

The APEC Agenda: Niigata Action Plan for Food Security

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1. Challenges

Under its presidency, the government of Japan proposed a ministerial meeting on the subject of food security. At that time, I was Vice-minister for international affairs of MAFF, Ministry of Agriculture, Forestry and Fisheries, and personally promoted this idea. Shortly after announcement of the hosting of ministerial meeting by Japanese government in the summer of 2009, I resigned from my position as Vice Minister, but continued to be informed about the progress and consulted along the way to the ministerial meeting as Advisor to the ministry. (I owe very much for this presentation to personal accounts of Mr. Takumi. Sakuyama, an official of MAFF, who was directly involved in drafting the Ministerial Declaration and Action Plan. And also on the development since Niigata, I owe very much to Mr. Hitoshi Tsuruta, an official of MAFF who is in charge of APEC.)

APEC consists of diverse economies and that their positions and interests about food and agriculture were starkly different. Some are major exporters and have large stakes in export, while others are importers who are keener to increase domestic production and have more interest in food security of its own economy.

So it was a challenge for Japan to host a ministerial meeting and shape a common strategy of food security among member economies.

But it turned out to be a huge success that the ministers issued a declaration with concrete action plan attached to it.

Although, positions of the member economies are different, ministers and senior officials came to understand differences and commonalities among them on various important issues regarding food security of Asia-pacific region, and came up with common language and unified text. At least, they are now able to talk same language. Maybe, this is the NO 1 achievement of the whole exercise.

The second challenge we had: What is the add-value of a ministerial by APEC on food security, without duplicating on-going initiatives by FAO, OECD and G8 at that time.

A key to this question perhaps lies in the basic principle of APEC, that is to say, 'voluntarism and non-binding'. This means that all economies consisting APEC is equal partners. This means that whole exercise is not either like some country or group of countries imposing its will to others or benevolent countries extending humanitarian aids to poor countries. It is a collective action based on the voluntary will as equal partner, taking advantage of APEC's strong record of economic and technical cooperation (ECOTECH).

Other initiatives in international fora on food security centered around the question of how to feed the hungry people in the south, how much to provide assistance to increase productivity of developing countries, and how to increase the access by the poor to food. This is more or less 'access side' or 'demand side' approach. What we took was 'supply side' approach, by each economy volunteering its own initiative to contribute to food security by focusing on the increase of supply capacity of the region and stressing the role of trade and investment for that matter.

I am aware of the growing pessimism over APEC's voluntary approach in trade and investment liberalization, but, the approach we took fits well with the unique position APEC is placed in the world with respect to matter of food security. While APEC comprises of 21 economies accounting for 53% of GDP, 44% of trade, and 41% of population of the whole world, it produces about half of world grain and consists diverse economies including major exporters and major importers of food. In addition to this, APEC has an experience of reducing region's undernourished people by 24 percent between 1990 and 2006, and that the region is frequently exposed to natural disasters such as earthquakes, tsunami, typhoons, droughts and floods.

This last feature of the region led us to deliberate on the issue of preparedness of our food system to occasional natural disasters, which are one of the common concerns of the whole world. APEC is well place to make tangible contributions.

2. Ministerial declaration and Action plan

Having a focus on supply side aspects of food security, we identified two broad goals;

Shared goal 1: sustainable development of the agricultural sector

Shared goal 2: facilitation of investment, trade and markets

In Shared goal 1, we stressed the importance of increasing the capacity to supply food through increased agricultural productivity. We called for increase of production and full utilization of all available food resources in APEC region. Importance of expanded efforts on research and development, extension and dissemination of existing and new technologies is also stressed.

In doing so, we thought that all these should lead to a sustainable agriculture, overcoming difficult challenges in climate change. Plus, preparedness to natural disaster in agriculture has a particular importance and it is a matter of food security of the whole region.

In Shared goal 2, we stressed the importance of increased investment in agriculture and highlighted the indispensable role of trade and markets. Improvement of agribusiness environment was also mentioned as an important factor to facilitate entry of investors as links between farmers and consumers.

In pursuing the both shared goals, we underlined the importance of partnering with key stakeholders, like non-government organizations, universities and private sectors.

Under these shared goals, we identified concrete measures and actions based on the offers of each economy to be included in the Action Plan. There included 62 actions to be taken during the approximately five years by member economies.

There is one overarching activity proposed by Japan: development of platform for information sharing. All initiatives carried out under this Action Plan will be put on portal website and outputs and best practices, research results are shared among economies.

And as the way forward, APEC Senior Officials are asked to monitor the implementation of the plan and to report progress on its implementations to APEC Ministers on an annual basis, and to compile an assessment report on overall achievements after the completion of the Action Plan.

3. Unique features of Niigata Action Plan

The first unique feature is that it contains compilation of concrete plan of actions with the objective of tangible outcomes, which were lacking in other initiatives. (One exception might be G20 initiative under French presidency last year.)

The second feature is that the whole action plan is based on initiatives proposed by each economy and with strong commitments to implement them. Self initiatives by member economies are identified in each category of priority area of efforts in each of the two shared goals. This process reflects the basic principle of APEC, 'voluntarism and non-binding'. We observed and demonstrated the strong enthusiasms by economies to contribute to enhancement of food security in the field where they have comparative advantage.

The third feature is that we have a mechanism to share the experience and outcomes of the initiatives through Information Platform among member economies and can contribute to enhancement of food security outside the APEC region, because the platform is open to the rest of the world.

Last important feature is that we have a follow-up mechanism to monitor the implementation and assess outcomes of initiatives.

4. What are happening since Niigata

Senior officials made the first report to APEC Ministers in November last year in Honolulu on the implementation of Action Plan. Almost all initiatives are carried out by member economies as indicated in the plan.

Information Platform is being implemented, but there is a need to encourage economies to provide necessary information to the platform in more forthcoming manner.

United States as Presidency in 2011 succeeding Japan, convened a high level policy dialogue on food security in May last year at Big Sky, Montana. The dialogue was conducted among high level government officials and business people involved in trade and marketing of food in the region. They exchanged views on market-based solutions for food security and possible measures in reduction of post harvest loss within the food chain.

Policy Partnership on Food Security was established that involve government, private sector, APEC sub-fora and multilateral organizations, research and academic institutions and NGOs. The PPFS is regarded as the primary mechanism APEC uses to

address food security policy concerns and meant to oversee all issues related to food security.

These steps are all in line with the Niigata Action Plan that called for the dialogue with stakeholders, particularly private sector, including the integration of the framework of ABAC into APEC's food security efforts.

The current presidency, Russia, is organizing 2nd ministerial meeting on food security in Kazan on 30th and 31th of this month. In follow-up efforts to Niigata Action Plan, it appears that the importance of increase of agricultural production and productivity will be discussed in the meeting, particularly through enhanced efforts in research and development of agricultural technology, along with the importance of role of trade and investment. Another subject to be taken up is the possible collaboration and coordination between AMIS and IP. This could be a good example of coordination and collaborations among different multilateral initiatives on food security.

5. What were difficulties and contentious issues during the preparation

In addition to the two major challenges I mentioned earlier, there were some areas where we had some difficulty in coming up with the common positions.

On export restriction, one large economy opposed strongly the use of word 'export restriction', and we ended up just referring to the Declaration by APEC Leaders of 2008 in which we agreed to refrain from new export restrictions, without using the word 'export restriction' in the text.

About the role of stocks, there was a clear difference in positions among member economies. Most east Asian economies were more receptive to the argument for the use of stocks to mitigate the adverse effects of price volatility or to counter emergency situations created by natural disasters. However, North American economies and Oceania economies are rather apprehensive of the idea, regarding it as an unnecessary or harmful intervention to the sound market operation. Solely APTERR, ASEAN Plus THREE Emergency Rice Reserve, was mentioned in the context of enhancement of preparedness for natural disasters. Nothing about stocks with respect to price volatility.

These differences in views about the role of stocks obviously stem from the situations in which they are placed and stakes they have in trade of agricultural products.

One footnote to my presentation is about the reference in Declaration to DDA. We called for an early conclusion of DDA, but the development of since Niigata has been well known; deadlock of negotiations in Geneva and proliferation of bilateral and regional arrangements. What kind of implications we have to draw from these phenomena on trade in food and on issue of food security is a matter that deserves another round of seminar.