



Submission to the Joint Standing Committee on Foreign Affairs, Defence and
Trade, Foreign Affairs and Aid Sub-Committee:

The role of development partnerships in agriculture and agribusiness in
promoting prosperity, reducing poverty and enhancing stability in the Indo-
Pacific region

November 2015

ActionAid Australia welcomes this inquiry into the role of Australian agribusiness in addressing the challenges facing the Indo-Pacific region. As agriculture is one of the Australian Aid Program's six priority areas, it is critical that investments achieve outcomes that balance growth with human development and rights. The current strategy for Australia's investments in agriculture, fisheries and water includes a positive emphasis on the integral role and potential of women's economic empowerment for sustainable agriculture, food security and nutrition. However, current aid investments reflect a heavy technology and growth-oriented focus that risk further marginalising women, specifically those living in poverty.

ActionAid Australia requests the Joint Standing Committee (JSC) to recognise that it is in Australia's national interests for aid investments and strategies to align strongly with the Sustainable Development Goals and Australia's obligations under various international human rights instruments, including the International Covenant of Economic, Social and Cultural Rights. These are important expressions of our shared global commitment to ending poverty and promoting prosperity over the next 15 years. Consistent with these obligations, we ask the JSC to consider the following issues as it reviews the Australian aid program investment and strategies in agriculture, fisheries and water:

- The proportion of funding allocated to community-led solutions that directly benefit poor women and men, as opposed to investment in Australian research, or market-systems development;
- The Australian Government's adherence to global guidelines, commitments and principles and its role in ensuring access to, and control over, productive resources is protected and enhanced for poor women and men farmers; and
- The mechanisms in place for ensuring accountability to people living in poverty supported through the aid program.

Overview

ActionAid Australia is a human rights based organisation working to end poverty and injustice in 45 countries. We have a particular focus on advancing the rights of women in agriculture, ending violence against women and promoting women's rights and leadership in emergencies. As an accredited NGO under the Australian Council for International Development (ACFID), ActionAid is currently implementing agriculture projects with the support of the Australian aid program and public in Kenya, Uganda, Pakistan, the Occupied Palestinian Territories, Afghanistan, Cambodia, Vanuatu and the Philippines. This includes projects funded under the Australian Africa Community

Engagement Scheme, Australian Afghanistan Community Resilience Scheme and the Australian NGO Cooperation Scheme. As such ActionAid Australia offers a direct link to the experiences of women and men living in poverty to support the Joint Standing Committee's (JSC) current inquiry.

In this submission, ActionAid wishes to draw the attention of the JSC to the critical issues affecting women in the Indo-Pacific region, drawing on our experience of working in poor communities and with women dependent on agriculture or fisheries for their livelihoods. We would like to see Australia's aid investments support the long-term, systemic change needed to help women and men living in poverty to transform their lives and realise their rights.

ActionAid believes that the emphasis under the current strategy on growth, technology and commodification of resources, such as water, could create opportunities but also significant risks for sustainable agriculture and inclusive growth that responds to the needs and rights of people in poverty, particularly women. Opportunities presented through partnerships with Australian entities for economic growth, research and innovative technology will make a stronger contribution when balanced with efforts to develop local capacities and support the poor, especially women, to realise their rights. Based on our experience, community-led solutions supported by national governments offer the strongest solutions for agricultural development that is sustainable, and supports poor women and men to realise their rights.

Key issues we wish to highlight through this submission are:

- 1. Poor women and men should be consulted on their development and be supported to hold corporate interests and government to account**
- 2. Smallholder women farmers are a strategic investment for sustainable agriculture, food and nutrition security**
- 3. Community-led solutions for sustainable agriculture and improved nutrition are critical.**

1. Accountability to poor women and men

The Australian aid program should be accountable to, and report against outcomes for women and men living in poverty. Specifically reporting on outcomes for women is essential given the new aid performance benchmark that 80% of all investments must address gender. From our organisation's perspective it is also important that poor women and men also have a voice in decisions about their opportunities and environment, and are not treated as passive recipients of aid. Our 40 years of experience in some of the world's poorest communities shows that it can be difficult for poor women and other vulnerable groups to speak up for their rights when powerful interests are involved. Power relations make it challenging to hold governments and private sector actors to account even where ethical frameworks are in place.

Principles articulated in the Australian aid program's current agriculture, fisheries and water aid strategy reflect a necessary recognition of the tension between the drivers for market and human development. Commitment to standards for global aid effectiveness and ethical investment such as the Principles for Responsible Agricultural Investment that Respect Rights, Livelihoods and Resources (PRAI) is critical and should be assessed through this inquiry and periodic reporting. The Australian Government should also take active steps to support the implementation of the **Voluntary Guidelines on the Responsible Governance of Land Tenure and the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security**, which are not referenced in the current strategy. The guidelines were officially endorsed by the Committee on World Food Security on 11 May 2012, and their implementation has been

encouraged by G20 members, Rio+20 and the United Nations General Assembly, to support global food security and the right to food for all (<http://www.fao.org/nr/tenure/voluntary-guidelines/en/>). In September 2015, ActionAid entered into a partnership with FAO to promote these standards and is currently working with vulnerable farming communities to build awareness of and adherence to the guidelines. We would be happy to provide further background and information to the JSC.

Equally important is ensuring effective legal protections and systems within countries and internationally, as well as respect for international human rights instruments. Direct investment and support is needed so that poor women and men have the capacity, opportunity and power to exercise their rights and ensure these standards are upheld and implemented. The Australian aid program should report against these standards, including facilitating input from communities where we are working.

The current strategy seeks to strengthen markets and agri-business, including through technical innovation along the agricultural value chain. In promoting these opportunities, the aid program should ensure that poor women and men maintain and enhance their control over productive resources, such as land or indigenous seed varieties, and have the opportunity to directly engage and benefit from these opportunities. Efforts should also be made to measure and provide evidence of the effectiveness of Australian aid approaches, including their sustainability and impact on the rights and wellbeing of poor women and men farmers.

Ethical investment frameworks seek to ensure that community land, forestry and water rights are protected and enhanced when agribusinesses or the extractives industry enters a new area. However, some of the problems that frequently arise are:

- **Vested interests** shape policy and its implementation, even where it is pro-poor. Some examples include: many multinational companies employ former Heads of State on boards and thereby have strong links to national leadership; regulators are often ineffective; and incentives or pressure can be exerted by business leaders on government to support seed laws and patents that adversely affect poor farmers especially women farmers;
- **Unfair work practices and the denial of the right to organise collectively** as businesses grow rapidly without sufficient accountability to human rights frameworks and an adequate regulatory environment;
- **Land grabbing** in the form of economic land concessions where land laws are poorly developed and communities are not consulted or engaged in allocation of land, forest or water resources. Conditions are often inadequate to ensure genuine free, prior, informed consent when resources are used by extractive companies. This affects land used privately or as 'commons'. Losing these resources frequently destroys the livelihoods of rural women and men and disproportionately affects women who are often responsible for collecting firewood and water, which would have previously been available through communal land. See further information in The Great Land Heist report, <http://www.eurodad.org/files/pdf/5390376a83e17.pdf>
- **Community displacement and degradation of natural resources** due to **extractives or infrastructure** projects. Although these projects can boost employment, other social impacts can have a negative effect on women, which needs to be addressed. Regulators in emerging economies are often weak and governance is poor, so there is frequently no effective representation of women and men from communities (for further examples and issues see Oil in Uganda newsletter, "Oil for Agriculture" [http://www.oilinuganda.org/wp-content/plugins/downloads-manager/upload/oil in uganda newsletter march.pdf](http://www.oilinuganda.org/wp-content/plugins/downloads-manager/upload/oil%20in%20uganda%20newsletter%20march.pdf));

- **Seed laws** too often favour corporate rights at the expense of smallholder farmers due differential access to power. Yet seed is a critical resource for farmers, and needs to be recognised and protected as such;
- **Poor nutrition** is often a by-product as farming practices shift to commercial crops; food available for purchase is processed and poor quality; **obesity** rates are increasing in some countries. Nutrition security is a complex issue and solutions should be community-led and grounded;
- **Public investment fails to support smallholder farmers and particularly women:** It is estimated that Smallholder farmers feed over 2 billion people in the world, and are efficient and effective producers. This proportion could increase if there were sufficient public investments in this target group, as well as research and information systems. Smallholder farmers have also been disproportionately affected by climate change/global warming, caused by high carbon footprint countries including Australia.
- **Violence against women:** Poor women and men migrate to cities for employment but lack networks, services and support; Violence against women, exposure to diseases such as HIV transmission, wage exploitation and unsafe working conditions are some of the problems related to rapid urbanisation that also need to be factored into appropriate policy responses.
- **Aid and trade policy** needs to be aligned, ensuring the rights of women and men farmers are enhanced and protected through Australian Government investments, and not solely Australian's national interests. This is critical to our reputation as a global aid donor, and targeting our shrinking ODA towards strategic investments that will contribute to ending poverty over the life of the SDGs.

To support implementation of ethical standards, it is essential that mechanisms are put in place to monitor corporate behaviour and impact at community level, integrating feedback from women and men living in poverty, and findings should be transparently reported to the Australian public and partner governments. There should also be investments made to facilitate appropriate responses to issues arising and protect those who raise them through functioning legal frameworks. Investment in civil society and government is needed at least at the same rate as investment in private sector initiatives. According to the "Australian aid for agriculture" fact sheet, only 11% of Australia's agriculture aid investment is made directly to communities through non-government organisations, and from the available information, it is not possible to tell how women farmers benefit (refer to: <http://dfat.gov.au/about-us/publications/Documents/aid-fact-sheet-agriculture.pdf>).

ActionAid welcomes the strategy's commitment to rolling out more substantial social protection measures to support resilience. However, social protection cannot be compensation for livelihoods destroyed when land or other productive resources are lost by people living in poverty to larger business interests.

2. Recognising the contribution and rights of smallholder women farmers

In order for the Australian aid program to achieve its objectives of improved productivity and increased incomes from agriculture, the Australian aid program will need to invest in innovative approaches that go beyond short-term growth targets and technology, to recognise and value the contribution that smallholder women farmers make to agriculture and their potential for innovation. Information shared with the Australian public about the Australian aid program and its investments should be disaggregated by gender and include gender analysis, so that it is possible to track the impact on women as well as men.

The number of smallholder farmers in the world is estimated at 500 million, and 2 billion people depend upon them for their livelihoods. These small farms have been estimated to produce about 80% of the food consumed in Asia and sub-Saharan Africa. ActionAid continuously witnesses the contribution women smallholder farmers make within this system, though their efforts are often unrecognised and they are consistently excluded from opportunities through discriminatory practices related to land tenure, education and participation in shaping policy and services, as well as issues such as violence against women. They are also disproportionately affected by climate change. From our experience, investing in smallholder women farmers as individuals or through collectives can lead to innovation which directly supports the interest of women and communities.

ActionAid's research with women in low and middle income countries has shown that women take up opportunities to earn income when they can, but struggle to balance their domestic duties. Women farmers want rights over land, resources and income earned, recognition of their role as farmers, opportunities to shape policy and services and opportunities to connect with other women, markets and services. In other words, for women, work is about more than money (refer to What Women Farmers Need: The Blueprint for Action: http://www.actionaid.org/sites/files/actionaid/the_blue_print_for_women_farmers.pdf and Women's Empowerment and Value Chains: Experiences of Women in Cambodia, Palestine, Uganda www.actionaid.org/australia/publications/valuechains).

The Australian strategy for investment in agriculture, fisheries and water recognises challenges that women smallholder farmers can face in a market or agribusiness model for development include:

- Low education limits women's ability to negotiate fair contracts or prices for goods or labour;
- Low wages and incomes earned by women;
- No right to land or income earned;
- Domestic role/ double burden reduces women's capacity to engage in value chains; and
- Lack of access to credit limits women's capacity to purchase inputs including water, approved seed varieties, and technology.

Women smallholder farmers need support to strengthen their access to and control over productive resources and they need support to connect with markets. Innovative business models that support producer-owned collectives in engaging with agribusinesses and technology, and provide opportunities for women to expand their roles and gain more power within the value chain are needed and ActionAid encourages Australian investments to prioritise this focus.

3. Sustainable agriculture and good nutrition

Climate change is acknowledged as a critical issue affecting food production and natural resources. Communities in the Indo-Pacific region have been practising sustainable agriculture for many thousands of years and have a wealth of knowledge about local food systems and much of this information is held by women. Sustainable agriculture practices need to tap into this indigenous knowledge to build innovation and adaptation to changing climatic conditions.

Since the introduction of modern corporate agriculture, it has become increasingly difficult for women and men to draw on their traditional knowledge and practices, which have many benefits. Diverse local seed varieties have evolved to fit the local conditions and ensure levels of biodiversity that help protect crops from disease. 'Improved' and certified varieties in monocultures can limit this diversity, often requiring treatment through pesticides. In addition, production of food for markets can result in reduced nutrition at community level as produce is sold for market rather than consumed.

Nutrition is a complex issue that is not easily fixed by technology such as biofortification. Biofortified crops, such as the Vitamin A-enriched maize being developed through AgResults, are expensive to research and develop, and their effectiveness is not yet evidenced. Market forces pushing biofortified varieties can displace local products, are often less productive and may not respond to the needs of poor farmers. For example, golden rice developed and promoted by governments is less tasty than traditional rice. Its genetic strengths will only affect nutrition if it is adopted in communities where nutrition is poor. The paradox of increasing obesity levels alongside undernutrition is acknowledged in the agriculture and fisheries strategy. This recognises that farmers now working for contracts no longer have control over the food they produce, as the incentive to market surplus or turn arable land over to commodity production undermines nutrition.

ActionAid encourages the Australian Government to support the rights of women and communities to define their own agriculture and food policy, and have rightful access to land, water and seed. These considerations are important in determining where to direct private sector investment alongside safeguarding these rights.

Conclusion

Greater investment in sustainable, small scale farming can renew ecosystems and reduce hunger and poverty. ActionAid encourages the Australian Government to support poor farmers, particularly women to achieve access to and control over land and productive resources to realise these goals and their human rights. Innovation is essential, but needs to be economically and ecologically just, recognising the potential and contribution of locally owned capacity and resources. Areas for investment that prevent over-exploitation of ecosystems and food production include agrarian reform, stronger informal rural economies, agro-ecological farming, seed banks, cooperatives, and community forestry. As economies grow and urbanise, women need more power to shape how markets are organised. Women are building new forms of cooperative and social enterprise, and demanding recognition and redistribution of unpaid care work, alongside campaigning for social protection and for macroeconomic policies that deliver decent employment, social inclusion and environmental sustainability.

In reviewing Australia's aid investments into agriculture, water and fisheries, these are key issues for Australia's national interest, the objectives of the aid program, sustainable resource management and the realisation of human rights.

Further reading

- Great Land Heist <http://www.eurodad.org/files/pdf/5390376a83e17.pdf>
- Women's Empowerment and Value Chains: Experiences of Women in Cambodia, Palestine, Uganda.
- Oil in Uganda newsletter, "Oil for Agriculture" http://www.oilinuganda.org/wp-content/plugins/downloads-manager/upload/oil_in_uganda_newsletter_march.pdf
- What Women Farmers Need: The Blueprint for Action: http://www.actionaid.org/sites/files/actionaid/the_blue_print_for_women_farmers.pdf
- Climate Resilient Sustainable Agriculture, "Experiences from ActionAid and its Partners" http://www.actionaid.org/sites/files/actionaid/exhibition_document_final_draft.pdf
- Climate Resilient Sustainable Agriculture, "Experiences", http://www.actionaid.org/sites/files/actionaid/crsa_experiences_september_2014_0.pdf

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