

# Food Security Strategy

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May 2004



**Australian Government**  
**AusAID**

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For further information about Australia's international development cooperation, contact:

AusAID Public Affairs Group

AusAID

GPO Box 887

Canberra ACT 2601

Phone (02) 6206 4000

Fax (02) 6206 4880

Online copies of publications by the aid program are available on the AusAID internet site: [www.ausaid.gov.au/publications](http://www.ausaid.gov.au/publications)

## From the Minister

Over 800 million people are chronically undernourished in a world that can produce sufficient food for everyone. The Australian Government places a high priority on assisting developing countries with food security. This aligns closely with the basic objective of Australia's international development cooperation to advance Australia's national interest by assisting developing countries to reduce poverty and achieve sustainable development.

In May 2003, the Australian Government announced that it would contribute A\$1 billion over the five years to 30 June 2008 for programs and initiatives that would enhance the food security of people in the developing world. Australia assists developing countries through support for agricultural programs and research as well as training to participate in multilateral trade negotiations.

A more open trading system is central to increasing food security. The Australian Government has strongly and consistently pursued agricultural trade liberalisation through multilateral, regional and bilateral fora.

A major threat to food security is the rapid decline in agricultural biodiversity, both from population pressure and land

clearing, and the decreasing capacity of gene banks to conserve gene collections. In the 2003-04 budget, the Australian Government made a commitment of \$16.5 million to the Global Crop Diversity Trust (GCDDT). The GCDDT is a joint initiative of the Food and Agriculture Organisation and the Consultative Group on International Agricultural Research to provide secure funding for gene banks to conserve plant genetic resources for food and agriculture around the world.

Australia also helps developing countries meet emergency food needs resulting from disasters and crises, in ways that encourage recovery and rehabilitation.

Our international development cooperation aims to improve access of the poorest and most vulnerable to sufficient, nutritionally adequate and safe food. It supports sustainable agricultural production.

This Food Security Strategy demonstrates how Australia's international development cooperation is playing an important role in working towards the achievement of food security in our developing partner countries.

ALEXANDER DOWNER  
Minister for Foreign Affairs  
May 2004

## Australia's international development cooperation

Australia's international development cooperation aims to advance Australia's national interest by assisting developing countries to reduce poverty and achieve sustainable development.

With a focus in the Asia-Pacific region, Australia's international development cooperation will help implement a wide range of development activities, including the promotion of food security.

Our work is determined and implemented in partnership with developing countries. Australia recognises that removing the high levels of agricultural protection in developed countries may present both challenges and opportunities to some low income food-deficit countries. Australia is committed to ensuring the concerns of these countries are taken into account.

The comprehensive approach to food security taken in Australia's development cooperation provides a broad range of options for relief, rehabilitation and development, including measures to help alleviate any adverse effects on developing countries of agricultural trade liberalisation.

Sustainable economic growth in developing countries, a prerequisite for food security, will only be achieved in an environment of sound economic governance, effective government and private institutions, robust public administration and enabling policy and regulatory frameworks.

## Overview

Currently, over 800 million people or 13 per cent of the world's population are undernourished. Some 200 million children aged under five suffer from protein and energy deficiencies. The Australian Government and other United Nations Food and Agriculture Organisation (FAO) members at the 2002 *World Food Summit: Five Years Later* in Rome supported achieving food security for all. The Australian Government views a more open trade system as central to increasing food security. We are committed to trade liberalisation as the key to promoting global food security. Australia strongly supports food security based on self-reliance. We recognise the complementary roles of domestic production and international trade, according to the principles of comparative advantage, as the most efficient way to achieve food security.

Some developing countries have improved their competitive position and exploited opportunities resulting from trade liberalisation. However some resource-poor countries have lacked the capacity to do so. Australian support for agricultural training and policy research has assisted these countries maximise the benefits from their participation in the Doha Round of World Trade Organisation (WTO) negotiations.

Australia's food security strategy includes implementing policies and practices to:

- alleviate poverty and improve access to food
- ensure agricultural trade fosters food security
- promote rural development
- assist developing countries to meet international food standards
- enhance women's access to resources
- ensure children and other vulnerable groups have access to food
- prepare for disasters and emergencies
- undertake agricultural research and development.

Recent financial and climatic events in Asia and the Pacific have emphasised the need for agricultural and rural development. The countries of the region share this view, as do key donor agencies such as the World Bank, the Asian Development Bank, the Food and Agriculture Organisation and the World Food Program. Australia is an active advocate for least developed and net food importing developing countries to ensure reasonably priced, adequate supplies of food throughout the trade reform process. In May 2003, the Australian Government announced a A\$1 billion food security pledge for the five years from 1 July 2003 to 30 June 2008 for programs and initiatives that enhance the food security of people in the developing world.

# Food Security

## What is food security?

In 1996, countries at the World Food Summit agreed that:

**'Food security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy lifestyle.'**

This definition was endorsed at the follow-up conference held in Rome 2002: *World Food Summit: Five Years Later*.

Food security requires an available and reliable food supply at all times. At the global, regional and national levels, food supply can be affected by climate, disasters, war, civil unrest, population growth, lack of effective agricultural practices, and restrictions to trade.

Government initiatives that encourage a policy environment based on macroeconomic stability and competitive markets can improve food availability. At the *community* level, food security is essentially a matter of access to food.

Insecurity can be temporary or chronic. It may vary with age, status, gender, income, geographic location and ethnicity. Poverty is the main cause. Sustainable progress in poverty reduction is critical to improve access to food.

*Individuals* need access to sufficient, safe and nutritious food. They need adequate health services, and a healthy and secure environment, including a safe water supply. Food security is therefore closely linked to the economic and social health of a nation, society and individual. Australian development assistance addresses these various aspects.

## Food safety and quality

Food-borne diseases cause human suffering and economic costs. Almost 70 per cent of diarrhoea is caused by biological or chemical contamination in foods. Diarrhoeal disease kills 6000 children every day. Population increases in developing countries, coupled with environmental degradation, further exacerbate these problems.

Food quality and safety are linked closely. Developing countries often lack the resources, infrastructure and skills to adequately test food quality and safety. However, access to food export markets is dependent on producer countries meeting internationally accepted standards. Australia's international development cooperation can assist our developing country partners to access these export markets by improving the quality and safety control of locally produced food, increasing their capacity to meet sanitary and phytosanitary protection requirements and thereby becoming more competitive as trade liberalisation occurs.

## Environmental concerns

Degradation of natural resources impacts globally on the availability of food. Agriculture accounts for 70 per cent of water use. Expanding agricultural productivity to meet food needs of an estimated eight billion people by 2025, in the face of increased competition for water resources and declining soil fertility, will be a real challenge. The uncertain impact of climate change could exacerbate this challenge. Mounting pressure on fishery stocks, forests or arable land, adds to the problem.

Australia's *Water Policy* aims to help improve water delivery systems, including more efficient irrigation and drainage systems, and measures to improve the uptake of more water-efficient irrigated and dry-land crops. Australia also operates within comprehensive guidelines for managing the environmental impacts of our development projects.

## Gender equity

Women ensure household food security and nutrition through their roles as food producers, processors, traders and income earners.

Women account for 70 to 80 per cent of household food production in sub-Saharan Africa, 65 per cent in Asia and 45 per cent in Latin America. Despite this, they are often more vulnerable to nutritional problems because of their lower social and economic status as well as the physiological demands of motherhood. In addition, limited rights to control and own land restrict women's ability to gain access to credit.

Australia incorporates gender considerations into the delivery of our development cooperation. This approach requires:

- enhancing women's access to credit, resources, technology, and information
- effectively integrating women farmers and the smallest farm holders into commercialisation schemes, as well as attending to land tenure issues

- training in literacy and better educating girls
- developing effective rural financial and safety net systems, and promoting community health and sanitation services
- developing strategies for income generation projects to increase income without sacrificing additional time, children's welfare or women's health or nutritional status.

## Children and nutrition

Poor child nutrition is closely associated with poverty. A third of the world's children under five years old are undernourished. About 80 per cent of these children live in Asia, mainly South Asia. Lack of proper food can lead to learning disabilities, blindness, hearing loss, impaired brain development and low resistance to disease. Deficiencies in iodine, iron, and Vitamin A cause considerable disability. The degree of disability depends on the severity of undernourishment and the stage in the child's development at which it occurs.

# Australian Government's Policy Approach to Food Security

Australia's international development cooperation addresses the links between sustainable development, poverty reduction and the promotion of food security in partner countries. Australia advocates a broad definition of food security based on the principle of self-reliance. This definition takes into account the many factors that impact on food security at a household level, including capacity to trade. Some development activities are designed specifically for food security purposes according to country and regional program priorities. Regional and multilateral organisations also undertake activities. Our strategy to meet the food security commitment includes implementing policies and practices to:

- alleviate poverty and improve physical and economic access of the poorest and most vulnerable to sufficient, nutritionally adequate and safe food
- ensure agricultural trade is conducive to fostering food security for all, through an open market-oriented world trade system, and assist least developed countries in our region to improve their agricultural productivity and infrastructure
- promote rural development, including sustainable agricultural, fishery and forestry production and management of natural resources
- provide technical assistance for developing countries to meet international standards of food quality and safety to export their products
- enhance women's access to agricultural credit, natural resources, technology, and information
- ensure children and other vulnerable groups are provided with adequate food
- prepare for disasters and emergencies to meet transitory and emergency food requirements in ways that encourage recovery and rehabilitation
- undertake agricultural research and development
- improve water governance and delivery systems.

## Agricultural trade liberalisation

While trade liberalisation alone cannot solve food insecurity, the root cause of which is poverty, it offers the best opportunity to achieve long-term food security. Australia is pursuing agricultural trade liberalisation through the World Trade Organisation and other multilateral, regional and bilateral fora. This includes efforts to remove impediments to international agricultural food trade that reduce access to food imports.

Australia has multi-year trade-related aid commitments totalling over \$245 million. Our focus is on helping developing countries to improve their trade policy skills, enhance tariff, taxation, customs and quarantine regimes, and strengthen trade and tourism promotion. This is vital to ensuring that developing countries can benefit from the new global trading environment.

Australian trade-related support to developing countries extends beyond direct technical assistance. Since 1 July 2003 Australia has provided tariff and quota-free access for all goods produced in the Least Developed Countries.

## The multilateral trading system

A successful outcome to the Doha Round will result in higher market prices and improved market access, thereby encouraging commercialisation of developing country agriculture and increasing domestic production. World agricultural prices should become more stable as protective and distorting trade barriers are removed.

Some of the least developed and net food importing countries currently depend on imports of cheap, subsidised food. In the context of trade liberalization, these countries are concerned about rising world prices, increasing costs of food imports, and reduced agricultural surpluses in industrialized countries, resulting in a reduced volume of food aid.

These issues are all negotiated under the WTO Agreement on Agriculture.

Key elements of the Agreement on Agriculture include:

- opening up agricultural product markets that previously had been restricted or closed, by stipulating minimum levels of imports;
- expanding access through tariff reduction for a specified quantity of imports; and
- reducing export subsidies.

In addition to the Agreement on Agriculture, the 1994 Marrakesh *Ministerial Decision Concerning the Possible Negative Effects of the Reform Program on Least Developed and Net Food Importing Countries* called for assistance to be provided by developed countries for poorer countries to counter any possible adverse effects of trade reform in the liberalisation process. This would both ensure that adequate food imports could be maintained and improve developing countries' agricultural productivity and infrastructure.

## World Food Summit

At the *World Food Summit: Five Years Later* held in Rome in 2002, world leaders renewed the global commitment to the fight against hunger. The summit addressed growing concern about the capacity of agriculture to meet future food needs. During the summit, Australia and the other 179 member countries endorsed guiding principles to formulate food security policies at international and national levels. Australia's food security pledge is consistent with this approach.

## Doha Development Agenda

Commencing in November 2001, the current WTO Doha Round of multilateral trade negotiations is reshaping the rules of agricultural trade, focusing on development in particular. Whereas at Marrakesh, rural development and food security were included in 'non-trade concerns', and were not explicitly mentioned, the *Doha Declaration* recognizes these issues as significant concerns for developing

countries. The Declaration also renewed the commitment in the WTO Agreement on Agriculture to take into account food security concerns in the coming negotiations. The Doha Development Agenda is an explicit recognition of the particular needs of developing countries and a chance for them to negotiate a better deal.

## Food aid

Food aid continues to be an important element of Australia's international development cooperation. Our assistance is provided in accordance with the internationally agreed Food Aid Convention, which aims to contribute to world food security and to improve the international community's response to emergency food situations and other food needs of developing countries.

Most of our food aid is sourced from Australian suppliers. The remainder is purchased locally or regionally in developing countries, particularly for emergencies when a rapid response may be needed. Cereals and cereal products make up about 95 per cent of Australia's food aid commodities. Other foods that are occasionally provided include vegetable oils, pulses, rolled oats and high energy biscuits. Most food is channelled from donors to recipients through the World Food Program.

Australia is working towards making the best available use of food aid. It uses two major categories:

**Development or project food aid** often uses food as payment in kind to very poor and disadvantaged groups in recipient countries for work performed on social or economic development activities.

Well-managed food aid can target the most vulnerable people through food for work. Food (instead of cash) is used to pay people for their labour in aid projects. For the very poor, food can be an incentive to participate in primary health and basic education activities, as well as skills training.

Development food aid can help developing countries reduce their need for imported food and saves scarce foreign exchange. It increases food stocks for the hungry poor.

**Emergency and relief food aid** is provided as humanitarian relief to assist the victims of natural disasters and human conflicts. Providing food to refugees and displaced persons is a priority for Australia.

# Technical Assistance for Food Security

## Asia

Food availability in Asia increased with the Green Revolution. Despite this, food security in parts of the region remains fragile, significantly affected by economic and climatic fluctuations.

Considerable Australian assistance helps Asian countries meet the basic food needs of their population. In Cambodia, most people live in rural areas and depend on agriculture for their livelihood. In rural areas, half the children are stunted from poor nutrition. Australia's international development cooperation focuses on improving the productivity of rice farming and better support services, particularly agricultural extension and provision of food aid through the World Food Program.

In South Asia, food security has been a long-term problem. Food and agricultural production have barely kept up with population growth. At least 30 million people in Bangladesh cannot access enough food to meet minimum nutritional requirements. Children and mothers are particularly affected. Australian food meets needs arising from both emergencies and general widespread poverty. Australia also supports the Government of Bangladesh in its other food security efforts.

## The Pacific

Pacific Island countries are mostly small, vulnerable and isolated. Economies are narrowly based on a limited range of agricultural products and natural resources. Economic growth rates are volatile. Many countries are too small to provide agricultural research programs or specialised technical services.

Regional agricultural programs in the Pacific are designed to compensate for this. They are highly successful. Australia currently supports fisheries management and research through funding to Pacific regional organisations, especially the Forum Fisheries Agency (FFA) and the Secretariat of the Pacific Community. Australia has provided funding to FFA to facilitate negotiations leading to the convention on highly migratory fish stocks in the Pacific.

Australia's activities encourage sustainable development of agricultural resources. The working alliance between the Australian Contribution to National Agricultural Research Systems and the Papua New Guinea National Agricultural Research Institute focuses on agricultural research with a view to promoting increased food production, and provides assistance in mitigating the impact of events that threaten food security, such as the 1997-98 drought in Papua New Guinea.

## Africa

Agricultural production in the sub-Saharan region has improved over the last five years, but is still inadequate. Australia's international development cooperation not only addresses humanitarian objectives, but also seeks to improve regional economic development through assistance for trade and investment, water supply and sanitation, housing, and health. For example, support and grants are provided to international agricultural research centres for their programs in Africa. The Australian Centre for International Agricultural Research (ACIAR) and AusAID collaborate to apply the results of research.

Australia will make direct efforts to enhance food security in Africa by supporting international appeals by United Nations agencies and international organisations, and providing grants to the World Food Program, and Australian non government organisations where relevant. A significant proportion of emergency assistance for food security will be provided as food aid. Indirectly, Australia's contribution to food security in Africa will include support for sustainable resource management and other community-based efforts to ensure adequate food supplies. It is also increasingly clear that addressing the effects of HIV/AIDS is an important component of our food security efforts.

## Australian Centre for International Agricultural Research

The Australian Centre for International Agricultural Research (ACIAR) is an important component of Australia's work towards achieving food security.

ACIAR aims to achieve more productive and sustainable agricultural systems through international agricultural research partnerships, for the benefit of both

developing countries and Australia. This includes work on agricultural systems economics and management, agricultural development policy, animal and crop sciences, land and water resources, fisheries, forestry and post harvest technologies.

## Case studies

### 1. Papua New Guinea Australian Contribution to National Agricultural Research Systems (ACNARS)

Food security in Papua New Guinea (PNG) has significantly improved over the last 100 years, through the introduction of new crops and the adoption of the cash economy. 87 per cent of PNG's people live in rural areas and are dependent on semi-subsistence agriculture. The projected decline of the mining industry, which now provides about 20 per cent of GDP, means efficient food production is more important to the economy than ever.

Today, long-term threats to food security in PNG arise from poverty (low cash incomes) and land degradation caused by increasing population. Short-term threats occur periodically across the whole country as a result of climatic variation, largely El Nino Southern Oscillation (ENSO) events, and locally from volcanic activity, landslides and tribal fighting or epidemics of disease.

Australia's development cooperation with PNG recognises food security as fundamental to economic growth and poverty reduction. The Australian Contribution to PNG's National

Agricultural Research System, a \$20m project which started in 1998 and will continue until 2005, has provided targeted support to major issues affecting PNG's food security, in relation to household food supply and to production for domestic and export markets. The project obtained expert advice to help deal with the potato blight, a viral disease threatening to wipe out a major crop in the Highlands. Ongoing research and extension funded by Australia, especially the distribution of resistant planting material, will allow the PNG potato industry to survive.

### 2. Food aid to East Timor

East Timor is largely an agriculturally based economy with an estimated three quarters of the population residing in rural areas. Large proportions of the rural population experience food shortages between November to March each year. Australia cooperates with the World Food Program and the Food and Agriculture Organisation to monitor the effects of the drought on East Timor and the severity of current food shortages. This close monitoring and analysis enables us to provide the most appropriate and effective response to food insecurity as required.

### 3. Africa

Recurring food shortages in Africa on the devastating scale of the 2002–03 drought in southern Africa and the Horn of Africa emphasise the importance of enhancing long-term food security through improved governance and other long-term health and infrastructure programs.

The 'Australian Partnerships for African Communities' program is one mechanism to assist our developing country partners work towards food security. This \$53 million program, running for 5 years from 2004 to 2008, will assist accredited Australian non-government organisations and their African partners to contribute to poverty reduction and achievement of sustainable development in targeted countries in southern and eastern Africa.

The major objectives of the program are to:

- increase the quality of community based programs and maximise program impact on poverty reduction and development outcomes in the targeted countries.
- achieve sustainable improvements in health and food security to reduce the level of poverty of the beneficiaries of the community based programs in the targeted countries.

This program will lead to improved quality of life particularly through reduced impact of disease and greater food security.