

## Paving a Path for EU Engagement and PPPs for Food Security and Safety in Asia

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Considerable progress has recently been achieved with regards to food security in Asia; however, Asia is still the continent where most people live in a state of food insecurity. The Global Food Crisis of 2007-2008 was a critical juncture that shocked the international community and put the spotlight on the food safety and security challenges. Faced with environmental, social and economic trends that will continue to place pressure on water and land resources, it is widely acknowledged by all stakeholders, whether in Asia or the European Union, that innovative solutions are required in order to address food (in)security. Innovations include technological and scientific advancements as well as novel agricultural practices, but also innovations in policy-making at every level of governance in the public and private sphere in order to ensure that these innovative solutions reach small stakeholders, and that pro-poor solutions are found. Public-private-partnerships (PPPs) are gaining ground against the background of rising global interest in Corporate Social Responsibility, and are seen as promising to accelerate agribusiness investments, to mobilize producer communities and to enhance transfers of technology and innovation.

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*This paper expresses the view of the authors and not the European Institute for Asian Studies*

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## **The state of food security in Asia**

Considerable progress has recently been achieved with regards to food security in Asia: the Asian continent is actually where most of the worldwide progress in reducing hunger has been achieved over the last decade. With many years of solid economic growth, backed by targeted policies, Southeast Asia has already achieved the Millennium Development Goal target of halving the proportion of undernourished people by the end of this year, but Eastern Asian (excluding China) and Southern Asian countries have seen little or insufficient progress.

Overall, according to the latest estimates published by the Food and Agriculture Organization of the United Nations (FAO),<sup>2</sup> over half a billion people, or 12 percent of the population, in Asia remain chronically undernourished. This makes Asia the continent where most people live in a state of food insecurity, in absolute terms. In addition, in spite of large reductions in malnutrition due to income gains and to improvements in sanitation, the prevalence of underweight, micronutrient deficiencies, or stunting<sup>3</sup> remains of great concern.

In light of these developments, it is often argued that an integrated approach will be crucial in order to address systemic food security. Against this background, the European Union's strategy places great emphasis on finding efficient and innovative pro-poor solutions that foster international, intra-regional and multi-stakeholder cooperation. One promising advancement is the development of Public-Private-Partnerships.

## **Challenges to future food security in Asia**

Future trends include an ever growing population, continuing pressure on water and land resources, higher staple food prices and changing diets towards more demand for meat, which all increase demand for crop yields and make the competition for land even more intense. By 2050, some sources say the region's population is set to grow by 20 per cent.<sup>4</sup> Climate change will also effectuate higher and more variable temperatures, as well as changes in precipitation patterns and more frequent extreme weather events.<sup>5</sup> The predicted population increase, exacerbated by climate change, will place land and water resources under significant duress.

In Asia, the demand for rice is one of the most decisive elements in determining the future of food security in the region. Rice is a staple food in Asia, with around 90 per cent of the world rice production and consumption taking place in the region.<sup>6</sup> Such is the importance of rice that, in Asia, food security has been traditionally defined as a state in

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<sup>2</sup> *"The State of Food Insecurity in the World 2014"* FAO, IFAD & WFP. Rome, FAO

<sup>3</sup> Stunting rates were reduced sharply over the past 10-12 years, but remain at 38% in South Asia and 12% in East Asia & the Pacific in 2012

<sup>4</sup> Teng, P. P. S. and Escaler, M. (2014). *Food Security in Asia*. In W. Hofmeister, P. Rueppel, and J. Wong (Eds.), *Food Security : The Role of Asia and Europe in Production, Trade and Regionalism*. (pp. 11-36). Konrad Adenauer Stiftung and European Union.

<sup>5</sup> *Ibid.*

<sup>6</sup> Food and Agriculture Organization of the United Nations (FAO). (2014). *A regional rice strategy for sustainable food security in Asia and the Pacific*. Bangkok : Regional Office for Asia and the Pacific.



which the stable price of rice is maintained.<sup>7</sup> Some argue rice is the cheapest and most effective means available to Asia to address under-nutrition.<sup>8</sup> Moreover, Asia is a net exporter of rice, which means the region also accounts for food security in other parts of the world.<sup>9</sup> As the demand for rice increases, the intensification of rice systems is raising important questions about the sustainability of rice production practices – especially given the challenge of climate change.

There is a growing consensus among academics that the Global Food Crisis has played a crucial role in putting food security in the global agenda. In 2007-2008, the Global Food Crisis saw the doubling of wheat and maize prices as the world steadily consumed more grain than it produced between 2001 and 2008, thus triggering rising prices as the markets panicked.<sup>10</sup> The so-called “rice price crisis” in 2007-2008 saw military forces deployed to escort rice because of food riots in the Philippines,<sup>11</sup> and it is also noteworthy that food riots catalysed the Arab Spring<sup>12</sup> – all of which highlights how concern over food insecurity can lead to violence if serious concerns are not addressed. The Global Food Crisis also came in conjunction with the energy and financial crisis, as well as crisis rhetoric about climate change, and the simultaneous crises from these years have placed the spotlight on agriculture. As a result, interest in buying or leasing agricultural land has also intensified in recent years, and the increased competition for arable land will plausibly have significant repercussions on access to agricultural land and food of the disadvantaged rural poor in many regions of the world including Asia.

The former UN Special Rapporteur on the Right to Food, Olivier de Schutter, has called attention to the phenomenon of large-scale land acquisitions (LaScaLA), where investors from wealthy but resource-poor countries buy or long-term lease land for investment projects in agriculture in poor but resource-rich countries. De Schutter highlighted how such arrangements rarely lead to equal gains for investors and the already disadvantaged rural poor.<sup>13</sup> LaScaLA raises several legal, social and environmental issues according to FAO, which instead advocates more inclusive business models that allow smallholders to retain ownership of their land<sup>14</sup> in order to enhance farmers’ skills as well as alleviate political tensions that occur when local populations are excluded or alienated.

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<sup>7</sup> Bishwajit, G., Sarker, S. Kpoghomou, M., Gao, H., Jun, L., Yin, D. and Gosh, S. Self-sufficiency in rice and food security: a South Asian perspective. *Agriculture & Food Security*. Available at: <http://www.agricultureandfoodsecurity.com/content/2/1/10>

<sup>8</sup> Ibid.

<sup>9</sup> Food and Agriculture Organization of the United Nations (FAO). (2014). *A regional rice strategy for sustainable food security in Asia and the Pacific*. Bangkok : Regional Office for Asia and the Pacific.

<sup>10</sup> Margulis, M. E. & Porter, T. (2013). “Governing the Global Land Grab: Multipolarity, Ideas, and Complexity in Transnational Governance.” *Globalizations* 10(1), pp. 65-86.

<sup>11</sup> The Philippine Star. “Troops to secure NFA distribution.” 4 April 2008. Available at: <http://www.philstar.com/headlines/53858/troops-secure-nfa-distribution>

<sup>12</sup> Bush, R. (2010). Food Riots : Poverty, Power and Protest. *Journal of Agrarian Change*, 10(1), 119-129.

<sup>13</sup> De Schutter, O. (2011). How not to think of land-grabbing : three critiques of large-scale investments in farmland. *Journal of Peasant Studies*, 38(2), 249-279.

<sup>14</sup> Food and Agriculture Organization of the United Nations (FAO). (2012). *Trends and Impacts of Foreign Investment in Developing Country Agriculture*. Available at : [http://www.fao.org/fileadmin/templates/est/INTERNATIONAL-TRADE/FDIs/Trends\\_publication\\_12\\_November\\_2012.pdf](http://www.fao.org/fileadmin/templates/est/INTERNATIONAL-TRADE/FDIs/Trends_publication_12_November_2012.pdf)



## **An integrated approach**

Hunger eradication calls for an integrated approach, which would include, *inter alia*, sustainable and inclusive economic growth, with public and private investments to accelerate agricultural production growth; multi-sectoral policies and a conducive enabling environment; improving rural incomes and strengthening the resilience of vulnerable households against conflicts, natural disasters and economic shocks through inclusive rural development and social protection, as well as better access to inputs, technologies, and rural finance and services for local producers. Beyond the fundamental role of agriculture in producing food and generating income to improve food security and nutrition, policies and investments must aim at reducing food and nutrient losses and waste, and at promoting nutrition education to improve and diversify diets and nutrient intake.

To raise levels of nutrition in Asia, priority must also be given to responding to the unacceptable burden of illnesses caused by consumption of unsafe food, an emerging key issue in an Asian context. On this, the adoption of good practices by producers, processors, and consumers; adherence to international food safety standards and enhancing the role of government in enforcing and facilitating the same is important. All these play a critical role for enhancing food security and the global trade of Asian food commodities. In this area, the experience of ASEAN can be seen as a successful example of regional coordination, including harmonisation of regional standards, coordination and networking on food safety within the region.<sup>15</sup>

In the wake of the food price crisis, many Asian countries increased public spending on agricultural programmes and there have been some regional efforts to create a more cooperative framework to address food security, especially among ASEAN-countries.<sup>16</sup>

From the EU side, the European Union and its Member States have prioritised food security, agricultural development and nutrition in their development cooperation. In 2014-2020, about one-quarter of European development cooperation will be allocated to the sector, with a focus on nutrition, resilience, sustainable agriculture and agricultural growth.<sup>17</sup>

## **The EU's Role in Asia's Food Security**

The European Union (EU) has both short-term and long-term approaches to address food security. The short-term strategy includes giving emergency humanitarian aid, and the long-term approach aims at improving access to food, improving the quality and uptake of balanced diets, and preventing and managing crises.<sup>18</sup> The EU's Development Cooperation Instrument Multi-annual Indicative Programme (MIP) 2014-2020 in

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<sup>15</sup> [http://www.fao.org/docrep/meeting/008/ad911e/ad911e.htm#P25\\_4219](http://www.fao.org/docrep/meeting/008/ad911e/ad911e.htm#P25_4219)

<sup>16</sup> Freedman, A. (2013) 'Rice security in Southeast Asia: beggar thy neighbor or cooperation?' in *The Pacific Review* 26:5, 433-454

<sup>17</sup> Countries where a National Implementation Plan (under the European Development Fund, EDF) that include food security/nutrition/rural development has been approved include: Afghanistan, Bangladesh, Bhutan, Nepal, Pakistan, and Sri Lanka – for South Asia; Myanmar, Cambodia, Lao, and East Timor– in South-Eastern Asia.

<sup>18</sup> European Commission. (2012). Technology Transfer for Food Security : Helping Asia's poorest. Luxembourg : Publications Office of the European Union.



Bangladesh, for example, explicitly outlined “Food and nutrition security,” as one of its strategic objectives.<sup>19</sup>

One of the main priorities of the EU as set out in the 2007-2013 “Food Security Thematic Programme” underlines the importance of research and technology transfer in finding pro-poor solutions to food security and food safety-related issues in Asia. Part and parcel of this objective is not only the downstream dissemination of environmentally sustainable technologies, but also in capacity development through education schemes and scientific networking and cooperation.<sup>20</sup>

The EU’s “Technology Transfer for Food Security in Asia (TTFSA)” programme aims to facilitate North-South and South-South cooperation in addressing food security and food safety concerns. It is “glocal” in nature in that it encourages global cooperation, but with an element that places great emphasis on integrating local knowledge and ensuring the inclusivity of the poor in development projects.<sup>21</sup> The EU has invested EUR 22 million in the 4-year TTFSA programme in Asia and targets smallholder farmers in particular in the countries with the highest food insecurity in Asia such as Afghanistan, Bangladesh, Pakistan, Myanmar, Cambodia, Laos and Nepal.<sup>22</sup>

Faced with all the afore-mentioned pressures threatening food security, innovations in biotechnology and genetic engineering are showing promise in addressing food security. One well-known example is the concept of bio fortification in so-called ‘Golden Rice,’ where the rice is infused with nutrients in order to increase its nutritional value.<sup>23</sup> Furthermore, high-yield varieties of rice have been developed,<sup>24</sup> along with climate-resilient or “climate smart” rice varieties.<sup>25</sup> In 2013, the Food and Agricultural Organization of the United Nations (FAO) created the Regional Rice Initiative (RRI), which tests practices that can intensify rice production, whilst remaining sustainable, in three Asian countries.<sup>26</sup>

## **Public-Private-Partnerships and Corporate Social Responsibility**

As set out in the EC Communication on *Private Sector Development* (May 2014), one of the policy priorities of the EU will be to enhance the participation of the local and international private sector (including small and medium enterprises, producer

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<sup>19</sup> European Commission. (2014). Development Cooperation Instrument Multi-annual Indicative Programme (MIP) 2014-2020 Bangladesh. Available at: [http://ec.europa.eu/europeaid/sites/devco/files/mip-bangladesh-2014-2020\\_en.pdf](http://ec.europa.eu/europeaid/sites/devco/files/mip-bangladesh-2014-2020_en.pdf)

<sup>20</sup> European Commission. (2012). Technology Transfer for Food Security : Helping Asia’s poorest. Luxembourg : Publications Office of the European Union.

<sup>21</sup> Das, G. G. (2014). Food Security and Sustainable Agriculture in Asia. In W. Hofmeister, P. Rueppel, and J. Wong (Eds.), *Food Security : The Role of Asia and Europe in Production, Trade and Regionalism*. (pp. 143-164). Konrad-Adenauer Stiftung and European Union.

<sup>22</sup> European Commission. (2012). Technology Transfer for Food Security : Helping Asia’s poorest. Luxembourg : Publications Office of the European Union.

<sup>23</sup> Food and Agriculture Organization of the United Nations (FAO). (2014). A regional rice strategy for sustainable food security in Asia and the Pacific. Bangkok : Regional Office for Asia and the Pacific.

<sup>24</sup> Ibid.

<sup>25</sup> International Rice Research Institute (IRRI) (2014), Rice in South Asia. Retrieved from: <http://www.scribd.com/doc/217353465/Rice-Today-Vol-13-No-2-Rice-in-South-Asia>

<sup>26</sup> Food and Agriculture Organization of the United Nations (FAO). (2014). A regional rice strategy for sustainable food security in Asia and the Pacific. Bangkok : Regional Office for Asia and the Pacific.



organisations and other private sector intermediaries)<sup>27</sup> to make agro-food systems more efficient and to improve access to local and foreign food markets for smallholder products. In this context, Public-Private Partnerships (PPPs) are seen as promising to accelerate agribusiness investments, to mobilise producer communities and to enhance transfers of technology and innovation. Likewise, multi-stakeholder alliances and multi-sectoral approaches will be promoted to improve nutrition security, as they are likely to be most effective owing to the complexity of malnutrition and its underlying causes.

As a result of increasing consumer demand, tighter food regulations and globalised markets, corporations are placed under increasing pressure by the international public to ensure that their businesses implement more sustainable and ethical management practices. Therefore, Corporate Social Responsibility (CSR) has increased in importance. Concepts such as food safety and sustainability have a long history in the food and agriculture industry. Corporations have always been subject to scrutiny to meet food safety and health standards in the food and agriculture sector, but beyond food safety, awareness about the dangers of an intensification of agriculture and unsustainable soil management techniques have existed since the 20th century. The social aspect has also been touched upon by Fair Trade initiatives,<sup>28</sup> however, organic and fair trade markets remain a niche industry, and a central objective of CSR focuses on increasing environmental and social responsibility in the mainstream food industry.

The shift in favour of increasing CSR in the food and agriculture industry is beginning to take ground with some of the most influential players in the food industry. In 2002, the Sustainable Agriculture Initiative (SAI) Platform was founded by Group Danone, Nestlé and Unilever,<sup>29</sup> which is a clear sign of their commitment to CSR principles. Danone reports on its activities to demonstrate falling quantities of waste through publishing a paper called the "Przegląd CSR".<sup>30</sup> Unilever saved USD 1.5 million due to decreased waste in water and energy, as well as general cutbacks in waste.<sup>31</sup> Nestlé has also received intense pressure from its consumers and stakeholders due to scandals in the past, and has intensified its efforts to rehabilitate its image and restructure its business to address CSR concerns. Hans Jöhr, Corporate Head of Agriculture at Nestlé, for example, has participated in the UN private sector forum, "the Millennium Development Goals and Food Sustainability".<sup>32</sup> These food industry giants have a high degree of visibility, so are susceptible to high consumer scrutiny, as well as a high degree of agency and normative power in influencing discourse regarding CSR due to their world market dominance.

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<sup>27</sup> Supportive of these objectives is also the EU's new CSR strategy, which encourages companies to provide innovative solutions in infrastructure, environmental and public health issues, and which stresses the relevance of PPPs and other multi-stakeholder alliances to reach those aims.

<sup>28</sup> Poetz, K. Haas, R. & Balzarova, M. (2012). Emerging strategic corporate social responsibility partnership initiatives in agribusiness: the case of the sustainable agriculture initiative. *Journal on Chain and Network Science*, 12(2), 151-165.

<sup>29</sup> Ibid.

<sup>30</sup> Ibid.

<sup>31</sup> Zychlewicz, M. Corporate benefits of CSR activities. *Journal of Corporate Responsibility and Leadership*, 1(1), 85-96.

<sup>32</sup> Poetz, K. Haas, R. & Balzarova, M. (2012). Emerging strategic corporate social responsibility partnership initiatives in agribusiness: the case of the sustainable agriculture initiative. *Journal on Chain and Network Science*, 12(2), 151-165.



## Conclusion

In sum, Asia has made great leaps in reducing hunger as a result of steady economic growth and public policy responses to reduce under-nutrition, yet absolute poverty and food insecurity remains a chronic issue. Furthermore, population growth and changing diets will continue to increase demand for high crop yields, and will intensify pressure on land and water resources. In light of the challenge of climate change, there is an urgent need to find new innovations that can adapt to these changes. Fortunately, as advances in biotechnology and genetic engineering have demonstrated, many of these innovations are already being developed, however, access of rural farmers to these technologies will require international and multi-sectoral coordination.

The continuing intensification of rice production can eventually harm future food security, if agricultural practices fail to adopt environmentally and socially sustainable solutions. By environmentally sustainable solutions, what is meant is finding ways to increase food production without causing long-term harm to the ability of the soil to produce in the future and without depleting other natural resources. By socially sustainable solutions, what is meant is finding arrangements that do not harm rural populations through land alienation, as well as that encourage capacity building to ensure that sustainable systems are put in place and that farmers are given access to scientific know-how, innovative technologies and new markets in order to make not just short-term, but long-term systemic improvements that address food security.

Against this background, international, intra-regional and multi-sectoral cooperation is needed. The EU's Technology Transfer for Food Security in Asia programme shows great potential by endorsing the inclusivity of the poor and small stakeholders in particular. Additionally, we are currently at a critical juncture as Corporate Social Responsibility continues to rise in the global agenda. The private sector, through Public-Private-Partnerships, is a key player in reaching food security and safety, as well as development goals, by using their influence to fundamentally shape global discourse, bringing investment capital as well as bringing technology and innovation transfers.

