redress the design of the subsidy.

B. Supply Management

Exporting countries shall establish mechanisms of supply management to avoid surpluses of non-competitive products, i.e., of products requiring an import protection, or export subsidies, or domestic subsidies of any kind on exported products.

Exporting countries must commit themselves to coordinating their agri-food exports policies in order to mitigate fluctuations in international prices.

All countries must establish domestic and global reserves, manage supply, enforce anti-dumping laws, and ensure fair market prices.

C. Border Controls to Restrict Unfair Dumping of Agricultural Products

Given both the high volatility of the world prices of agricultural commodities and agri-food products, and the correlative ineffectiveness of fixed tariffs, countries must be encouraged to implement price band systems of variable import levies to stabilize internal prices for agricultural commodities until such time as all export subsidies are phased out. Such price band systems would stabilize rural economies by regulating the volatility of import entry prices, and preventing the unfair undercutting of domestic agricultural prices caused by below-cost dumping. Entrance prices, or price bands, would be calculated according to existing production and transaction costs of peasant production within each region or country. If necessary, bound tariffs for staple primary food products can be increased to levels higher than those allowed under the Uruguay Round for those particular products.

In order to maintain transparency in international trade in agricultural commodities and agri-food products, every country must provide notification to the appropriate international entities of any
changes in the levels of its customs measures, SPS measures, TBT measures, etc.—including the levels of its entrance prices that fix the country’s variable levies or price bands.

Every country must have the right to protect its production of agricultural commodities and agri-food products at the import level, while retaining the right to develop and implement agricultural and food policies that encourage environmentally friendly methods of production, maintain farming in remote areas, achieve remunerative prices for farmers, or otherwise ensure food security.

Importing developing countries may impose additional duties on subsidized imports by calculating a subsidy-equivalent tariff. This will be imposed on top of the bound tariff level, if the member concerned so deems appropriate or necessary. The balancing mechanism does not require proving injury to the domestic industry by the importing country. Neither does it require proving a causal link between subsidized imports and the damage to the domestic industry. It suffices to identify the existence of a subsidy and calculate its level based on the exporting country notifications to the WTO or, in case of overdue notifications, based on the best available information.

Members from all developing countries have the right to invoke a Special Safeguard Mechanism (SSM) for all agricultural commodities and agri-food products, regardless of whether they have been subject to tariffication during the GATT. This SSM allows members to take temporary border measures on imports from all sources when faced with sudden price drops and import surges, with no restrictions as to the number of agricultural products to benefit from this SSM. Members imposing the safeguard measures would have the flexibility to impose additional duties or, but not concurrently, quantitative restrictions.

Countries cancel their obligation according to the AoA of accepting the minimum importation of 5% of internal consumption. All compulsory market access clauses must similarly be cancelled immediately.

D. Preferential Market Access

Developed countries, and the more advanced developing countries, must enhance the market access opportunities in favor of least-developed countries, land-locked countries, small island developing states and other small vulnerable countries, by special agreements that do not demand the granting of reciprocal preferences, in terms of duty-free quota access to products originating in, or of export interest to, these countries, when it is obvious that increased exports would actually be globally beneficial to small farmers.

As long as there does not exist a worldwide government in charge of an income distribution policy at the world level, international trade agreement must not limit the right of more advanced countries to grant bilateral non reciprocal market access for agri-food products to some countries, even if this access is not extended to all countries of the same level of development.

E. Tropical Products
With regard to those tropical products (cotton included) that are processed within the developing countries, developed countries should rapidly end their tariff escalation for such processed products. This would allow developing countries to realize the benefit of higher prices, the creation of employment and the added value in the few products in which they have a comparative advantage.

A simple coordination would not be enough for exports of tropical products. Member countries commit themselves to put in place a worldwide mechanism of minimal prices for exported raw tropical products (according to varieties and qualities), possibly managed by FAO, in which traders will commit themselves to reimburse, at the end of each marketing year, the gap between the fair value of their purchases (resulting from the multiplication of purchased quantities by the minimal prices prefixed by FAO before the opening of the marketing year) and their actual purchasing expenses at current market prices along the marketing year. This implies that only traders committing themselves to abide by this contract would be registered by exporting countries’ governments. The latter would do everything possible to ensure that the major part of the minimal prices received by the exporting companies would be transmitted to producers.

Since the main cause of the slump in the world prices of tropical products lies in their structural overproduction, that guaranteed minimal prices could foster even more, exporting member countries will charge FAO to administer the distribution of production quotas and to enforce them through appropriate sanctions.

F. Measures to Curtail the Practice of Food Aid Being Used as a Dumping Mechanism

Countries agree that the provision of all forms of food aid shall not be tied directly or indirectly, formally or informally, explicitly or implicitly, to commercial exports of agricultural products or of other goods and services to recipient countries.

In the case of food aid for temporary emergencies, or for critical food needs arising from natural disasters, crop failures or humanitarian crises and post-crisis situations, such aid is exclusively provided on the basis of pledges and commitments to, or in response to appeals from, specialized United Nations food aid agencies, other relevant regional or international intergovernmental agencies, or in response to an urgent government-to-government ministerial request for assistance in meeting food needs in the immediate aftermath of a natural disaster. This emergency food aid is provided exclusively in fully grant form. As far as possible all means of providing food aid through the purchase of local staples in the same country or in neighboring countries should be explored, the donors agreeing to provide cash and logistic means (transport) instead of exporting food surpluses.

Food aid for other purposes—including under programs and projects to enhance nutritional standards amongst vulnerable groups in least-developed and net food-importing developing countries—is provided exclusively in the form of untied financial grants to be used to purchase food for or by the recipient country. This food aid must be sold on the domestic urban markets, i.e., it must be “monetized”, and revenues must be used to improve production and marketing conditions for domestic food production or to buy domestically produced food surpluses for domestic food security programs.
Countries should have the right to enact national legislation that favors procurements of food for national food security reserves and national nutrition programs from local peasant production surpluses, guaranteeing reasonable prices that cover production costs.


All countries must assert the primacy of international agreements on human rights, human health, food security and biodiversity over TRIPs and any other trade agreements in international law. This must include ensuring that the Convention on Biological Diversity’s provisions on benefit sharing (including Article 15), preservation of and respect for the knowledge, innovations and practices of local and indigenous communities (including Article 8(j)), and transfer of technology (including Article 16) are given primacy over intellectual property rules. Countries must also ensure recognition of the collective character of this knowledge, and because of that, the collective right to decide on the access and use of that knowledge. National measures to implement these provisions should not be subject to challenge under rules for the enforcement and protection of intellectual property rights included in trade agreements.

All countries must be guaranteed the rights and protections enumerated in the Cartagena Protocol on Biosafety under the auspices of the Convention on Biological Diversity, which will take effect in September 2003. These include:

- Protecting biological diversity from the potential risks posed by living modified organisms resulting from modern biotechnology;
- The right to an advance informed agreement (AIA) procedure for ensuring that countries are provided with the information necessary to make informed decisions before agreeing to the import of living modified organisms into their territories.
- The right to follow the precautionary principle approach to regulation of living modified organisms as outlined in Principle 15 of the Rio Declaration on Environment and Development.
- The right to obtain information on living modified organisms from a Biosafety Clearinghouse established by the Protocol.

All countries must be guaranteed the right to exclude from patentability any and all life forms, including plant and animal species, microorganisms, biological and genetic material and processes and combinations thereof.

All countries must develop and install mechanisms to ensure that farmers primarily benefit from their traditional knowledge, contributions and resources as allowed under the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA). Such rights must include—but are not limited to:
• The right to save and exchange seeds.
• The right to the patent-free free exchange of germplasm held in the public domain as an international obligation under any agreement.
• The right to implement strict liability rules that removes the burden of proof of contamination from farmers and distributors to the developers of genetically engineered crops.

All countries must be guaranteed the right to assess the environmental, social and economic impacts of genetically engineered organisms on both their food security and their food sovereignty.

All countries must be guaranteed the right to establish traceability-and-labeling requirements for genetically engineered organisms that can be enforced through criminal, civil, or trade sanctions for the illegal trans-boundary movement of genetically engineered organisms.

Any country contaminated with imports of genetically engineered seeds or food that was introduced or produced without legal permission, must be guaranteed the right to take immediate remedial action against the country of origin until the situation is cleared, and compensation issues are resolved. Meanwhile, all countries must be guaranteed the right to implement moratoria on all field-testing, commercialization and trade of genetically engineered organisms in agriculture and food.

All countries must protect the rights of indigenous peoples’ and other local communities over plant genetic resources and associated knowledge. All countries must be guaranteed the right to prohibit biopiracy and patents on living matter - animals, plants, the human body and other life forms - or any of its components, including the development of sterile varieties through genetic engineering (genetic use restriction technology – GURT) and synthetic nanoparticles. All countries must be guaranteed the right to implement immediate moratoria on bio-prospecting, and encourage the development of national legislation to subordinate the terms of any bio-prospecting contracts to conditions preferred by local communities.

Intellectual property-related contracts that prohibit seed saving, or that allow crop burning as punishment for violating the terms of such contracts should be superseded by “ordre public”—an international law term allowing governments to take measures for the general public benefit and public health considerations relating to food security.

International efforts, supported with dedicated funding, must be launched to develop to new mechanisms to promote the transfer of new technologies on fair and most favorable terms to developing countries, including through the processes established in existing multilateral and regional agreements.

**Article 4. Concrete Steps Towards Sustainable Development & an End to World Hunger**

International development cooperation must encourage a diversity of development paths that do not emphasize exports based on the unsustainable use of natural resources and the exploitation of workers. In the light of the increasing production, ecological and health problems created by
industrialization of agricultural production, which utilizes pesticides, biotechnology and other ecologically, culturally and socially undesirable agricultural practices and inputs, all countries must strive to develop and implement policies that encourage and expand sustainable agricultural practices that can bolster the economic viability of independent family farmers and peasants. Such policies may include—but are not limited to—providing support and incentives for on-farm conservation and development of biodiversity, and for research and extension programs designed by farmers to reflect their priorities. All countries must recognize and build on local and indigenous knowledge to bolster and expand sustainable agricultural development.

Developed countries must relieve all Developing Countries of their bilateral and international debts. The resources “saved” by this debt relief have to be used exclusively for social and economic development in poor areas, in line with criteria decided on by the civil organizations that legitimately represent the poor sectors of society.

Anti-trust laws already existing in certain countries must be respected and enforced at the international level, and by no means should such anti-trust laws be pre-empted by any trade agreement. New anti-trust policies and enforcement mechanisms must also be developed on an international level to prevent private transnational agribusiness cartels from seizing monopoly control over food production and distribution, or agricultural inputs—including seeds—and to prevent them from wielding their disproportionate market power and predatory, anti-competitive practices against independent small and medium size producers. Such cartels must be broken up when their market power becomes so concentrated that their behaviour becomes predatory and otherwise stifles competition.

Consumers must be guaranteed the right to accurate information—through labelling and other mechanisms—so that they can choose to purchase food that is produced with sustainable methods of production, and thereby ensure that the demand for such products is more accurately reflected back to producers so that producers can in turn adjust their production to meet consumer demands.

All countries must establish and implement binding regulations on all companies to ensure transparency, accountability and respect for human rights and environmental standards, in which corporate entities and their directors are legally liable for corporate breaches of environmental and social laws, and of national and international laws and agreements.

All countries must be guaranteed the right to establish national mechanisms to ensure quality control of all food products so that they can certify compliance with environmental, social and health quality standards. All food inspection should be performed by independent government agencies, and this regulator function should not be privatized or otherwise delegated to private corporations.

Developing countries must eliminate constraints for the economic development of peasant-led economic organizations (cooperatives, peasant communities, peasant associations, peasant controlled enterprises) regarding their access to credits, position in national tax regimes, bureaucratic procedures, etc.
Developing countries must enact land reform programs to redistribute land not being used for agriculture or for animal production, using national and international (FAO) agreed criteria for cattle/ha. Underutilized areas must be redistributed to peasant family members with land shortage.

Developed countries must expand programs for financing small farmers and peasants with interest rates close to the interest rates issued by the donating country or international organization to the recipient country. No ‘country risk interest rate’ should be incorporated when establishing the market rate. Collateral requirements must not include land mortgages, but instead should utilize other guarantee mechanisms like group solidarity.

All countries must recognize, respect and enforce communities’ legal and customary rights to make decisions concerning their local, traditional land and aquatic resources, even in certain cases where no legal rights have previously been allocated.

All countries must protect national and international agricultural and aquatic resources from both land-based and sea-based threats, such as pollution from dumping waste products; land-based and off-shore mineral extraction; degradation of watershed areas, river mouths and estuaries; and pollution from antibiotics and hormones used in industrial production systems.

All countries must prevent illegal, unregulated and unreported fishing, and effectively implement international marine agreements and conventions, such as the UN Fish Stocks Agreement.

Within national decision-making small scale production and family farmers are overtly under represented. Behind the faces of national trade negotiators in many developed and developing countries are powerful TNCs, such as Monsanto and Cargill. Financial mobilization in peasant organizations is inherently limited, as are their capacities to monitor and influence policy formulation. To change this bias, differentiated treatment is needed for additional support to peasant organizations. All countries must include, in all relevant national consultative organs on agricultural and commercial policies, organizations that legitimately represent the poor sectors of society and assign budgets to allow them to make regular consultations with their members on the issues concerned. In this consultation process, it is assured that gender equity and equality are incorporated in all policies and practices concerning food production.