



**HIGHLIGHTS FROM THE CONFERENCE ON
THE MULTIFUNCTIONAL CHARACTER OF
AGRICULTURE AND LAND
THURSDAY, 16 SEPTEMBER 1999**

Participants at the Conference on the Multifunctional Character of Agriculture and Land (MFCAL) met in Plenary on Thursday morning to hear a synopsis of regional group discussions held over the previous two days. Delegates met in Plenary throughout the day to consider the content of the Chair's draft report. In an informal evening Plenary, delegates discussed the Chair's reformulation of the three most contentious paragraphs late into the night.

SUMMARY OF REGIONAL GROUP MEETINGS

Saad Nassar (Egypt) summarized the first sessions of regional group discussions on understanding the MFCAL. The groups emphasized, *inter alia*, that: the nature of MFCAL differs in different countries; MFCAL should address problems causing food insecurity and over-exploitation of non-renewable resources; trade should be emphasized as an important function of agriculture; stakeholders should dictate MFCAL's direction; developed countries should not use MFCAL as an excuse to erect barriers to developing country imports; and the links between MFCAL and SARD require clarification. It was noted that, while multifunctionality is not a new concept, it may be useful in developing governments' awareness of the issues. They stressed the need to focus on policies, instruments and institutional strengthening and address rural poverty, food security and support for the rural sector. Some emphasized that Agenda 21 provides the necessary framework.

William Ehlers (Uruguay) summarized the second sessions of regional group meetings, which considered case studies and identified a number of relevant processes, instruments and enabling factors. He said groups discussed whether MFCAL adds to existing concepts relating to sustainable development. Some expressed their doubts. He said many delegates recognized that elements of MFCAL differ between and within countries, as does the emphasis placed on these elements. The need to encourage and facilitate stakeholders' full participation and development and availability of innovative, appropriate technologies was also recommended. Several groups spoke of the need to eliminate practices that distort trade in agriculture, particularly subsidies.

Vincent Hungwe (Zimbabwe) reported on seven field trips and case study discussions undertaken Wednesday. Participants agreed that MFCAL is derived from the policy implications of SARD and, as such, MFCAL is already being implemented. Participants agreed on the need for: clarification of MFCAL, indicators and information; an enabling environment for stakeholder participation; research, inter-disciplinary dialogue and public-private partnerships; and the application of agro-economic solutions, including the use of local materials and technologies. On trade, participants recognized different country priorities and that food security must occasionally take precedence.

GENERAL DISCUSSION ON OUTCOMES

Regarding follow-up to the conference, delegates from Malaysia and Italy encouraged the FAO to continue building a framework for sustainable agriculture planning. Members of the CSD NGO Agriculture Caucus called on the FAO and CSD-8 to examine the contri-

but ion of organic agriculture to sustainability and MFCAL. They called for an examination of support mechanisms for land tenure security at CSD-8.

On MFCAL's utility and its contribution to SARD, a participant from Uruguay, supported by speakers from Australia, New Zealand and Indonesia, called for a focus on practical sustainable agriculture policies and tools in the absence of agreement on MFCAL's utility. An Indonesian delegate called for attention to farmer participation, institution-building and farmer-led training and education. A French representative said MFCAL could help operationalize the relationship between food and non-food production demands.

On reflecting country priorities in MFCAL, a French representative said countries must cooperate, some within the OECD, while taking the concerns of developing countries on board. Senegalese, Mexican and Spanish participants underlined the importance of food security. Speakers from India, Norway, Morocco, Switzerland and the Republic of Korea underlined the need to take account of differences between country or regional situations.

On multifunctionality and trade, a French participant said that States could use MFCAL while respecting the obligation to reduce distortions in the global market. Delegates from Uruguay and South Africa said the multifunctional character of agriculture should not be used as a pretext to maintain subsidies. A delegate from Austria said the EU's multifunctional agricultural policies are intended to relieve pressure for ever-increasing production. A Chilean participant, supported by speakers from Argentina and Uruguay, said export prices have been depressed by other countries' export subsidies at the expense of sustainability.

On developing country needs, a participant from Trinidad and Tobago supported a speaker from Argentina's view that, with declining ODA, countries dominated by agriculture must increase production. A participant from Chile suggested that MFCAL could boost aid flows for Agenda 21 implementation. Participants from Haiti and the Consultative Group on International Agricultural Research called for technological support and R&D.

Participants called for additional text on: OECD work on MFCAL, indicators, subsidies and the impact of policy reform on sustainable agriculture (OECD); recognition of waged agricultural workers as stakeholders and Agenda 21 language on core labor standards (CSD NGO Agriculture Caucus); the fundamental influence of trade (Trinidad and Tobago); FAO and partner support for participatory land management and measures to support security of land tenure (Popular Coalition); and FAO guidelines on Chapter 10 of Agenda 21 to provide tools for analysis of land use (UK and Thailand).

CONSIDERATION OF CHAIR'S DRAFT REPORT

The Chair circulated a Chair's draft report, which delegates debated at length.

BACKGROUND: Institutional context of SARD: A US participant said a principal task of this conference was to identify tools to move forward. A speaker from Trinidad and Tobago added the challenge of adjusting trade policy to achieve food security. The OECD called for a more forward-looking approach to the document. The International Union on Food proposed that CSD-8 discuss the incorporation of core labor standards in MFCAL and SARD.

Some clarifications on MFCAL: An Austrian delegate proposed adding the need for a different set of policies to broaden the basis of farmers' income. A Canadian representative, supported

by a UK participant, suggested amending language on the effects of the trend toward specialization and economic efficiency to note that intensive agriculture can help meet food demand in some cases. A speaker from Norway recommended adding that agriculture's non-food functions may have public good characteristics. A speaker from Argentina, opposed by one from the UK, proposed deleting the report's statement that agriculture's *raison d'être* is to provide livelihoods for farmers, stating that its main purpose is food production. A delegate from Uruguay recommended adding text acknowledging that MFCAL should not be used as a pretext to preserve current subsidies and highlighting that varied opinions were voiced regarding MFCAL's validity.

The wider context of SARD discussions: A delegate from Canada recommended noting that the major environmental conventions strengthen approaches to the environmental "costs and benefits" of agriculture. An Argentinean participant proposed adding a sentence acknowledging that "export subsidies are particularly perverse" for sustainable agriculture since developing countries cannot compete due to artificially depressed prices.

REVIEWING PROGRESS: Furthering the implementation of SARD: Representatives from the US, Canada and Paraguay observed that the document suggests greater agreement on the concept of MFCAL than necessarily existed at the conference. A Canadian speaker recommended text reflecting that sustainable agriculture can be fostered by policies that are targeted, cost-effective and transparent and do not distort trade and production.

A delegate from the US proposed adding the need for appropriate national policies in support of land tenure security. Delegates from the US and Canada, opposed by those from Mexico and Uruguay, suggested deleting a paragraph calling for a more open and non-discriminatory trading system. Participants from Argentina and Colombia proposed strengthening the text to note participants' agreement that developed country use of production and export subsidies damages developing country efforts to achieve sustainable development. Delegates from Colombia and Australia said the elimination of child labor should become a measure of sustainable agriculture. A Mexican participant said the crucial role of women in sustainable development should be reflected. A speaker from Mauritius called for reference to the needs of small island developing States.

Instruments: A Canadian speaker highlighted the need for further efforts to create markets for non-food outputs and to "get the prices right." IFAP called for reference to "the eradication of rural poverty" as an enabling factor useful in the process of mobilizing the various functions of agriculture and land. A UK representative proposed replacing a reference to "ownership" issues with "rights" issues regarding land. A Chinese delegate expressed caution about references to land "ownership." A German representative recommended addressing the problem of insecure access to land and tenure as it discourages farmers from investing in methods that can improve their socioeconomic conditions as well as their interest in applying sustainable agricultural practices.

IDENTIFYING ISSUES FOR FUTURE ACTION: A US representative suggested calling for ways to monitor and assess SARD, including development of indicators and means to analyze and quantify benefits. She recommended deleting text stating that political choices must be made to set priorities and guide the process toward sustainability. Participants from Norway and Mauritius said gender should receive greater emphasis in the document and be better reflected as crucial in issues related to ownership and access to land and credit. A Cuban delegate, supported by Mexican, New Zealand and German speakers, recommended adding a reference to world hunger in the document.

National level: A representative of Via Campesina replaced a reference to access to seeds with one on conservation of biodiversity. The Global Forum for Sustainable Nutrition and Food Security introduced text on strengthening rural communities and culture through appropriate policies on land reform, support services and an enabling environment.

Regional level: A delegate from Peru suggested that the text request the FAO to organize meetings to address these issues at the regional level and that this process should involve farmers' organizations and civil society.

International level: A Norwegian speaker said innovative mechanisms of financing should not be limited to "green" financial instruments but rather to financial instruments "in conformity with international agreements." A French delegate, supported by participants from Mexico and Spain, recommended that a working group be established under FAO's aegis to develop an understanding of agriculture's multifunctional character and a framework to help achieve sustainable development. A New Zealand delegate said this was not the proper forum for taking decisions on this proposal.

INFORMAL INFORMAL PLENARY

Chair Alders revised the three most contentious paragraphs in his draft report based on the above discussion and circulated this text to delegates for further negotiation in an "informal informal" evening Plenary.

On the paragraph containing clarifications on MFCAL, one point of contention concerned text noting that agriculture has the capacity to contribute to welfare. Participants from Namibia and Canada advocated balancing this positive contribution of agriculture by its noting potential negative effects and costs. Representatives from France, the UK, Finland and others preferred the Chair's original text, which elaborated agriculture's geographic extensiveness and direct relation to nature and the environment.

Another contentious point concerned text noting that growing attention to non-food functions of agriculture has augmented MFCAL's policy relevance. Some said this was not the case. A US participant suggested that this attention has augmented the policy relevance of SARD. A delegate from Argentina proposed that this attention has augmented the "relevance of policies addressed to MFCAL." A speaker from Cameroon recommended specifying non-food functions "in some countries." Delegates also debated text confirming the importance of targeted, transparent and cost-effective policies that do not distort production and trade: those from Argentina and Uruguay supported this formulation; a US speaker proposed its deletion; participants from Germany, Norway and the Popular Coalition preferred deleting "production;" and those from Namibia and Zimbabwe suggested adding policies that contribute to food security.

A proposal by a representative from Uruguay to add text stressing that MFCAL should not be used as a pretext to preserve developed country subsidies was supported by a delegate from Argentina but opposed by speakers from the Republic of Korea, France and Germany. A delegate from Argentina proposed amending it to state that MFCAL "is not meant to justify" current subsidies. A representative from Uruguay expressed disappointment and said the refusal to include the text confirmed that there is a hidden agenda behind the MFCAL concept.

Regarding a paragraph on participants' views on MFCAL, a Norwegian speaker questioned a call for a common framework for analysis and emphasized the need for consistency of policies. A US delegate agreed to delete the reference to a common analytical framework consistent with WTO and other international agreements.

Regarding a paragraph on the trading system and trade barriers, a participant from Argentina reintroduced his amendment on increasing market access for developing countries' agricultural exports to provide them with the foreign exchange needed for their development and implementation of sustainable agricultural policies. Participants did not agree on the Chair's reformulation on the need to ensure that policy measures do not unfairly limit market access to "nor distort" food and agricultural exports, especially for developing countries. The UK, German and Argentinean participants offered different formulae to address the issue of resources for developing countries to implement sustainable development. The Chair said he would produce a revised draft for further negotiation on the final day of the conference.

THINGS TO LOOK FOR TODAY

PLENARY: On the conference's final day, participants will convene in Plenary at 9:00 am in the Expo Foyer to consider a revised draft Chair's report and to hear closing keynote speeches.