THE MULTILATERAL AND INTERNATIONAL DIMENSIONS OF CIDA'S FOOD SECURITY STRATEGY

CANADIAN FOOD SECURITY POLICY GROUP

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SUMMARY FINDINGS

Delivery through multilateral channels represents a very significant way that CIDA is implementing the Food Security Strategy. Analysis of this aspect of CIDA's food security operations is therefore an important part of overall assessment of the Food Security Strategy.

The material considered for this study indicates that CIDA's financial allocations through multilateral channels generally align with the priorities articulated in the Food Security Strategy. On this basis, CIDA appears to be making appropriate choices on multilaterals through which to deliver its strategy.

However, this finding is based on a relatively rudimentary overview of available information in the public domain. As such, this study provides an introduction and starting point, rather than a comprehensive in-depth examination of issues that have been raised in the documentation and interviews with knowledgeable CSO informants.

In addition, it is important to note that there are significant external CSO and academic critiques of many of the multilaterals that CIDA and other government departments finance under the Food Security Strategy. These critiques question some multilateral institutions' poverty reduction focus, their approaches and type of programming, the nature of their governance mechanisms, their accountability and transparency, and their openness to civil society engagement.

These factors all mean that fundamental questions remain regarding whether CIDA's chosen multilateral partners are, in fact, appropriate channels for strengthening food security; and whether current funding levels for each institution are appropriate.

A more in-depth study, which time and resources did not permit, would have allowed these questions to be more fully examined, and would have provided a deeper analysis of the Food Security Strategy. Of key importance would be information on how the Strategy is being "put into practise", including the results and impact of programs implemented by the main multilaterals financed through the Strategy.

There are also significant questions about to what degree, how, and in what ways CIDA's FSS policies and Canada's broader policies and actions at international fora on food policy, trade and climate change align with, strengthen or weaken the Food Security Strategy priorities. This research was also largely beyond the scope of this study. Given the large gaps in public information, it is difficult to gain a precise impression of the nature of Canada's engagement on food security at the international level. The FSS is a CIDA document, for implementation by CIDA – whereas much of Canada's policy position at the international level is determined by, or led by other government departments.

An important factor in this regard is the departmental vector for Canada's representation at international fora. Where these are departments other than CIDA, to what degree is CIDA an influential actor in the government's representation at these fora to advance its development and food security agenda? While there is evidence of interdepartmental coordination, the study was not able to determine definitively the influence that CIDA had in these initiatives. But there is little public transparency that allows external researchers to assess a whole of government approach, despite its recognized importance in achieving the goals of the Food Security Strategy.

A further question is where Canada and CIDA should focus their efforts at international fora and at global food security governance platforms. Currently it appears the greatest commitment and most resources are dedicated to intergovernmental bodies that have a limited mandate and limited representation. Other more inclusive platforms that

have a broader food security mandate and that include representation from a wider range of stakeholders (such as the Committee on World Food Security) may warrant greater Government of Canada attention.

INTRODUCTION

The purpose of this report is to frame and support the Food Security Policy Group's (FSPG) overall research on Canada's food security efforts. It assesses the multilateral and international dimensions of the Canadian International Development Agency's (CIDA) Food Security Strategy (FSS), including in relation to the following:

- to what degree CIDA's financial allocations through multilateral channels align with the principles articulated in the *Food Security Strategy*
- to what degree CIDA's actions and statements at international fora align with the principles articulated in the *Food Security Strategy*
- to what degree the actions of other Government of Canada departments align with the principles articulated in the Food Security Strategy¹

This report starts by making some general observations on the FSS. It then addresses the three sections above.

LIMITATIONS AND THE NEED FOR FURTHER STUDY

The parameters of this research potentially represent a very large area of study. The scope of the research, however, is limited: it draws primarily on desk material, and a small number of interviews.² As a result, it provides an overview and starting point, rather than a comprehensive and in-depth examination of many of the issues raised.

The limited scope of the research, due to restraints of time and resources, does not allow an authoritative assessment on some fundamental questions, such as:

- Is the proportion of aid for food security that is delivered through multilateral channels appropriate (compared to delivery through other channels)?
- Has CIDA chosen the appropriate multilaterals to work through for delivery of the FSS, and is it making the right decisions on funding levels for each institution?
- What are the results and impact of CIDA's delivery of food security assistance through multilateral channels? How is the FSS translated into practice?

The study is also only able to make tentative observations on the extent to which CIDA's expertise and views on food security are adequately represented in international fora. This is particularly important in the cases where CIDA officials are actively engaged on food security issues, but where Canada's representation on these issues at the

¹ See the study Terms of Reference, Annex 1

² I am thankful to a number of people who provided valuable information for this report, including through interviews, provision of documentation, and feedback on drafts. This includes: Brian Tomlinson, Sophia Murphy, Carol Thiessen, Jean Christie, Gauri Sreenivasan, and Ann Weston as well as the Food Security Policy Group, including Paul Hagerman, Sheri Arnott, Fraser Reilly-King, Sylvie Perras and Danuta Swiecicka. I'm also grateful to Brian Tomlinson for his careful editing work which improved the quality of the report.

international level is led by a Minister other than the Minister of International Cooperation, or a Department other than CIDA. In many of these cases, there is very limited public written information, or the information that is available is out-dated.

An important result of this study may therefore simply be the identification of gaps, and areas for further exploration and research. Each area would benefit from more in-depth study and analysis, backed up both by further review of available documentation, as well as from interviews with key stakeholders, including CIDA and other government officials, as well as academic and civil society actors engaged on these issues.³

CIDA'S FOOD SECURITY STRATEGY: GENERAL OBSERVATIONS

In terms of content, the FSS appears to have a number of strengths. It addresses areas of particular importance to people in the poorest countries, as well as issues for which civil society groups have long argued. This includes a strong focus on subsistence and on rural small-scale farmers, in particular women, and on women's roles in food security, including as key drivers of change. Its three "paths to action" address this focus, and identify programming in important areas such as supporting agro-ecological approaches, integrating nutrition into emergency food aid and other food security programs, supporting social safety nets, and strengthening food security policies and institutions. The FSS also identifies the importance of investment in agricultural research and development. It sets these programming issues within the key global trends, which it sees as likely to affect food security efforts in coming years. These trends include energy insecurity, changing diets and a fast-growing global population, the impacts of climate change, and the need to increase poor peoples' resilience by reducing their vulnerability.

This all suggests that CIDA's overall approach in the FSS is largely on the right track: the FSS encompasses many of the necessary ingredients for improving food security, and for effective use of CIDA resources to do so. However, the Strategy only goes so far in terms of the detail it provides, and does not fully explain its underlying rationale, or how it will be implemented. It appears to stop short of the more substantial aspects one might expect in a comprehensive strategy. In particular, there is extremely limited information on how CIDA will actually deliver the strategy, other than in general and overarching detail. These limitations apply to CIDA's delivery of the strategy through multilateral channels, which is a key modality for CIDA's overall food security efforts.

Given the extensive expertise and programming on food security within CIDA, it is unclear why the public version of the Strategy is so limited, given that CIDA further articulates in more detail its intentions with respect to food security in a number of internal documents.⁴ The result is a public "bare bones" strategy, rather than one that comprehensively charts a strategy and plan of action for CIDA's support for food security. This limits its usefulness, including for external actors who have an interest and stake in Canada's food security work. A straightforward next step for the Strategy would be to publicly release more detail on its intent and implementation. This could be easily done through release of existing internal documents, or through incorporation of these into an updated, more comprehensive Strategy.

³ For example, the author was not able due to time constraints to examine recent reviews and assessments of multilateral organizations, such as DFID's Multilateral Aid Review, the Australian Multilateral Assessment and the reports of the Multilateral Organization Performance Assessment Network (MOPAN).

⁴ Such as the Strategic Environmental Assessment, the Performance Management Framework and Implementing Canada's IAE Thematic Priorities: Stocktaking and Forward Agenda

CIDA'S FINANCIAL ALLOCATIONS THROUGH MULTILATERAL CHANNELS AND ALIGNMENT WITH PRINCIPLES IN THE FOOD SECURITY STRATEGY

This section of the study looks at whether Canada's⁵ financial allocations through multilateral channels align with the principles articulated in the FSS.⁶

Canada directs substantial development assistance for food security through multilateral development channels. Most of this is allocated through CIDA, but some through other governments departments, in particular the Department of Finance (also known as Finance Canada), Foreign Affairs and International Trade Canada (DFAIT), and the International Development Research Centre (IDRC).

A number of the multilateral institutions funded by CIDA have a strong focus on food security. These include some institutions that receive relatively substantial amounts of financing, such as the World Food Program (WFP), the Food and Agriculture Organization (FAO), and the International Fund for Agricultural Development (IFAD), as well as others that receive very small amounts (such as the International Potato Centre). CIDA and Finance also provide funding for other multilateral institutions - such as the World Bank and the Asian Development Bank - for which food security is one part of their overall programming.

Disbursements through multilateral organisations comprise a very large proportion of CIDA's total food security disbursements: 61.9 percent in 2008-09, 75.6 percent in 2009-10, and 65.8 percent in 2010-11. In 2009-10, these multilateral disbursements reached a peak of \$694.2 million, and in 2010-11, the last year of available data, it was \$478.8 million, still above the \$378.5 million it disbursed in 2008/09.7 8

The following table shows disbursements for food security from all CIDA branches for select multilateral organisations (the figures do not include disbursements from other Government of Canada departments or a number of smaller CIDA disbursements to multilateral organizations). As the table shows, some organisations received substantially larger disbursements in 2009-10, the result of one-off allocations under Canada's G8 L'Aquila commitments (see below).

⁵ While the ToR for this study refer to "CIDA's" financial allocations through multilateral channels, it is important to note that some allocations for food security are made through other departments, such as Finance. As a result, this section of the study also considers possible non-CIDA allocations. ⁶ It is also important to note that the FSS does not identify specific "principles"; although a number of principles can

be implied from it. This section therefore looks at the general intent of the FSS. ⁷ These figures are drawn from Brian Tomlinson, 2012, "A Statistical Review of CIDA's Food Security Theme", Table

^{11.} The following sections draw on data in this Briefing Paper, which should be read in conjunction with this report.

⁸ The extraordinarily high amount and proportion in 2009/10 is the result of large – but one-time only – disbursements by the government through CIDA and the Department of Finance to multilateral organizations in order to fulfil the government's G8 L'Aquila commitments.

ORGANIZATION	2005/06	2007/08	2008/09	2009/10	2010/11
AFRICA DEVELOPMENT BANK	\$8.8	\$8.1	\$13.2	\$13.1	\$13.2
Asia Development Bank	\$16.6	\$10.7	\$8.0	\$3.2	\$3.2
CARIBBEAN DEVELOPMENT BANK		\$10.5			\$1.8
CGIAR	\$4.6	\$17.9	\$15.8	\$48.3	\$21.8
FAO	\$3.7	\$1.6	\$3.1	\$1.8	\$27.9
IFAD	\$14.5	\$12.7	\$12.4	\$50.0	\$12.5
UN CAPITAL DEVELOPMENT FUND		\$1.0	\$1.0		\$2.4
UNDP	\$5.3	\$1.8	\$5.1	\$12.9	\$5.7
UNICEF	\$22.3	\$14.3	\$20.9	\$7.6	\$14.7
WORLD BANK	\$0.4	\$19.1	\$5.5	\$230.5	\$65.6
World Food Program	\$172.6	\$148.3	\$263.5	\$281.8	\$285.6
TOTAL FOR SELECT MULTILATERAL ORGANIZATIONS	\$248.8	\$246.0	\$348.5	\$649.2	\$454.4
% OF CIDA TOTAL FOOD SECURITY	59.1%	55.3%	57.0%	70.7%	62.3%

Table 1: CIDA disbursements to select multilateral organisations, all branches9

Note: Additional multilateral organizations disbursing relatively small amounts of CIDA food security funds are not included in this table, notably the Commonwealth and Francophonie organizations, the United Nations Relief & Works Agency for Palestine Refugees, the International Livestock Research Institute, Bioversity International, the International Institute for Tropical Agriculture, the International Food Policy Research Institute, the International Potato Centre, the Inter-American Institute for Cooperation on Agriculture, and Observatoire du Sahara et du Sahel. In 2010/11 total disbursements for all these other organizations amounted to \$24.4 million.

Canada's L'Aquila commitments In 2009 Canada made a number of funding commitments on food security as part of its L'Aquila G8 commitments, including that it would double its investment in sustainable agricultural development, with an additional \$600 million funding over three years, bringing the total to \$1.8 billion over the three year period.

These commitments represent an important way that the government is implementing the FSS, and are of particular note because a large proportion of the commitments are multilateral in nature. They indicate that multilateral institutions are favoured partners for implementation of the strategy – in particular IFAD, the Consultative Group on

Source: CIDA Historical Project Dataset, accessed November 2012

⁹ From Tomlinson, 2012, Table 10.

International Agricultural Research (CGIAR) and WFP, as well as the Global Agriculture and Food Security Program (GAFSP). The commitments included:

- \$260 million to the World Bank's "Vulnerability Financing Framework", which includes support for the GAFSP and the Global Food Crisis Response Program (GFRP);
- \$37.5 million additional funding to IFAD, doubling Canada's support to \$75 million over three years;
- \$32.5 million additional over three years in new funds to CGIAR;
- \$30 million for WFP¹⁰

More detail on these commitments, on other aspects of Canada's G8 commitments, and on CIDA's food security funding can be found in the Briefing Paper, "A Statistical Review of CIDA's Food Security Theme".¹¹ The Briefing Paper discusses trends in CIDA's food security disbursements, and provides a very useful accompaniment to this report.

1.1 OBSERVATIONS ON ALIGNMENT OF MULTILATERAL SUPPORT WITH THE FSS

Overall strong alignment - at a general level The research suggests that, in very broad terms, the allocations do align, or are consistent with the intent of the FSS. In general, the food security mandates and strategies of key multilateral institutions supported by CIDA and other government departments show a fairly high degree of consistency with the priorities set out in the FSS.

For instance, in many cases these institutions identify small scale farmers and agriculture, women, environmentally sustainable approaches, integration of nutrition into emergency food aid and broader food security considerations, social safety nets, building resilience and reducing vulnerability, and addressing the impacts of climate change as key elements of their financing or programming. These are broadly consistent with the main directions of the FSS. On the basis of their "on paper" policies and strategies therefore, CIDA's financing of these multilateral institutions appears to be an appropriate way for it to take forward the FSS.

Is there alignment in reality? At the same time, it should not be taken as a "given" that CIDA's support for these institutions will necessarily lead to the type of results sought in the FSS. Further analysis is required to better understand to what extent statements made in policy and strategy are borne out in reality, and to shed better light on what happens "in practice".

For instance, civil society organizations (CSOs) and others have significant critiques of many of the multilateral organisations funded by Canada. These critiques often revolve around their actual poverty reduction focus, their approaches and type of programming (such as whether they adopt integrated approaches to food security), the nature of their governance mechanisms, their accountability to stakeholders and the recipients of their programs, and their openness to civil society engagement with them. These critiques are directed both at multilaterals that have a direct focus on food security (such as the FAO), and in particular at those for which food security is one component of their overall operations (such as the World Bank and the Asian Development Bank). While time did not permit for this study, it is important to take into account these critiques when assessing CIDA's (and Canada's) support for food

¹⁰ More detail on these commitments and other aspects of Canada's G8 commitment can be found in Tomlinson, 2012

¹¹ Tomlinson, 2012

security through multilaterals. They also underline the importance of mechanisms for civil society groups and other stakeholders to engage in dialogue and constructive input with CIDA and other government departments. This includes areas such as the overall delivery of the FSS through multilateral organisations, the Government's engagement with each multilateral institution (including in terms of the appropriate allocation of resources) and the nature of CIDA's policy engagement with each institution.

Alignment with the FSS: almost anything goes? The fairly high level of consistency between the priorities identified in the FSS and those of the key multilaterals funded by CIDA (and Finance Canada) also underlines another point regarding the FSS – its very broad and general nature. Because of this, it is relatively easy for the FSS to encompass the more specific priorities and strategies outlined by many of the multilaterals that Canada supports. In some respects, a multilateral institution would need to have a mandate significantly outside of current trends in food security policy and strategy, and outside generally agreed-upon thinking and approaches (such as the importance of supporting smallholder agriculture for food security) for it not to be consistent with the FSS. This is another reason why CIDA, having produced a strong FSS *in general terms*, should now put "the meat on the bone" of the Strategy. A straightforward way of doing this would be to provide more public detail that further elaborates the Strategy, and explains how it is being taken forward.

1.2 CIDA'S KEY FOOD SECURITY PARTNERS: ALIGNMENT WITH THE FSS

CIDA identifies three "key partners" for its food security strategy – the World Food Program (WFP), the International Fund for Agricultural Development (IFAD) and the Consultative Group on International Agricultural Research (CGIAR). These institutions receive a large share of CIDA's food security funding, and are specifically identified in the three "paths to action" of the FSS: WFP for "food aid and nutrition", IFAD for "sustainable agriculture" and CGIAR for "research and development". The following section considers these three organizations, and to what extent their policies and operations align with FSS priorities.

The following table shows CIDA's food-security focused assistance to these three organisations. It also includes the Food and Agriculture Organisation (FAO), another multilateral with a specific food security focus that Canada supports, and which is discussed in a later section. Disbursements by the FAO do not include DFAIT share of core funding for FAO as a United Nations (UN) agency, but according to the annual Statistical Reports for International Assistance, DFAIT disburses very little against the agriculture codes that count towards the Food Security Strategy (\$580,000 in 2010/11).

Millions of Cdn\$	2008-9	2009-10	2010-11	Total
WFP	263.5	281.8	285.6	830.9
IFAD	12.4	50.4	12.5	75.3
FAO*	3.1	1.8	27.9	32.8
CGIAR	15.8	48.3	21.8	85.9

Table 2: Food security-focused assistance through select multilateral organisations

Source: CIDA Historical Project Dataset, accessed November 2012.

* Does not include any disbursement made by DFAIT.

World Food Programme

CIDA states that "WFP's mandate is closely aligned" with its own three priority themes, of which food security is one.12

In 2010/11, CIDA allocated \$285.6 million to WFP for its food security strategy, bringing the cumulative total since 2008/09 to \$830.9million. As such, WFP is by far the largest multilateral recipient of CIDA funds that has a specific food security focus, and is CIDA's key channel for food assistance support: CIDA identifies it as its "main partner in preventing acute hunger and reducing chronic hunger around the world".¹³ A little less than 80 percent of CIDA's food assistance allocations in 2009/10 were made through WFP (with ten percent to the Canadian Foodgrains Bank and ten percent to other organisations).¹⁴ With the onset of the 2008 food and fuel price crises, through its funding to WFP, CIDA has turned around its performance in meeting its international Food Aid Convention commitments, from failing to meet them in the early part of the 2000s, to now far exceeding them.

In addition to the funding it provides, CIDA is also relatively well-placed to influence WFP strategy and operations through its membership of the WFP Executive Board. It was president of the Board from Feb 2007 to Feb 2008, and as a current ongoing member, has (according to CIDA) "been instrumental in enhancing WFP's commitment to equality between women and men (and girls and boys), results-based management, and emergency assessments."15

The FSS states that CIDA will work with WFP to "encourage flexible, predictable funding amongst the donor community; support nutrition interventions, including the use of social safety nets and food distribution systems, and school feeding programs, and work with other countries to improve the Food Aid Convention".

CIDA's substantial funding to WFP appears to be a reasonable way to take forward these aspects of the FSS, and to address the continuing need for emergency food aid in many developing countries. It also helps advance CIDA's

http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-1129114717-MPR
 http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAD-1131453-QDQ
 Calculated using CIDA's historical project data and the codes for food aid and emergency food aid.

¹⁵ http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAD-1131453-QDQ

objective to make continued improvements in the quality of food aid - in order, as the FSS states, "to contribute to a more effective, sustainable, and predictable emergency food aid system".¹⁶ WFP is generally recognised as an effective delivery mechanism for food assistance, and as being able to respond appropriately to changing thinking and trends in food assistance.¹⁷

For all these reasons, there appears to be strong consistency between the priorities identified in the FSS and those of the WFP. This is reflected in the WFP Strategy Plan (2008-2013), which emphasizes its shift from a food aid agency to a food assistance agency, and its adoption of a "more nuanced and robust set of tools to respond to critical hunger needs" - such as the provision of cash, vouchers, or food based safety nets - in addition to its core role in providing emergency food aid. The Strategic Plan also has a strong emphasis on incorporating nutrition programs across the range of WFP programs, and on strengthening community resilience through safety nets or asset creation, and specific activities such as school feeding programs. These aspects are strongly consistent with CIDA's stated intentions, both in a general sense, and specifically in relation to WFP.

IFAD

IFAD is a specialized agency of the United Nations (UN) that provides concessional loans and grants to member countries. It is one of a select few multilateral institutions referred to in the FSS, and that Canada made a specific L'Aquila commitment to. Its mandate is "to enable poor rural people to achieve food security and overcome poverty", and it has a focus on smallholder farmers.¹⁸ Its grants and loans are designed to support nine major areas, including agricultural development, rural infrastructure, livestock and research, extension and training.¹⁹

Canada is a founding member of IFAD and is a member of the 18-member Executive board. In 2009, on a one-time basis, Canada doubled its support to IFAD to \$75 million over the following three years, as part of its L'Aguila commitments²⁰ and as part of its decision to identify IFAD as a key partner for implementation of the FSS.

For the 2008-2010 fiscal years, Canadian expenditure for IFAD was a total of \$75.3 million, mainly as a result of the L'Aquila commitment. All of this commitment was made in a single disbursement of \$50 million in 2009/10. This is an important recognition of IFAD's work, and going forward represents a significant increase of the annual disbursements for core support for IFAD since 2007. IFAD received an additional \$20 million in 2012 to support their Adaption for Smallholder Agriculture Program, to be used to invest in climate resilience. And future CIDA financing for IFAD continues this trend. In a recent replenishment for the 2013-2015 period, CIDA sustained its L'Aquila commitment by pledging \$75 million over these three years.

CIDA is one of the major donors to IFAD and has played, and continues to play, an important role on policy issues concerned with IFAD. It contributed to the 2008 independent assessment of IFAD's reform efforts, and states that it is "working closely with IFAD to strengthen its policies and practices related to equality between women and men".²¹ At

¹⁶ Food Security Strategy, p 5

 ¹⁷ View expressed by FSPG member
 ¹⁸ <u>http://www.acdi-cida.gc.ca/CIDAWEB/cpo.nsf/vWebProjSearchEn/92E4BBF681F5BD1D852579CD004F1F37</u>).

¹⁹ <u>http://www.ifad.org/operations/index.htm</u>

²⁰ http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-101515656-QEV

²¹ http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAD-99111854-KYD

the last IFAD replenishment round, CIDA was successful in using its influence to encourage IFAD to take a stronger focus on nutrition issues, and to better integrate the key priorities of the FSS.²²

A number of aspects of IFAD's policy and operations suggest that it is a good match for CIDA's food security priorities. The sustainable agriculture path to action in the FSS states that CIDA will support efforts underway through IFAD to "help address the food security needs of vulnerable populations, in particular women". This reflects IFAD's major focus, whose stated "objective and raison d'être" are to:

... "fund rural development projects specifically aimed at assisting the poorest of the poor — small farmers, artisanal fishermen, rural poor women, landless workers, rural artisans, nomadic herdsmen and indigenous populations — to increase their food production, raise their incomes, improve their health, nutrition, education standards and general well-being on a sustainable basis".²³

According to CIDA, the expected outcomes of the new replenishment financing include enhancing environmental sustainability and resilience in small-scale agriculture; helping small agricultural producers seize opportunities at lower risk; and increasing capabilities of rural women and men, including young people.²⁴ These show strong similarities with priorities set out in the FSS.

Like WFP, CIDA briefly identifies strategic objectives for its work with IFAD. These also reflect aspects of the FSS. The objectives include encouraging IFAD to invest more resources in smallholder farmers, and improving connections between small farms and both national and international markets. It also includes working to ensure IFAD programs fit within food security systems at the country, regional and international levels, and encouraging IFAD to build on its recent reforms aimed at improving the effectiveness of the organization.

CGIAR

The Consultative Group on International Agricultural Research (CGIAR) is a "global partnership that unites organizations engaged in research for a food secure future".²⁵ Research is carried out by a network of centres that are members of the CGIAR Consortium, in close collaboration with hundreds of partner organizations.²⁶

The FSS identifies CGIAR as a "significant contributor to international agricultural research and development", and cites CIDA's long-term support to CGIAR (Canada is a founding member and has been a "strong supporter" since 1971,²⁷ and is currently a member of the CGIAR Fund Council). CIDA is one of the top donors to CGIAR and contributed \$85.9 million over the period 2008-2010. Part of this amount includes a new commitment made in 2009 as part of its L'Aquila commitment, which was to contribute \$32.5 million over three years to support two CGIAR programs that focus on micronutrient deficiencies and climate change. It met this commitment fully in 2009/10 with a

²² Interview with FSPG member

²³ <u>http://www.ifad.org/operations/index.htm</u>

²⁴ http://www.acdi-cida.gc.ca/CIDAWEB/cpo.nsf/vWebProjSearchEn/92E4BBF681F5BD1D852579CD004F1F37

²⁵ http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAD-32292721-HSN

²⁶ http://www.cgiar.org/who-we-are/

²⁷ http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAD-32292721-HSN

one-off additional allocation to CGIAR in that year. Annual disbursements for CGIAR, outside of this special one-off initiative, have averaged \$17.8 million between 2007/08 and 2010/11.²⁸

The FSS states that CIDA will "work with CGIAR toward increasing the nutritional value of crops and enhancing the resiliency of agricultural systems to climate change". This, in fact, appears to be a subset of CIDA's broader strategy for working with CGIAR, which is based on four strategic objectives. This includes the following: encouraging CGIAR to fully integrate equality between women and men and environmental sustainability in improving smallholder farmers' productivity and nutrition; encouraging new partnerships with Canada and with the private sector; scaling up specific nutrition and climate change and food security programs; and adopting reforms for integrated programs, financial management and governance.

These, and certain aspects of CGIAR's stated mandate and objectives, suggest alignment with FSS priorities. CGIAR's "system level" outcomes that serve as the focal point for all its research activities appear to reflect the intent of the FSS quite strongly. These include reducing rural poverty, improving food security, improving nutrition and health, and ensuring sustainable natural resources – all (broadly) reflecting central FSS themes. CGIAR also identifies the need for strengthened research, including in devising strategies for climate change adaptation and mitigation.²⁹ These, again, are consistent with key elements of the FSS.

At the same time, it should be noted that some CSO interviewees for this study raised significant critiques for further exploration that could call into question the extent to which CGIAR is an appropriate channel for CIDA funding.³⁰ As a knowledge centre the CGIAR is seen to have focused on specific crops rather than on more integrated approaches, and to be outdated in its uptake of thinking and approaches on agro-ecology and biological diversity. CGIAR is a consortium of 15 centres, and there is wide variation in the degree to which different centres focus on core aspects of food security such as focus on small farmers and women. Some centres have been widely criticised for supporting "technical fixes" to structural problems and for "high-tech, high input" approaches. CGIAR has been further criticised for giving corporate interests privileged access to its breeding lines, and for responding to pressure from large foundations and Organisation for Economic Cooperation and Development (OECD) governments by adopting a private sector culture, so that it will become "market-friendly" and can better attract funding. From these points of view, some CSOs might argue that support for CGIAR does not, in fact, align with FSS priorities.³¹

1.4 OTHER INSTITUTIONS AND FUNDS

As well as the three key multilateral institutions discussed above that CIDA identifies as key partners for the FSS, other multilaterals and funds also constitute important ways that CIDA is taking forward the FSS. These include the Global Agriculture and Food Security Program (a major channel for G8 L'Aquila and Camp David commitments), and the Food and Agriculture Organization (FAO), another of the multilaterals that CIDA funds that has a direct emphasis on food security. These are discussed in the following section.

²⁸ Tomlinson, 2012, Table 10

²⁹ <u>http://library.cgiar.org/bitstream/handle/10947/2608/Strategy_and_Results_Framework.pdf?sequence=4</u>

³⁰ Drawn from interview material

³¹ "The Greed Revolution", ETC Group Communique, 2012, <u>http://www.etcgroup.org/content/new-report-greed-revolution</u>, p 2 A full evaluation of CGIAR in relation to the goals of the food security strategy could also take into account other recent assessments such as the Australian Multilateral Assessment as well as progress on the CGIAR reform agenda since 2008/09.

Global Agriculture and Food Security Program (GAFSP)

The GAFSP is a multilateral financing mechanism to provide support for agriculture and food security that was launched in April 2010 after the 2009 L'Aquila G8 and Pittsburgh G20 meetings. It has two separate funding windows: the public sector window assists strategic country-led or regional programs that result from sector-wide country or regional consultations and planning exercises; and the private sector window that is designed to provide long- and short-term loans and credit guarantees with private sector actors.³²

The GAFSP represents an important part of Canada's food security efforts for several reasons. Firstly, it was the major component of Canada's G8 L'Aquila commitments, where Canada pledged \$600 million additional resources towards a total commitment over three years of \$1.2 billion. The pledge to the GAFSP was \$230 million, including \$180 million from CIDA for the public sector window and \$2 million from CIDA and \$48 million from Finance Canada for the private sector window. This pledge was the major part of the overall \$260 commitment to the World Bank's "Vulnerability Financing Framework", with the other component being the Global Food Crisis Response Program (GFRP). Canada pledged a further \$25 million to the GASFP following the 2012 Camp David G8, as part of the New Alliance for Food Security and Nutrition. Canada's commitments to date for the GAFSP thus amount to \$255 million, making it the second largest donor (after the US).³³ It has been quick to honour its financial commitments, and has disbursed \$230 million of the overall \$255 million.

Coinciding with its role as a major donor, Canada has been a major player at the GAFSP. CIDA has taken the lead in terms of Canada's engagement: it was chair of the GAFSP Steering Committee during its first year of operation, and continues to hold Canada's representation as a voting member.

A very initial indication of whether Canada's support for the GAFSP is consistent with the FSS priorities can be gained by looking at its stated function, and from information on the funds' actual operations.

The GAFSP's stated function includes financing medium- to long-term investments needed to raise agricultural productivity, linking farmers to markets, reducing risk and vulnerability, and scaling up the provision of technical assistance and capacity development.³⁴ These reflect some aspects of the FSS priorities, although they appear to suggest a less direct emphasis on small-scale farmers, the nutritional elements of food security and a focus on women, all of which are important elements of the FSS.

Basic information on the GAFSP's public sector window operations, however, suggests more of an emphasis on FSS priorities. As of November 2012 the GAFSP has financed programs in 18 recipient countries through two funding rounds. These country programs include support for areas such as water management, irrigation and drainage, livestock and crop production and household food. The first funding round in particular appears to have had a strong emphasis on smallholder agriculture, and includes enhancing smallholder resilience against climactic events (Bangladesh); raising the productivity of smallholder farmers (especially women) (Haiti); financing commercialization

http://www.gafspfund.org/gafsp/sites/gafspfund.org/files/Documents/GAFSP_Combined_2Page1_Sept2012.pdf ³³ See http://www.gafspfund.org/gafsp/sites/gafspfund.org/files/Documents/CAFSP_Combined_2Page1_Sept2012.pdf and also

³² GAFSP Fact Sheet

Tomlinson 2012

³⁴ GAFSP Fact Sheet

of smallholder farmers through better inputs, and farm management training and linking farmers to markets (Sierra Leone).³⁵

Two points should be noted here. First, the implementing agencies for all these programs include other multilateral institutions, many of which are already financed through Canada under the FSS, in particular IFAD, FAO, the World Bank, the Asian Development Bank and the African Development Bank. Thus, critiques and benefits identified regarding these institutions' overall operations may also apply to funding through the GAFSP.

Second, further analysis would be required to properly assess some aspects of the financed activities, such as potential risks to smallholders. For instance, do programs that focus on supporting smallholder commercialisation also address risks involved with the commercialisation process, such as their transition from using well-established techniques for self-sufficiency, to adoption of new techniques and inputs that may require up-front investment or taking on credit?

Civil society groups have raised concerns regarding aspects of the GAFSP, including its location within the World Bank structure. CSOs were also initially engaged, with some success, in advocating for an inclusive GAFSP Steering Committee, and in ensuring appropriate civil society representation (civil society representatives are now included on the committee as non-voting members). CSOs have also been involved in influencing decision making on GAFSP project approvals, stressing the importance of ensuring an emphasis on need (such as those of farmers' groups), rather than simply on the recipient country's readiness for financing. In Canada, civil society groups and the Food Security Policy Group have worked closely with CIDA to exchange views on priorities, and CIDA has been open to including civil society perspectives in their representations at the GAFSP.

Civil society groups in Canada have also been critical regarding the GAFSP private sector window (PSW), in particular in two respects. First, it is overseen by Finance Canada, rather than CIDA and allocated through the International Finance Corporation (IFC) to private companies and financial institutions, whose poverty-reduction focus has been questioned. In theory, the role of the PSW is to assist private sector actors to overcome obstacles in working with smallholders to offer better service on a cost-recovery basis and to offer innovative financing aimed at increasing the commercial potential of small and medium size agribusinesses and farmers. In practice, there is uncertainty regarding whether the private sector can reach smallholders effectively, and even if they can, whether the IFC and this fund are the appropriate mechanism.³⁶ Additionally, even if the PSW were the right mechanism, so far it has had a very low level of actual operation with only one project as of April 2012.³⁷

FAO

The Food and Agriculture Organisation is a UN intergovernmental organisation with 191 member countries. As a "knowledge organisation" it creates and shares information about food, agriculture and natural resources in the form of global public goods.³⁸ It has a broad mandate: to raise levels of nutrition, improve agricultural productivity, improve

35 Ibid

³⁶ Tomlinson, B, and Fraser Reilly-King, 2011, *The Elusive Quest for Pro-Poor Growth? An analysis of CIDA's Sustainable Economic Growth Strategy*, CCIC. Additional information on the PSW can be found at www.gafspfund.org/content/private-sector-window.

³⁷ GAFSP Fact Sheet.

³⁸ http://www.fao.org/about/en/

the lives of rural populations and contribute to the growth of the world economy. It is one of the multilateral institutions that Canada finances (mainly through DFAIT, but also through CIDA, with engagement also from Agriculture and Agri-Food Canada), and that has a direct food security emphasis. Over the period 2008-2011, FAO received \$32.8 million from CIDA for its food security strategy. However, CIDA does not include the FAO in its list of key partner UN development organizations, or as a key partner for the FSS.

FAO's 2010-2019 Strategic Framework identifies 11 Strategic Objectives. These include a number of aspects that, in broad terms, are consistent with the FSS, including: sustainable intensification of crop production; improved responses to global environmental challenges affecting food and agriculture; improved food security and better nutrition, and gender equity in access to resources, goods, services and decision-making.

There are also consistencies in more specific terms. For instance, under its "sustainable intensification of crop production" objective, FAO identifies a number of contextual factors that it will take into account:

emphasis will be placed on...strategies that result in higher production, but are also more sustainable than current or historical strategies. Due attention will be given to their adaptation to climate change and enhanced ecosystem services... major areas of focus will include pro-smallholder seed systems at national scale...(and) conservation agriculture, access to and sustainable use of plant genetic resources.³⁹

This is consistent with aspects of the Sustainable Agricultural Development "path to action" of the FSS. The FSS identifies similar contextual issues, and states that it promotes the adoption of "sustainable agricultural development wherein agro-ecological approaches - such as resource conservation, environmental impact mitigation, and climate change mitigation and adaptation - are integral to programming".

Similarly, FAO's Strategic Objectives, such as its food security and nutrition objective, also place a strong emphasis on developing appropriate policy (as well as programming) on food security and agriculture, which is consistent with one of the expected results of the FSS, namely that it will lead to "strengthened policies, more accountable institutions, and better management processes with partner governments".

These indications of alignment with the FSS suggest that FAO is an appropriate channel for Canada's food security efforts. However, this is countered by the significant criticisms made of the FAO over at least the last twenty years from a wide range of groups. For instance, according to interviews with knowledgeable CSOs for this report, the FAO's mandate has been called into question, in terms of an over-emphasis on agricultural production without sufficient linkage to rural poverty and to the broader food system. It has also been seen to take the side of private industry (such as in biotechnology) to prioritise large-scale producers.⁴⁰ At the same time, long-term underinvestment and marginalisation by the international community, as well as disagreements between member states, are seen to have weakened the FAO's role and reduced its capacity to fulfil its mandate.⁴¹

Until the early 2000s, criticism also centred on the FAO's lack of transparency, its "closed culture", and its lack of openness to civil society groups that are centrally involved in food production and food security, such as farmers' groups. This has now changed with greater inclusion of a wider range of actors, in particular through the Committee on World Food Security (CFS) (see further discussion below).⁴² More recently, critics have suggested the FAO is allowing private sector interests to use their resources to override governments and farmers, and that the FAO is disregarding the harmful practices of agribusiness at the same time as turning to it for policy guidance. As a result, private interests are having a disproportionate influence on agricultural policy and practice, and are causing the FAO, as a public institution, to lose its focus on public goods.⁴³

The overall effectiveness of the FAO has also been a subject of much debate. In 2007 an independent evaluation was released. This made a range of highly critical findings, including that the FAO was in a financial and programme crisis, that it had been conservative and slow to adapt, that it its capacity had been decreasing, and that many of its core competencies were compromised. The evaluation proposed significant cultural change and reform of the FAO

Drawn from interviews

³⁹ FAO Strategic Framework 2010-19, p 19, ftp://ftp.fao.org/docrep/fao/meeting/017/k5864e01.pdf

⁴⁰ Drawn from interview material

⁴¹ http://www.oxfam.org/en/grow/pressroom/pressrelease/2011-06-24/election-new-director-general-must-signal-newera-fao ⁴² Г

⁴³ ETC Group Communique

which has since been occurring.⁴⁴ These concerns regarding FAO effectiveness, however, as well as the critiques identified above, all suggest that Canada's ongoing support for FAO requires carefully scrutiny.

2 **CIDA'S ACTIONS AND STATEMENTS AT INTERNATIONAL FORA: ALIGNMENT** WITH PRINCIPLES IN THE FOOD SECURITY STRATEGY

Canada is a member of a number of important international fora and institutions that include a focus on food security, in particular the G8, G20, and the World Bank. Canada has made some important commitments in these fora, most notably the 2009 G8 L'Aquila and subsequent Camp David G8 food security commitments in 2012. Other international engagements relating to food security include the Committee on World Food Security (CFS), the Food Aid Convention (FAC), and the Global Donor Platform for Rural Development. Overall, these engagements amount to a significant role that Canada is playing internationally in framing food security issues. These fora represent opportunities for Canada to advance its FSS, and importantly, to contribute to a global policy and governance environment that is conducive to the FSS priorities.

It should be noted, however, that with the exception of working on continued improvement of the FAC and with specific multilaterals, the FSS says very little about Canada's international role in food security. The sole mention is in relation to "supporting improved governance of the global food system for increased coherence, coordination and accountability". This is not expanded on, however, which means there is no articulation of how Canada aims to position itself at the international policy level, and most importantly, what it intends to take leadership on, and with which fora.

While CIDA has an active role in contributing to each of the key fora in which Canada is involved, high level representation at these bodies is often not undertaken by the Minister of International Cooperation, but instead by others, including the Prime Minister, Minister of Foreign Affairs and International Trade, or Minister of Finance. This raises the question about the extent to which Canada's position at these fora reflects CIDA's development agenda. and to what extent development and food security goals are made secondary to other national priorities. More recently, however, the Minister for International Cooperation is a member of the Leadership Council of the New Alliance for Food Security coming out of the 2012 G8 meeting.

Outside of broad principles and directions, it is important to note that it is difficult to track where Canada stands on food security issues at many of the key international fora. In particular, there is very limited public information on Canada's or CIDA's positions, and also a very limited record of statements that the Government makes at them. It is therefore difficult to accurately determine to what extent CIDA's (and other government departments') statements at international fora align with the principles articulated in the FSS, other than in fairly broad terms.⁴⁵

Nevertheless, the following section explores Canada's representation, action and statements at selected international fora, and to what extent this aligns with the principles articulated in the FSS.

⁴⁴ FAO: The Challenge of Renewal, Report of the Independent External Evaluation,

<u>ftp://ftp.fao.org/docrep/fao/meeting/012/k0827e02.pdf</u>
⁴⁵ This question could be explored in more depth, and a more accurate picture could be gained, through interviews with CIDA and other government officials, and with other stakeholders.

The Government of Canada has made a number of important commitments on food security through the G8: both through the 2009 L'Aguila Food Security Initiative, and more recently through the 2012 Camp David New Alliance for Food Security and Nutrition.⁴⁶ The government strongly highlights its G8 food security efforts in public statements. noting that it was the first G-8 nation to deliver on its L'Aguila commitments.⁴⁷ and, in particular, claiming that it has shown both "international" and "global" leadership on food security and agriculture in relation to both the L'Aquila commitments and the New Alliance.48 49

While these are ambitious statements, several factors suggest that Canada can legitimately claim it is taking an important role at the G8 on food security. These include its announcement of substantial funding commitments for the L'Aquila commitments, its early fulfilment of these pledges, and its subsequent announcement of further (but substantially less) financing under the 2012 Camp David New Alliance.

At the same time, however, there are two issues that should be taken into account. Firstly, Canada's engagement at the G8 is coordinated by DFAIT and representation is by the Prime Minister. While CIDA – which holds the primary expertise on food security - contributes substantially to this process through regular inter-departmental meetings, it is unclear to those outside these meetings how much CIDA's expertise influences the government's overall priorities for the G8. Secondly, it is clear that Maternal, Newborn and Child Health - an unquestionably valid priority in itself - has been a strong priority for the government since its flagship announcement at the 2010 Muskoka G8. Despite the Government's pledges, it is worth noting that food security was not included in the Prime Minister's announcement of priorities in advance of the Muskoka G8,50 and after Muskoka, was similarly absent from the priorities announced by the Prime Minister in the lead up to the 2011 Deauville G8.51

The content of Canada's G8 commitments on food security through the L'Aguila and Camp David commitments clearly align with the broad directions set out in the FSS. One of the L'Aguila commitments is to IFAD, which, as discussed in Section 1, undertakes programs that reflect the FSS priorities fairly closely. The L'Aquila commitment for CGIAR (discussed in section 1) also clearly supports the FSS intention to contribute to international agricultural research and development.

In addition, Canada has strongly advocated for a strong accountability framework for the G8 commitments. The 2012 G8 Accountability Report has a substantial monitoring and evaluation framework on all G8 commitments, including the L'Aquila Initiative. In the context where Canada has met its L'Aquila commitments, this is an important

⁴⁶ These commitments have resulted in one-off increases for food security since 2009, but they alone are the major new investments in food security since the announcement of the Strategy. An overview of actual financial commitments are set out in the paper A Statistical Review of CIDA's Food Security Theme, Brian Tomlinson) http://pm.gc.ca/eng/media.asp?id=4446

⁴⁸ <u>http://www.pm.gc.ca/eng/media.asp?id=4806</u>, <u>http://www.pm.gc.ca/eng/media.asp?id=4807</u>

⁴⁹ There is an important question regarding whether the government has made long term increased investments in food security beyond these one-off G8 investments. Canada's total disbursements for food security certainly grew significantly between 2005/06 and 2008/09, from \$428.4 million to \$680.2 million, or almost 60%, prior to the release of the FSS. However, between 2008/09 and 2010/11 (the stated time period for the G8-related food security increases), total disbursement grew by only 12.3%, from \$680.2 million to \$764.2 million. Preliminary figures for 2011/12 indicate that CIDA disbursements (not counting other departments) have grown to \$836.7 million. But with mainly much smaller commitments at the 2012 G8, and lower total levels of official development assistance (ODA) due to budget cuts starting in 2012, these increases may not be sustainable (Tomlinson, 2012).

 ⁵⁰ <u>http://www.pm.gc.ca/eng/media.asp?id=3093</u>
 ⁵¹ <u>http://www.g8.utoronto.ca/newsdesk/deauville/g8deauville2011-harper-en.html</u>, although the Prime Minister did mention nutrition in relation to material health in this announcement.

contribution in holding all G8 members to these same commitments. It is also consistent with the part of the FSS that states Canada's development assistance will focus on "...supporting improved governance of the global food system for increased coherence, coordination and accountability....⁷⁵²

G20

Canada's interest and commitment to the G20 as a forum for pursuing its food security priorities is somewhat unclear. For the purposes of this study, there is almost no public information available on Canada's engagement with the G20, including in relation to both its food security and other priorities at the forum, or regarding the involvement of CIDA or other government department officials in shaping these priorities. Similarly, there is no information on the Government's high level representation at G20 meetings. This represents an unfortunate lack of transparency. Further investigation is required to properly assess the level of Canada's commitment to the development agenda of the G20, its representation on food security issues, and how these reflect FSS priorities.

On the other hand, available documentation on the food security issues discussed by G20 members suggests a fairly high level of consistency with those addressed in broad terms in the FSS. According to the G20 Development Working Group, food security is at "the top of the development agenda".⁵³ The Food Security Working Group is one of the designated working groups at the G20, and Canada has been playing a key role, having previously chaired it. The Working Group has responsibility for addressing previous commitments made in the Seoul Multi-Year Action Plan (MYAP), as well as ongoing commitments identified through the Group and agreed on through the Development Working Group. Other groups and associated processes feed into G20 food security deliberations, such as the Agriculture Ministers Summit that took place in June 2011.

There is a broad range of food security issues covered through these processes. A number of these reflect key aspects included in the FSS, such as recognition of the importance of agricultural research and development, sustainable agricultural production, addressing the impacts of climate change, nutrition as a key aspect of food security, and the role of smallholders.

For instance, one area of the G20 agreements relates to a workstream on "Enhancing Food Security and Addressing Commodity Price Volatility". In relation to this, G20 leaders at Los Cabos agreed on measures for increasing agricultural production and productivity.⁵⁴ Other areas of agreement were on preventing and responding to food crises, ensuring sustainability in agricultural production, adapting to climate change, improving nutrition, and addressing commodity price volatility. Each of these is consistent with similar areas in the FSS.

Similarly, the 2012 Progress Report of the Development Working Group includes a section on food security that also reflects a number of key themes in the FSS. It identifies strong support for "the importance of agricultural research for development and innovation", and emphasises nutrition as a key marker of development progress. The report also

⁵² FSS p 3.

⁵³ 2012 Progress report of the Development Working Group, p 6

⁵⁴ This includes welcoming the launch of the "AgResults" Initiative", a Canada-led, "pay on results" (advanced market commitment) initiative, that leverages public funds for private sector investment in "food security challenges "that would otherwise go unaddressed due to market uncertainties". It plans to invest in sub-Saharan Africa, and includes a focus on smallholder farmers (<u>http://pm.gc.ca/eng/media.asp?id=4869</u>). However, it should be noted that advanced market commitment schemes such as these have been criticised, for moving risk away from the private sector and onto publicly funded institutions and taxpayers that ultimately fund them, and for being slow to demonstrate results

identifies support for initiatives and joint commitments (most of them already underway, often through other fora) in areas such as emergency humanitarian food reserves, responsible agricultural investment, water and food security, and continued collaboration and support for the GAFSP. Importantly, it also refers to a stream of work on sustainable agriculture growth and small-family farms.⁵⁵

It is important to note that each of these areas represents only "on paper" alignment with the FSS priorities. Further analysis is required to gain a more precise understanding of the actual consistency between Canada's priorities in the FSS and the G20s food security objectives, including in terms of whether commitments are being implemented, how this is occurring, and what both the positive and negative results may be. The above information suggests, however, that there is at least strong enough consistency between food security issues under discussion at the G20 and those addressed in the FSS that the G20 should be an important forum for Canada to advance its FSS priorities at the international level; and an important target for influencing the global governance of food security policy and programming.⁵⁶

THE WORLD BANK

Canada's priorities at the World Bank - including in relation to food security - are advanced through the Department of Finance (also known as Finance Canada) as the lead department, which manages significant disbursements to the World Bank (WB, or the Bank) and International Monetary Fund (IMF). It does so in consultation with CIDA and DFAIT. CIDA bilateral programs also channel resources through the World Bank for particular programs at the country level. Finance Canada's reports on its operations at the Bank, as well as the Minister's statements at the Development Committee of the Bank and the IMF, both suggest Finance Canada appears to be advancing food security priorities that reflect those outlined in the FSS. This is explored below.

Each year Finance Canada identifies a range of priorities for engagement with the Bank. In its annual "Report on Operations under the Bretton Woods and Related Agreements Act", it assesses Bank progress against each of these priorities. In 2011, a key component of these stated priorities was "alignment with Canada's international assistance priorities", under which an important long term action included increasing "the amount of effective programming to facilitate agriculture, increase food security and improve nutrition". 57

Finance Canada rates the Bank as having made "good progress" in the area of agriculture, food security and nutrition, through a range of measures the Bank is undertaking, including playing a "leadership role" in the response to the global food security crises; being "at the forefront" of global efforts to increase support for agriculture and to improve food and nutrition security; and responding in 2011 to the short-term emergency food crisis. ⁵⁸

Finance Canada has also rated the Bank as having made "good progress" in alignment with Canada's priorities through the Bank's actions under its Agriculture Action Plan: FY2010-12. These include raising agricultural

⁵⁵ See http://www.g20.org/images/stories/docs/canalsherpas/segalim/segalim.pdf

⁵⁶ There are other perspectives on this point. These argue that the G20 is not an appropriate forum for Canada to advance its FSS, because low income countries, civil society organisations are not adequately represented. Instead, Canada should focus its international efforts and representation on food security in other forums that have a stronger development focus, such as the Committee on World Food Security. ⁵⁷ Canada at the IMF and World Bank Group 2011: Report on Operations under the Bretton Woods and Related

Agreements Act"

Ibid

productivity, reducing future vulnerabilities, supporting rural non-farm income and sustainable social safety nets, enhancing environmental services and sustainability and supporting the scaling-up of nutrition. In addition, the Bank is commended for leveraging partnerships, such as through the GAFSP and through CGIAR.⁵⁹

Finance Canada assesses that these aspects of the World Bank's work demonstrate alignment with Canada's priorities. They also suggest alignment with key elements of the FSS, including the emphasis on increased sustainable agricultural production, reducing vulnerability, integrating nutrition within the concept of food security, and support for social safety nets.

However, further analysis of the Bank's action plan, as well as its broader efforts on food security, would be required to assess the actual extent of its alignment with the FSS. Consideration should also be made of the range of civil society critiques of Bank operations, including those related to its agriculture and food security work.⁶⁰

Further illustrating Finance Canada's role in taking forward aspects of the FSS at the international level, the Minister of Finance represents Canada's interests (as well as those of Caribbean constituents it speaks on behalf of) at the biannual meetings of the Development Committee of the World Bank and IMF. At the April 2010 meeting the Minister welcomed the launch of the GAFSP "as an effective means of improving food security through sustainable agricultural development" and stated that Canada "is proud to be among the first contributors to the program with a contribution of \$230 million."

In October 2012, the Minister's statement at the Development Committee called on the Bank to improve coherence in global efforts to build resilience, and to "connect disaster risk management to important work being done on social safety nets and climate change". In particular, it emphasises that the Bank should continue its work to ensure the most vulnerable are assisted both during times of crises and on an ongoing basis. It also refers to the importance of safety nets as a mechanism to improve food security and child nutrition in vulnerable communities, and as contributions to climate adaptation, building climate resilience and women's empowerment.

Finance Canada's role in identifying these priorities at the World Bank demonstrates how some aspects of the FSS are taken forward by departments other than CIDA.

Both the reports of Finance Canada and the Finance Minister's statements referred to above speak to the importance of the World Bank and particularly the GAFSP in Canada's food security policies.

COMMITTEE ON WORLD FOOD SECURITY

The Committee on World Food Security (CFS) is a global mechanism for the governance of food security issues, but of a very different nature than those described above. It was originally set up under the FAO in 1974 as an intergovernmental body, to serve as a forum for review and follow up of food security policies. In 2009, responding to considerable external pressure, particularly from civil society groups, it went through a substantial reform process, which culminated in a re-invented committee, with a new structure and mandate. A key aspect of this was creating a

⁵⁹ Ibid

⁶⁰ The Bretton Woods Project, for instance, has a strong critique of the Bank's role in agriculture and food security

forum that ensures a wider range of stakeholders are "heard in the global debate on food security and nutrition".⁶¹ WFP and IFAD were added to the governance structure, giving the CFS a role over all three Rome-based food agencies.

The reformed CFS places a strong and -- for a UN body -- unique emphasis on inclusivity and engagement: civil society, including both farmers movements and NGOs, participate formally in the CFS through its Bureau and Advisory Group, along with UN agencies and other UN bodies, international agricultural research institutions, IFIs and the World Trade Organization (WTO), and private sector associations and philanthropic foundations.⁶² Unique among UN bodies, CSOs have full speaking and intervention rights at the plenary meetings of the CFS, up to the point of voting, which remains the prerogative of the member countries.

Reflecting this, the vision for the CFS is to be the "most inclusive international and intergovernmental platform for all stakeholders to work together in a coordinated way to ensure food security and nutrition for all". The CFS's approach to food security includes coordinating a global approach to food security, promoting policy convergence, supporting national and regional level coordination, sharing best practise and promoting accountability, and developing a global strategic framework for food security and nutrition. This appears to closely align with one of the foci identified in the FSS, namely to support "governance of the global food system, for increased coherence, coordination and accountability on food security issues at the national regional and international levels".

It is therefore not surprising that CIDA's "Implementing CIDA's Food Security Strategy: Forward Agenda" identifies the CFS as one of the fora for influencing the evolving food security international governance framework. It notes that "The Europeans and most developing countries are hopeful that the CFS will become the central body for global food security discussions and decision making", and that the CFS is implicated in the forward agenda for the G20. It states that CIDA will engage directly with the CFS, suggesting that CIDA views it as an important forum for advancing the FSS.

Overall, however, there is extremely limited current and public documentation on CIDA and Canada's representation at the CFS. As a result of this limited information, it is very difficult to assess to what extent Canada's representation and positions at the CFS reflect the FSS. Some of the information through interviews with CSO informants⁶³ suggests that the government sees the CFS as ineffective, too large and unwieldy, and prone to make "grand pronouncements" but unable to follow through on them. This may be the result of the inclusive nature of the forum, where Canada is compelled to debate and take positions on issues that are brought to the table by developing country governments, farmers movements and NGOs, such as the right to food, climate change and food security or trade-related influences on food security.

On the other hand, CIDA appears to take a prominent role at the CFS, and there are some indications that it may be taking an increasingly stronger interest in it, and that it believes the CFS may have risen on the food security policy agenda.⁶⁴ Given the CFS mandate as an inclusive platform for the global governance of food security, CIDA – and

http://www.fao.org/fileadmin/templates/cfs/Docs0910/InfoNote/CFS_General_Info_Note_EN.pdf

⁶¹ Canadian civil society took an active role in relation to the reform of the CFS, including in relation to its broader call for representative reform of global food security governance .This included arguing for an enlarged committee ⁶² <u>http://www.fao.org/cfs/en/</u> and CFS Information Note,

⁶³ This information is based on interviews and other information gathering and is somewhat speculative. More work is required to further clarify the nature of CIDA's engagement with the CFS, and how the government views its importance as an international forum on food security

⁶⁴ Earlier in 2012, Canada hosted an informal consultation on the FAO which included discussion on the CFS, and CIDA approached the FSPG on the CFS for the first time ever

the Government of Canada's – strong engagement would appear to be highly appropriate. A key question is the extent to which the Government prioritises its engagement at the CFS, compared to less representative global bodies such as the G8 and G20.

3 OTHER GOVERNMENT OF CANADA DEPARTMENTS AND POLICIES, AND ALIGNMENT WITH THE FSS

The Food Security Strategy is a CIDA strategy, for implementation by CIDA. CIDA, however, is not the only government department that is formulating policy and undertaking actions that impact on food security in developing countries. The policies and programs of other government departments, and Canada's international engagement on issues such as trade and climate change have very important implications for food security. While other government departments may reference aspects of CIDA's policies and actions, they usually do so within a larger framework of Canada's geo-political and economic interests. A central question is therefore to what degree Canada's actions on food security "outside" of CIDA are aligned with the FSS priorities and are therefore reinforcing or weakening aspects of the strategy's objectives in developing countries.

This, again, is a large area of study and mainly outside the scope of the research for this paper. The following section raises a number of questions for further reflection on these wider issues, particularly those related to trade and climate change.

CANADA, TRADE AND FOOD SECURITY

With respect to food and agricultural products, Canada pursues its international trade policy primarily through International Trade Canada (ITC) and Agriculture and Agri-Foods Canada (AAFC). AAFC has a central role in advancing Canada's agriculture trade policy, through engagement in WTO negotiations, and in particular recently, through bilateral and regional trade negotiations and dispute settlement.⁶⁵ The government's agenda has been about promoting Canadian (rather than global) interests, and has been driven by domestic concerns and constituencies. In agriculture and food, this has been about opening markets for Canadian products, in particular grains (especially wheat), beef, pork, and processed foods.

There is very limited public documentation, however, on how ITC or AAFC is undertaking its role in agriculture trade policy. Of the material that is available, there is some indication that AAFC is aware of the implications of its policies and activities at the international level and for developing countries, in particular as they relate to trade. For instance, it acknowledges the importance of agricultural trade for developing countries, including that increased production and export of agricultural goods can contribute to reducing poverty, such as through generating increased employment. It also acknowledges the importance of reforming the world's trade practices to advance global food security, poverty alleviation and rural development.

⁶⁵ AAFC also provides technical expertise for particular CIDA projects in the agricultural sector, works with agriculture research institutions in many developing countries, and shares genetic resources with agriculture research centres.

AAFC identifies a number of agriculture trade-related measures that are potentially beneficial to developing countries, including the principle of special and differentiated treatment, the elimination of agricultural export subsidies, and taking into account the different sizes and economic development of countries participating in trade negotiations. However, research beyond the scope of this paper is required to determine the degree to which the government is integrating these measures into Canada's trade policy positions, including their consistency with CIDA's objectives for food security.

CIDA recognises that Canada's trade and agriculture policies have implications for developing countries (and therefore for Canada's food security and development policies and programs). For instance, the Strategic Environmental Assessment it undertook in relation to the FSS acknowledges that "the trade and agriculture policies of developed countries have real implications for the food security of millions of people worldwide. Heavily subsidized farming in North America and Europe keeps food prices in these regions artificially low, while both male and female farmers in developing countries cannot compete in international food markets, as their costs of production are higher."⁶⁶

There are also indications that CIDA has taken steps to coordinate its own work on food security with other government departments that relate to international development. This applies, for instance, to research on agriculture and development (reflecting the Research and Development path to action of the FSS). CIDA's Strategic Environmental Assessment on the FSS states that CIDA will establish an interdepartmental working group on agricultural research to facilitate better knowledge sharing and coordination, and that this will be undertaken in collaboration with AAFC, Finance Canada and IDRC.⁶⁷

Since the breakdown of the multilateral Doha round of trade negotiations under the WTO, Canada has pursued its trade agenda through bilateral trade agreements. Where these involve developing countries, the agreements therefore become an important measure of how Canada balances its trade and economic objectives against possible impacts on food security and agriculture and the FSS priorities. In 2008, for instance, it reached a trade agreement with Colombia (which came into effect in 2011), and is now in the final stages of finalising an agreement with Honduras.

Prior to finalisation of the Colombian Free Trade Agreement (FTA), Canadian civil society groups undertook an analysis of the implications of the agreement for agriculture and food security.⁶⁸ This research suggested the agreement "aggressively opens the Colombian agricultural sector to Canadian exports, including immediate elimination of duties on wheat, peas, lentils, barley and on specified quantities of beef and beans". It also suggested there may be significant loss of employment in the Colombian pork sector due to increased imports of Canadian pork, and that local small scale wheat and barley producers would be the most affected by the FTA, as a result of imports of industrially-produced Canadian wheat and barley. It indicated the agreement would be "asymmetrically advantageous" to Canada in terms of market access gains: "while Colombia won 12 or 13 year phase-outs for tariffs on sensitive sectors (such as beans), Canada's tariff phase-outs on imports of Colombian sugar will stretch over 17 years".

While the actual impacts of this trade agreement are not yet clear, these issues demonstrate the linkage between trade policy and agreements that are primarily negotiated by International Trade Canada and AAFC, and the

⁶⁶ Strategic Environmental Assessment of CIDA's Food Security Strategy, p7

⁶⁷ Ibid, Annex, p 2

⁶⁸ see "Making a Bad Situation worse: an analysis of the text of the Canada Colombia Free Trade Agreement", CCIC and others, 2009

potential impacts on agriculture and food security. It raises questions about the balance between Canada's own trade and economic interests and development concerns related to the impact of the agreement. What should CIDA's role be in this arena, and to what extent has the Agency been successful in ensuring that its own objectives – such as food security –influence the government's overall position in such agreements?

The Food Security Policy Group has also made a number of proposals towards ensuring that Canada's global and bilateral trade and investment agreements are "pro-poor" and that they support food security in developing countries. These include supporting trade rules that provide developing country governments more policy space to encourage local food production and to protect smallholder producers and consumers from price volatility and unfair trade. The steps also include permitting developing countries to protect "Special Products" from severe tariff cuts, and a Special Safeguard Mechanism to counteract import surges that disrupt local markets. The FSPG has also called for Canada to support a support a flexible approach to limiting domestic agricultural supports in developing countries when this is designed to increase food production for local consumption, and for it to work to end subsidies that result in the under-pricing of agricultural goods on international markets.⁶⁹

Canada is currently undertaking negotiations on a range of other agreements, including the Canada-EU Trade Agreement, the Trans-Pacific Partnership (of 11 countries, including Chile, Mexico, Peru and Vietnam) and a bilateral agreement with India. Further research is warranted to better understand to what degree and in what ways food security issues, consistent with the objectives of the FSS, are taken up in these negotiations.

CLIMATE CHANGE

The FSS places some emphasis on the impact of climate change on food security, although these issues do not stand out as a major focus of the strategy. It notes that climate change will further exacerbate food insecurity and vulnerability, and that this will be further compounded by a reduced and degraded environmental resource base. The FSS nominates climate change mitigation and adaptation as one of the agro-ecological approaches it will promote as part of its sustainable agricultural development programming. Under the research and development path to action, the FSS also identifies working with CGIAR to enhance the resiliency of agricultural systems to climate change.

Canada is playing a financing role to assist developing countries address climate change. It made a substantial contribution of \$1.2 billion between 2010 and 2012 as part of its commitment to the \$30 billion fast track financing that was part of the 2009 Copenhagen Accord. However, only about 11 percent of Canada's contributions in 2010 and 2011 was directed specifically towards adaptation (although other parts of the funding may support a combination of adaptation and mitigation). This is unfortunate, since support for adaptation addresses the immediate need of those who are most vulnerable to climate change, and will have the most immediate impact on food security. Furthermore, at the time of writing of this report, the Canadian government has made no specific long-term commitment (post-2012) to climate financing.

CIDA's current commitments to addressing climate change are unclear and were largely beyond the scope of this research. Clearly there are several approaches to facilitate improved livelihoods that help strengthen resilience and reduce poor peoples' vulnerability, thus making them better equipped to deal with the effects of climate change. More

⁶⁹ See "A Comprehensive National Food Policy: Strengthening Canada's Place in the World", <u>http://www.ccic.ca/working_groups/FSPG%20brief%20on%20national%20food%20policy.pdf</u>

research is required to understand in what ways current food security programs have taken account climate change and resilience issues. How are these concerns affected by Canada's broader international policy and positions on climate change? What impacts will the latter have positively or negatively on developing countries and poor and vulnerable populations?

ANNEX 1:

CANADIAN FOOD SECURITY POLICY GROUP-INDEPENDENT CSO ASSESSMENT OF CIDA'S FOOD SECURITY STRATEGY

TERMS OF REFERENCE FOR RESEARCHERS: Research on International Context

SUMMARY

The FSPG will hire a consultant to research and write a report that will be used to frame FSPG's country research on CIDA's work in Ethiopia and Honduras within Canada's broader work on global food security.

BACKGROUND

CIDA has indicated that its *Food Security Strategy* is "a comprehensive approach that will guide the Agency's response to food insecurity while contributing to poverty reduction". The FSS includes three "Paths to Action" (agriculture, food aid/nutrition, research) and five foci (food availability, access, nutrition, stability of food security and governance of the global food system). In order to understand CIDA's contribution to global food security, it is necessary to assess CIDA's activities not only in individual countries, but also at multilateral level and beyond specific country programs (for example, support for research).

Research Questions

Research on the international context should assess the multilateral dimensions of CIDA's Food Security Strategy outside of geographic programming, including the following:

To what degree do CIDA's financial allocations through multilateral channels align with the principles articulated in the *Food Security Strategy*?

To what degree do CIDA's actions and statements at international fora (G8, G20, UN bodies, Bretton Woods institutions, Global Donor Platform, etc) align with the principles articulated in the *Food Security Strategy*?

To what degree do the actions of other Government of Canada departments (especially Agriculture and Agrifood Canada and Department of Foreign Affairs and International Trade) in international fora (especially Multilateral Development Banks, G20, international trade) align with the principles articulated in the *Food Security Strategy*?

TIMEFRAME

For the purposes of this research, the researcher should look at CIDA's activities from fiscal year 2008-09 through fiscal year 2011-12, to the extent possible.

Deliverable

The researcher should deliver a report of five to eight pages dealing with the research questions above. Draft report due by 30 November. The final report, to be prepared in consultation with the Research Steering Committee, is due by 7 December 2012.

ANNEX 2: LIST OF ACRONYMS

AAFC	Agriculture and Agri-foods Canada
CFS	Committee on World Food Security
CGIAR	Consultative Group on International Agricultural Research
CIDA	Canadian International Development Agency
CSO	Civil Society Organization
DFAIT	Department of Foreign Affairs and International Trade
FAC	Food Aid Convention
FAO	Food and Agriculture Organization
FSPG	Food Security Policy Group
FSS	Food Security Strategy
FTA	Free Trade Agreement
GAFSP	Global Agriculture and Food Security Program
GFRP	Global Food Crisis Response Program
IDRC	International Development Research Centre
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IMF	International Monetary Fund ITC
MYAP	Multi-Year Action Plan
NGO	Non-Governmental Organization
OECD	Organization for Economic Cooperation and Development
PSW	Private Sector Window
UN	United Nations
WB/the Bank	World Bank
WFP	World Food Program
WTO	World Trade Organization