

Virtual Forum
Inter-American Law in Times of Pandemic
“FOOD SECURITY AS A CHALLENGE IN POST COVID-19”
JUNE 22nd, 2020
Transcript of Remarks

Introduction¹

Good morning, and welcome to our seventh virtual forum in the series on *Inter-American Law in Times of Pandemic*. In today’s session we will consider *Food Security as a Challenge, Post-COVID*. We are delighted to have a distinguished panel of experts with us today, from the fields of law, economics and agronomy. I will briefly introduce the topic and then our speakers.

As we have witnessed, the pandemic has already had a profound effect on food security across countries in our region and has exposed some of the vulnerabilities in our current food system. However, even prior to COVID, we have seen hunger rates on the rise again in recent years. Achieving food security is one of the goals of the Sustainable Development Goals, specifically SDG #2.

Food insecurity is not a new problem; after the last global food crisis, in 2012 OAS Member States agreed on the need to take measures to strengthen food security and improve food systems.

Law, of course, is an important vehicle for change. As we will see, we have tools in both public and private international law, we have existing instruments; and, we have the capacity to develop new ones. As has been recognized, the SDGs are “integrated and indivisible”. Accordingly, we need to take an integrated, interdisciplinary approach to complex problems such as this. Therefore, we are pleased today to bring to the discussion not only lawyers, but also experts from the disciplines of economics, and agronomy.

Food security is a hugely complex topic, impacted by the law in so many ways, in so many areas; By whom is food produced? (consider access to land and tenure) How is it produced (consider environmental law) How is it distributed? (consider competition law, agricultural trade law). Underlying much of this is the important principle of the right to food. Today we can only scratch the surface, but let us begin this vitally important discussion.

Speakers were introduced by Dr. Dante Negro– [See separate document for Speaker Bios]:

Panelist 1: Joaquín Arias Segura

Current State of Food Insecurity in the Region. This part will provide an overview of the current situation in the region (North and South America and Caribbean) in regards to food security in the face of the pandemic and the possible post-COVID situation.

- *Question: Can you provide us with an overview of the impact of the pandemic on food security in the region? Have some countries been better able to withstand the challenges for food security and what lessons can we learn from this going forward?*

[Unofficial translation from original Spanish] Thank you very much, good morning. Thanks to the OAS for the invitation. I am going to talk about the food security landscape in the region.

To visualize the problems, it is important to know the situation and conditions of food vulnerability of the countries of Latin America and the Caribbean before COVID-19. Let us first recognize that this is a region of contrasts and vulnerabilities.

Before the crisis, there were important lags in various development indicators, and inequalities that became more visible during COVID-19. To cite a few data, in the rural areas of the region, the poverty level had increased by 46.4% and was almost 2 times higher than in urban areas.

¹ Due to technical difficulties, this Introduction was not delivered *viva voce*.

Extreme poverty (that is, without sufficient income for adequate food) was 20.4%, 2.6 times higher than in urban areas.

If the previous situation was of concern, ECLAC now estimates that by 2020 there will be an additional 28.7 million people living in poverty for a total of 215 million.

To measure the situation of the countries prior to COVID-19, IICA constructed an index that was calculated by averaging five variables that reflect the countries' condition of food vulnerability, as well as their degree of preparedness to respond to the crisis.

If listeners access the IICA Blog, they will be able to find a map that shows countries such as Haiti, Bolivia and Venezuela with the highest vulnerability indexes as they are low-income economies, highly dependent on food imports, with high prevalence of undernourishment and low budget capacity of government to address the crisis. Haiti ranks #1 in food vulnerability with an annual per capita income of USD \$800.

I will make my presentation, in summary, in accordance with the main channels of transmission and impact of COVID-19, which, in our opinion consist of five:

- **The first transmission channel is the economy and international agricultural and energy markets**

The World Bank in its most recent publication anticipates that the region will be the most affected in the world after the Eurozone. A -7.2% drop in the Gross Domestic Product is estimated in 2020, which is higher than the projections of a drop in the world economy of -5.2%. By country, the most affected will be Belize, Peru, Granada, Saint Lucia and Brazil.

What is the relevance of this recession scenario that some call an economic pandemic? Well, we know that even small drops in income have devastating effects on poor individuals and families without enough to eat. For the wealthiest, it means drainage of their savings or greater indebtedness. If the region suffered from the double burden of undernourishment and obesity before the pandemic, this crisis not only increases hunger but also lowers the quality of food.

The World Food Program estimates that 9 million inhabitants of the region will enter the phases of food crisis or emergency or famine, for a total of 28 million by the end of 2020.

Behind these recession forecasts is the sharp drop in world prices for basic products, particularly for oil and gas products, but also for agricultural commodities. The products most linked to food, such as wheat, have suffered smaller drops in prices compared to products linked to the energy markets, such as corn and sugar.

Regarding trade, the World Trade Organization projects falls in merchandise trade of up to 32% in 2020. According to IICA estimates, what has been observed so far is that merchandise exports have collapsed while agricultural exports resist the fall. As a reference, world merchandise trade fell by 8.6% in March compared to the same month of 2019, while agricultural exports increased 2.5%. In the region, at one extreme is Brazil, which increased nearly 30% of agricultural exports in April and May 2020, compared to the same months in 2019, while exports of total merchandise fell from 8 to 12%. And at the other extreme is Peru, where exports of both total merchandise and agriculture fell more than 40%.

- **In the second transmission channel are macroeconomic factors, one of which is the exchange rate**

During the COVID-19 pandemic, the currencies that have devalued the most as of May compared to December 2019 are the Brazilian Real (39.7%), the Mexican Peso (26.11%), the Colombian Peso (16.15%) and the Chilean Peso (12.33%). We must consider that devaluations benefit agro-export chains, but negatively affect consumers and producers, mainly in net food importing countries, by making imports of food, inputs and raw materials more expensive.

The second macroeconomic variable is the interest rate that tends to drop because it is a powerful instrument to stimulate demand and boost production. And the third variable of interest is inflation, which despite the fact that food demand has fallen, both ECLAC and the OECD have reported signs of food inflation, possibly due to disruption in food distribution channels. In

Uruguay and Argentina, food inflation was close to 4% in April 2020 compared to the same month in 2019, and in Colombia, Brazil and Guatemala it was above 2%.

- **The third channel of transmission of the crisis is the supply of agri-food products**

Due to the fundamental characteristic of suppliers of basic necessities, the agricultural sector is the least affected by the economic recession, at least in comparison with the effects observed in the services and manufacturing sector. Hence, in general, the availability of food remains stable in the region.

Disruptions in food supply chains depend on the implementation of adequate protocols, to avoid shortages, speculation and losses, mainly of perishable products, and logistics problems. Of course, quarantine measures have limited the operation of processing plants, supermarkets, wholesale and retail markets, and local markets.

In turn, problems have been reported in preparation for planting activities due to difficulties in acquiring inputs and seeds and hiring labor due to restrictions on mobilization and border closures.

- **The fourth transmission channel of the crisis is the demand for agri-food products**

During the crisis, the most vulnerable face the rapid loss of their income, spent mainly on food, and this is an immediate threat that must be prioritized.

Among the factors that contribute to maintaining the demand for food and even growing it despite the drop in income are, on the one hand, cash transfers from governments to the poorest or most unemployed populations, which are mostly destined for food consumption; and on the other hand, school feeding and in-kind aid programs, which in several countries are now delivered directly to households. This is key because according to FAO and WFP data, around 85 million children in the region received a breakfast, a snack or lunch at school.

Other factors come into play to reduce the demand for food and raw materials. One factor is remittances that have fallen dramatically in the region. The World Bank has projected that remittances will fall 19.3% in the region in 2020 and it will take several years to recover to pre-crisis levels. ECLAC estimates that, in El Salvador and Honduras, remittances represent about 20% of the Gross Domestic Product, and in Guatemala and Nicaragua, more than 10%. This is critical for the agri-food sector since between 80 and 90% of remittances are destined to cover basic needs.

A second factor that reduces demand is the drop in food consumption outside the home due to the closure of restaurants, hotels and, in general, the stoppage of tourist activities.

The combined effect of these factors has sometimes resulted in an oversupply of food, which has motivated new initiatives for home delivery, online sales, recipe preparation, etc.

- **Finally, the fifth transmission channel is the capital and financial market**

I mentioned earlier that the local currency devaluations are partly the result of capital outflows from emerging markets, which the IMF estimates was \$ 100 billion in February - March, a volume more than three times greater than in the same period during the 2008 global financial crisis.

In addition, to face the crisis, several countries in the region turn to international loans, which result in greater indebtedness and higher inflation risks, which will have additional collateral effects on food security.

The pandemic causes financial stress due to the reduction or paralysis of company sales while costs and obligations remain, leading many to bankruptcy.

It also increases the financial stress of individuals due to the reduction of wages and the loss of jobs. However, as the agricultural sector is considered strategic, the loss of employment is expected to be less than in other sectors.

In Brazil, for example, the loss of jobs in April exceeded 850,000 while in agriculture it remained practically stable. FAO and IFPRI report that the risk of job loss due to COVID-19 in the agri-food sector will total close to 450 million worldwide, with percentages exceeding 60% in the processing, transportation services, and services sector.

Households, on the other hand, resort to stress adaptation strategies, such as the use of loans, credits, savings, and the reduction of consumption in quantity and quality of food.

Now, before finishing, I want to refer to the response of countries to COVID-19. In general, countries have responded to the pandemic through policy mechanisms and instruments with the following emphasis:

One is the food security of the most vulnerable populations through social supports, unemployment benefits, food banks, etc.

Two, is the financial relief and facilities to provide greater liquidity to companies and individuals.

Three, is the assurance of safety and health protocols for agricultural workers and other links in the agri-food chains.

Four, is the assurance of logistics and marketing of agricultural products to local markets, eliminating obstacles.

Fifth, it is the control of shortages and speculation in local markets, which in some cases has involved setting prices and restricting trade.

And finally, the measures to promote domestic food production and supply, through the provision of direct support, inputs, seeds, credit, etc.

In terms of public spending in response to COVID-19, Latin America spends little, an average 2.4% of GDP, compared to global average spending of 3.7%, and to that of rich countries of 6.7%. Peru and Brazil stand out in the region with expenditures greater than 8% of GDP.

Finally, I end my speech by pointing out the need to work together on an agenda that must be very ambitious.

There are clearly challenges, but also many opportunities for recovery from the crisis and the structural and sustainable transformation of agriculture.

For this, it is essential to recognize the importance of agriculture in the economic reactivation policies and strategic positioning of the region in the new post-COVID-19 context.

This is thanks not only to the comparative advantage that the region has in terms of biological resources and the availability of land and water, but also to the role of agriculture as a generator and saver of foreign exchange, a catalyst for production and guarantor of food security.

We as IICA consider that a new institutional framework for agriculture will be necessary, to rethink technological innovation and agricultural and rural digitization, to promote the openness and fluidity of international trade and regional integration, to ensure the functioning of agricultural value chains to mobilize food, safely and accessible to highly dependent countries, and encourage shorter supply chains and domestic supply.

It is time to invest in the future of more efficient, inclusive, environmentally sustainable and resilient food systems.

This will require adequate investments, regulations and incentives and a new institutional framework that articulates and enhances synergies between the state, the private sector and civil society.

Without a doubt, the legal framework is a fundamental part of achieving this. Thank you very much for your attention.

Panelist 2: Dra. Manuela Cuvi

Food Security and the Law. This part will consider international law as relevant to food security. This will begin with a brief overview of what is meant by “food security”, a brief deconstruction of the concept and explanation of the pillars of 1) availability, 2) access, 3) utilization and their relationship to 4) stability.

This will be considered in the context of the pandemic, specifically in relation to Distribution (one of the elements of Availability, which encompasses the supply chain and its management) and Access (in relation to rising levels of unemployed and informal sector). This will lay the

groundwork for the identification of the legal underpinnings for each of these pillars – and for food security.

- *Question: Can you provide us with an overview of international law as relevant to food security? Perhaps you might identify one or two legal instruments of the FAO as applied in the regional context that have contributed towards ensuring food security.*

[REMARKS] Good morning ladies and gentlemen. Many thanks to the OAS for the invitation to participate in this panel. It is an honor for me to be here to address this very important issue on behalf of FAO's Legal Office and its Regional Office for Latin-America and the Caribbean.

Let me start by saying that, according to the most recent joint report by the Economic Commission for Latin America and the Caribbean (ECLAC) and FAO, **as a result of the crisis prompted by the COVID-19 pandemic, the population living in extreme poverty in Latin America and the Caribbean could reach 83.4 million people in 2020**, which would entail a significant rise in hunger levels due to the difficulties these people will face in accessing food. It should be noted that, in 2018, there were already **53.7 million people** experiencing severe food insecurity in the region. In other words, due to the pandemic, we may have a historic setback in the fight against hunger. In a matter of months, we risk losing what we have achieved in the last 15 years.

Accordingly, the call is for countries to take **urgent measures against hunger** in order to prevent the COVID-19 crisis from becoming **a food crisis** in Latin America and the Caribbean.

Against this backdrop, let me begin by providing a brief overview of what is meant by “**food security**”, the concept used in Sustainable Development Goal No. 2 of the 2030 Agenda which aims “*to end hunger, achieve food security and improved nutrition and promote sustainable agriculture*”.

As defined by the 1996 World Food Summit, **food security** exists “when all people have, at all times, physical, social and economic access to sufficient, safe and nutritious food that meets their dietary energy requirements and food preferences for an active and healthy life”. According to this definition, four pillars exist: food **availability**, physical and economic **access** to food, **utilization** of food, and **stability** of these three dimensions over time. In addition, it should be noted that the **nutritional dimension** is integral to the concept of food security.

Now, as explained by the recent ECLAC-FAO report, what we are seeing with this crisis is that “workers’ vulnerability has grown and domestic food prices are rising more than the price of other products in the basic basket, according to the Consumer Price Index (CPI)”. Due to increased unemployment and declining income, millions of people do not have **access** to enough food, because they are not able to buy it, while many others are being forced to opt for cheaper food with less nutritional value.

In parallel, we should remember that according to FAO's 2019 Regional Overview of Food Security in Latin America and the Caribbean “for every person who suffers from hunger in Latin America and the Caribbean, more than six are overweight or obese”. It is also a concern for the future since noncommunicable diseases linked to overweight and obesity are already the cause of increased mortality in our region. Moreover, in the context of the current crisis, the high incidence of obesity in adults raises even greater concern, because this condition increases the risk of death in people who become infected with the coronavirus.

Whether at the international, regional or national level, numerous legal instruments contribute towards the achievement of food security. In terms of the legal responses to the pandemic, a recent brief from the FAO Legal Office highlights that the emergency response to the global outbreak should be grounded in **international law and human rights law**, in particular those needed in order to fulfill **the right to adequate food** for all, focusing on those most vulnerable to food insecurity. Leaving no one behind in the context of legislative responses to COVID-19 implies establishing and implementing targeted responses to address the needs and specific challenges of indigenous peoples, minorities and other marginalized sectors of the population.

Among the measures that must be taken, **emergency legislative measures** play a key role to ensure the movement of foods and food production related items as well as in allowing freedom of movement of agriculture and food workers. At the same time, emergency legislation should ensure access to food through expanded coverage of social protection programs and food assistance for the most vulnerable people. Moreover, global and local value chains would benefit from solid regulatory frameworks that facilitate safe transactions and protect farmers' access to production inputs.

Turning to the question on **FAO legal instruments that have contributed towards ensuring food security and the right to adequate food** enshrined in Article 11 of the International Covenant on Economic, Social and Cultural Rights and Article 12 of the Protocol of San Salvador, **the first instrument** I would like to mention is the **2004 FAO Voluntary Guidelines to support the progressive realization of the right to adequate food in the context of national food security**.

Although an instrument of soft law, these Guidelines cover the full range of actions to be considered by governments at the national level in order to build an enabling environment for people to feed themselves in dignity, build institutional and resource capacity, advocate for the right to food and monitor its realization, including in the context of disasters and provision of food aid. Particularly relevant at this time are the following: Guideline 15 on International Food Aid and 16 on Natural and human-made disasters. These Guidelines can and have been used to strengthen legal, policy and institutional frameworks, putting the rights of people more firmly at the center of development decision-making.

At the regional level, FAO works with all relevant actors, including governments, parliaments, civil society, the private sector and the academia to implement these Guidelines in the form of effective national legislation, as required by Article 2 of Covenant and Directive No. 7 of the Right to Food Guidelines. One of FAO's strategic allies is the Parliamentary Front against Hunger of Latin America and the Caribbean. This permanent and plural parliamentary network is composed of 21 national parliaments and four regional and sub-regional parliaments with a history of more than 10 years of adopting and overseeing legislation needed for the application of the right to adequate food in the form of framework laws on food security and the right to adequate food, in addition to legislation on: adequate food and nutrition in schools, promoting family farming, improving nutrition, and most recently, on reducing and preventing food losses and waste.

The **second instrument** I would like to highlight, are the **Principles for Responsible Investment in Agriculture and Food Systems** adopted by the Committee on World Food Security in 2014. Increasing responsible investments in agriculture and food systems is widely recognized today as vital for securing adequate food and nutrition, poverty reduction and sustainable development.

Bringing together the knowledge, experience and expertise of a wide range of stakeholders, this legal instrument establishes a set of fundamental principles for key actors that aim to ensure food security and nutrition.

The **CFS-RAI Principles** (as they are known) are based on an international framework, which include legally binding international human rights treaties, as well as soft law instruments, such as the UN Guiding Principles on Business and Human Rights, the 2012 **FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security** and the 2014 **FAO Voluntary Guidelines for Securing Sustainable Small-scale Fisheries in the Context of Food Security and Poverty Eradication**. Although the Principles as well as the voluntary guidelines mentioned are not legally binding *per se*, they include elements from binding instruments and benefit from strong legitimacy given the extensive and inclusive consultations leading up to their development.

Each of the CFS-RAI principles evokes affirmative legislative, policy, budgetary or institutional measures that States can take to foster an enabling environment for responsible investment in agriculture and food systems. Many of the legal measures should be generally applicable within a country, rather than specifically to investments, whether domestic or foreign.

Paragraph 35 of the Principles provides that “States are encouraged to develop stable and long-term **national food security and nutrition strategies**, including, as appropriate, social protection strategies and systems, such as social protection floors and safety-nets, to protect the most vulnerable including agricultural and food workers.” These strategies should address all dimensions of food security and nutrition. And, in the actual context, emergency coordination mechanisms should be established for effective action, to ensure participation and consultation of key stakeholders across the agricultural and food industry sectors.

Finally, a quick word on FAO’s recently launched “**Hand-in-Hand Initiative**”. This is an evidence-based, country-led and country-owned initiative to accelerate agricultural transformation and sustainable rural development to eradicate poverty (SDG 1) and end hunger and all forms of malnutrition (SDG2). The Initiative prioritizes countries where national capacities and international support are most limited or where operational challenges, including natural- or man-made crises, are greatest. This is in keeping with the UN’s priority commitment to “leave no one behind.”

[FINAL REMARKS] To conclude, it should be clearly stated that the COVID-19 pandemic is a **health and human crisis threatening the food security and nutrition** of millions of people around the world. Therefore, urgent actions need to be taken to tackle all the food security and nutrition dimensions of this crisis. Without large-scale coordinated actions, the functioning of food systems will suffer disruptions and people will go hungry.

In order to contribute to this effort, ECLAC and FAO have proposed 10 urgent measures to prevent a food crisis. I would like to mention just three and invite you to read our most recent report².

The first measure, is to complement the Emergency Basic Income (EBI) with **the provision of an anti-hunger grant**. This grant could take the form of cash transfers, food baskets or vouchers to the entire population living in extreme poverty for a six-month period.

Second, to take special measures to ensure the continuity of **school feeding programs** while schools are closed, as well as to reinforce these **programs** to ensure that children and adolescents have access to adequate food.

And third, to support civil society **food assistance** initiatives. People are increasingly relying on food banks and other food donation initiatives. Therefore, a well-functioning system would have the double benefit of increased access to food and reduction of food waste. Legislation should ensure the smooth operation of food donations and ensure that donated food meets applicable food safety standards.

I would like to finish by stressing that the joint report calls for **international cooperation to support countries in greater situations of vulnerability**. This is one of the reasons I am so pleased to participate in this panel today.

Thank you very much, again, for the invitation.

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FAO, PAHO, WFP and UNICEF. 2019. Regional Overview of Food Security in Latin America and the Caribbean: <http://www.fao.org/3/ca6979en/CA6979EN.pdf>

² <http://www.fao.org/americas/noticias/ver/en/c/1293339/> summary in English of the ECLAC and FAO report: <https://www.cepal.org/es/publicaciones/45702-como-evitar-que-la-crisis-covid-19-se-transforme-crisis-alimentaria-acciones>

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Panelist 3: Ricardo Salvador

Responsibilities of Governments. This part will consider obligations and responsibilities on the part of governments in relation to food insecurity, firstly, in response to the pandemic and secondly, in recovery and building resilience towards achieving SDG #2. This will be considered in the context of the human right to food and other international legal instruments.

- *Question:*³ Can you explain the right to food and its relevance to the current pandemic? Are there any particular aspects of this right that are unique within the regional context?
- *Question:* The right to food has been interpreted as “the right to feed oneself”; what obligations and responsibilities on the part of governments follow from it? Can you comment on how that might impact law and policy in shaping food systems?

Good morning to all of you, I thank you very much for the opportunity to participate with you today. In organizing the panel, our hosts asked us to alternate the speeches in English and Spanish and accordingly, I was to speak in English, so we are going to proceed in that language.

The question that I have been given to address is [above]. Now, unfortunately we were not able to have the collaboration of Dr. García Muñoz this morning, who would have explained this concept of right to food more fully. So, in the place of what would have been a deeper treatment of this, I am just going to quote to you from the Committee on Economic, Social and Cultural Rights their definition of the right to food. I am sure you all are familiar with it and so I am just reminding you that they have defined it as the right to adequate food and that it is realized when every man, woman and child, alone or in community with others, have the physical and economic access at all times to adequate food, or the means for its procurement.

I find that concept and the frame of the question, how law and policy may impact shaping food systems to be very interesting, because it imposes a constraint on our analysis that is not actually reflected by the present reality of law, of policy, or the food system. So, I have to explain this to you and I will do this in reverse order by focusing on what we understand the food system to be.

When most people think of the food system, to the extent that they think of it at all, they think of the production and distribution network that generates food and farms and gets that food to supermarkets, corner stores, restaurants and cafeterias. But, as specialists in public health tell us, food is one of the critical determinants of health and well-being. So, the definition of the food system must recognize that the outcome of consuming what that food system purveys is an inherent part of that system. The industrial food system that has come to dominate in developed urban areas of the globe is a textbook case of market breakdown. And let me explain that to you.

At present, in the language of economists, “rational actors” pursuing their self-interest as both buyers and sellers are definitely not producing the best collective outcome. There are lots of examples of this. In a global production environment where all seven of the world’s major production basins are in a surplus production mode, we had over 800 million people hungry and food insecure prior to the pandemic, 40 million of them in Latin America and the Caribbean. As

³ Dra. Soledad García Muñoz, the panelist who was to address these questions, was unable to participate.

we have heard during this webinar, these numbers are increasing significantly as a result of the pandemic.

Food, and particularly processed and highly processed food, is plentiful - for those who can afford it. What about everyone else? That is why the imperative under a right to food analysis is important. It is important to establish both productive systems that generate affordable food, and to ensure that populations can either produce for themselves, or have the purchasing power to be able to access what the food system provides.

However, we find that the global food system grabs land, either directly or indirectly, in one part of the world for the primary benefit of other parts of the world, with greater economic purchasing power, or we find that it diverts potential food production into nonfood uses. By doing so, it both reduces the supply of local food, i.e., the *physical access* to food, as well as compounding the lack of *economic access* by undermining local and regional economic development. Another aspect of market breakdown is that at present, the more sales and profits the food sector makes, the sicker the population becomes, as a result of consuming what is most profitable for the food industry to produce, to promote and to sell.

So, in sum, what we have is an increasingly dominant global food system that produces abundantly, but whose products are increasingly out of reach to significant proportions of the global population, and which inexorably makes those who can afford its food sick, due to a combination of chronic diseases that are directly linked to consuming the foods that the food industry finds the most profitable to produce, and to promote.

So, now we come to the framing question.

This is the classic case when government intervention is called for, particularly when the food system, which exists almost entirely in the private sector, requires and expects the combination of direct and indirect government supports to remain in business. The government has the right and the responsibility to intervene to repair market breakdowns in the public interest. But here we run into the portion of the question that addresses the impact of law and policy in shaping food systems. As the Princeton political economists Gilens and Page have documented, we increasingly have governments around the world that implement law and policy to serve the interests of the private sector, and less to serve the interests of the public.

This is a result of concentrated food monopolies that increasingly have more power than governments, they can dictate to governments what governments should do. The COVID-19 pandemic has laid bare the massive vulnerabilities of global food systems to shocks of this nature. In brief, it has made things worse for those who were already vulnerable to inadequate production, to inadequate distribution or to insufficient economic access.

It is undeniable that food is not a commodity, like any other. The paradigm shift in food systems long demanded by many - from social movements and indigenous peoples to small scale producers and trade unions - is now more urgent than ever. So we should be clear that the question about the role in law and policy in shaping food systems translates into the need for governments to assert their authority to confront industry concentration, industry economic, and political power.

I'm speaking to you today as a member of the International Panel of Experts on Sustainable Food Systems (IPES-Food), and we issued a communique on April 20 on the COVID-19 pandemic and the crisis of food systems and we address there the symptoms, the causes and the potential solutions. Due to the constraints of time, I am going to focus on two of our recommendations; you can find the full document at the IPES food website: http://www.ipes-food.org/_img/upload/files/COVID-19_CommuniqueEN%283%29.pdf

Here is recommendation number three from that document.

We need to rebalance economic power for the public good; there needs to be a new pact between state and society. The urgent need for this new pact between state and civil society has been highlighted by what is a health crisis, but also an economic crisis, and a food crisis. Major governance gaps have emerged, first and foremost in regard to insufficient investment in public health, but also in food security.

While extraordinary steps have been taken by some public authorities to secure food provisioning, the crisis has also seen many people left wholly reliant on the charity and solidarity of their neighbors who cannot be expected to provide for their basic needs for any extended term of time. What has started as a crisis response must be transposed into the new foundations of public governance.

The political and economic systems that grow out of this crisis must be rooted in multi-level governance, in governance with civil society, social and economic inclusion, by redressing poverty-creating processes, and with long-term systemic thinking that would allow us to weather new crises when they arise. Food sovereignty, which emphasizes democratic decision-making in the food system, and access to land and food producing resources, must be a guiding principle. This should not all be the purview of the food industry alone, commanding governments about what they should do.

Recommendation number four is about reforming international food systems governance. With guaranteed organizing spaces and the participation of civil society and the private sector, the UN Committee on World Food Security (CFS) was reformed and revived in 2009, as a result of the 2008 global food crisis. This has become a unique forum, which is providing a coordinated global response to food system issues, a forum where we can debate with governments and hold them to account. It is at the CFS that communities have pushed back against the reckless expansion of land grabs and biofuel. Indeed, the reform process has faltered in recent years because a handful of governments, private sector [actors], and philanthropic foundations with vested interests in industrial food systems have pushed back. In turn, they have weakened the CFS and prevented it from fulfilling its original mandate. It is therefore at the CFS that these efforts must be phased down. Democratic governance must be reasserted. The path to resilient food systems must be traced out in the wake of COVID-19. Discussions on trade and food security at this year's CFS have become doubly important for this reason.

The pandemic crisis also provides the perfect opportunity to rethink the 2021 food system summit and to refocus it on resilience and agroecology, and to build on democratic debate which hopefully will take place at the CFS. Discussions along the road to the main event next year include proposals for a new digital Council for Agriculture and reform of the global agricultural research centers (which many of you may be familiar with, the Consultative Group for International Agricultural Research); these centers should be opened up to broad participation, rather than used to shape consensus among a set of closed groups.

The UN climate change and biodiversity conventions have been moving towards crucial conferences at the end of 2020 with agriculture in the spotlight; the pandemic has only made this more urgent. In light of postponements and de-prioritization of the summits, civil society vigilance becomes essential in order to prevent backroom deals being forced through. To initiate positive steps now more than ever, it is essential that fragmentation in governance, and the capture of governments, is something that civil society avoids. Thank you.

Part IV: Eugenio Diaz

The session will conclude with reflections on ways by which international law can support OAS Member States in building resilience for food security, not only in the wake of COVID-19, but in the face of other pending crises, not the least of which is climate change.

- *Question: States have been encouraged to develop long-term national food security and nutrition policies (under the RAI Principles, #35); what elements would you consider critical to include in such a national policy, particularly in building resilience for food security?*

Thank you very much to the OAS, to the panelists and to all those who are remotely connected. I hope everyone is in good health and taking care of themselves. The order changed a little because of the absence of one of the panelists, who would have spoken in English. So I am going to switch to English myself.

I have four broad topics that I want to address. The first one is the context: this is to consider why food systems in Latin-American are very important, not only for the region, but also at the global level, and what is the context in which COVID has hit our countries. Second, what governments are doing to address the COVID pandemic in general, because you need to look at the different policies as a whole, to see which of those are related to the food system. The third topic will be looking forward - a post-pandemic but not post-COVID world - what will be the policies and institutions and investment needed to transform food systems related to the SDGs. This is not only SDG#2; food systems affect 1,2,3,8,9,10,11,12,13,14 and 15, if you look at the objectives of each one of those. And finally, I will close with some comments on suggested changes in international laws, or if not changes, at least things that we need to think about.

1. Context: So firstly, the centrality of food systems in Latin America at the world level and the context. Latin America is the main net food exporting region at the world level. If you put together the US, Canada, Australia, New Zealand, European Union, and Ukraine, which are the other big net exporters, Latin America is still bigger than double those countries together. So that's good. This is not to say that Latin America can feed the world, it cannot feed the world; it is only 13, 14 of global agricultural production, but it is the main net exporter, and therefore, it helps to stabilize prices and quantities.

The other big function at the world level is that it is the main provider of global environmental public goods. Carbon sinks - 36% of carbon sequestered by forests is in Latin America, according to the FAO. Out of the top 10 countries with more biodiversity, six are in the region and the top two are Brazil and Colombia. It is crucial. We have about 23% of the global area of forests and about one third of the world's renewal water is in Latin America. This cycle of oxygen and water at the world level is very important, it is crucial for a lot of environmental reasons. So we are crucial for food security and for environmental global public goods. These two functions need huge investment in technology, governance, and so on.

So that is, in general, some of the aspects of the context. But then COVID hits the region. It is certainly not the poorest region at the world level, but it is the most unequal; out of the 25 countries with the worst GINI (an indicator of inequalities, as you all know) 13 of the 25 are in Latin America, and the others are in Sub-Saharan Africa.

Second, as was mentioned, [what the region faces] is not a problem of undernutrition, it is a problem of obesity and overweight, and obesity related to lack of minerals and vitamins. So we have two or three of what is called the shocks of malnutrition, or the burdens of malnutrition.

Another aspect that makes managing COVID very complicated is that we are the most urbanized developing region - 80% of the population lives in urban areas. At the same time, we have some of the most dangerous cities in the world - 42 out of the 50 cities with the highest rate of homicide per capita (excluding cities in countries that may be at war). Also, because 50% of employment is in the informal sector, this makes social distancing very difficult.

And a final point in providing the context - Latin America was growing during the upside of the commodity cycle, in 2000 at the beginning of the decade. Then this commodity cycle declined, as Joaquin mentioned, and economic growth declined also. A number of countries used fiscal and monetary space during the 2008 / 2009 crisis. Therefore, we came to the conditions right now: a) we are in a low cycle of commodity prices and not growing, and b) with far less fiscal and monetary space. This has happened in the past. As you know, this happened during the cycle of the 70s and 80s, and also at the bottom of that cycle, it led to a lot of changes in governance; we moved from dictatorship to democracy in the 80s and 90s. Now we have democracies, but democracies have been affected by this stagnation, even before COVID, but now with COVID it is even worse. Within that context, COVID hit. The region is the most affected at this moment; it is where the pandemic is expanding the most. In terms of death per capita, the first four countries are the UK, Spain, Italy and the US, but then we have Peru, Chile, Brazil, then Canada, Mexico, Iran, Russia and Colombia; so we have five out of the 12 countries with the worst indicators of death per capita, and per number of habitats in the region. So that's context.

2. Policies and institutions: How are countries managing COVID? Policies can be separated into three blocks. One is related to health. These included lockdowns and the use of tests, work on different treatments and so forth. But the lockdowns taken because of health reasons, affected the economy of course; therefore, the second block of policies was, initially, expansion of safety-nets. Those related to formal employment, that they call contributive safety-nets, like unemployment or pensions and so forth, but also non-contributive, those related to poverty. The problem is that now the hit is also expanding to a sector of the middle class, lower middle class, that do not have these sorts of protections so we need to recognize that countries are struggling with how to help this “newborn poor”, the new middle income groups that are being affected.

The third block of policies is economic policies, production, employment, logistics etc. Overall, countries are not reacting the same way. Some, as Joaquin mentioned, that have fiscal space, such as Peru or Chile, may be using 6,7 or 8% of GDP in fiscal stimulus, but Panama, Paraguay and Guatemala only 2 or 3% and Colombia, Dominican Republic, Mexico around 1%. That is the fiscal aspect.

Then there is monetary policy related to expansion of credit for the private sector and for government, and aspects related to management affecting that rate that Joaquin referred to. The problem is with those countries that do not have fiscal space and are “dollarized” so they don't have either fiscal or monetary policies [available to them]; the case here, for instance, is perhaps that of El Salvador and Ecuador.

Ideally, the program to confront the pandemic should have a global policy. First, a central office at the government level. Second, an integral plan that includes the health aspects, includes the safety-nets and protections, social protection, and includes all the economic aspects.

Within those economic aspects, there should be monitoring of several value chains. The first, is for health: medical equipment, all the tests and treatments related to the health aspects, to ensure that you have the resources, the equipment, and the medicine. The second big block is for food, the food system. Then the third big block is for other essential services that help the economy to function, which includes logistics, communication, etc. Then there will be a block of non-essential services, but that, in any case, require support because of employment and poverty issues. So, within that global program, you have a central office that has this integral plan and within that integral plan, then you look in detail at the food system or the policy related to the food system.

That is what we are working on and looking at deeply. First, whether or not value chains are breaking down, what are the problems, etc. and Joaquin did a great job explaining some of the problems. Then, to look at health policies and how these are affecting the food system. For instance, countries may be limiting the time spent for shopping in supermarkets in order to reduce exposure, but that's [also] bad because you want to expand the time, not reduce it. In another case health policies help with the operation of the food system, like having better protocols for the people who work in supermarkets and so on. So, how health policies affect the food system is one aspect. Secondly, is how social security, social protections and networks are helping with food, and there were several points mentioned by the panelists.

3. Transition and transformation of food systems: The third aspect is how economic policies are supporting the food system, or not, and how we are positioning ourselves for the transition to post-pandemic. As I mentioned before, it will not be post-COVID, as COVID will still be here, but it will be post-pandemic once we have the test, the adequate treatments, and the vaccine. So that was the second block (above) related to the reaction to COVID. Now we will move to the next step, the transformation of food systems in this post-pandemic world.

We need food systems that are efficient and economically viable, of course, but then they have to be equitable, just and inclusive. They have to be environmentally sustainable and they have to produce a good diet, a healthy diet. And now we also know - we always knew this but perhaps it has become even more clear - that they have to be resilient. A lot of the last pandemics have appeared around food and food systems - avian flu, Ebola, SARS, Mers, etc. Those pandemics are related to the food system, so therefore, another requirement is that food systems can manage and avoid pandemics; if there is a pandemic, they can be resilient to the pandemic.

That list of interventions is enormous, to do all that. I'll only mention something that is not analyzed in greater detail. I wrote several things on this specific topic that I am going to mention, which is how do you finance the interventions that are needed? The funds from multilateral banks and official foreign aid is very small money compared to what is needed. Therefore, the other three big buckets of money are, first, a government budget. So the first thing - we need to have public expenditure reviews with an SDG focus.

Second, the other great potential source of funding is the banking and financial system. There, the question is what are the regulations and operations that are constraining the banking system from providing credit for this transformation?

And finally, how do you mobilize private sector money? (And by the way, we are working with Joaquin and IICA on this second aspect.) There is large liquidity with very low returns now in the private sector. That's why that money is going now to the stock market in the US etc., totally unrelated to fundamentals, because there is money without an option, an investable option. So how can you generate a pipeline of projects related to the transformation of food systems that can provide investable vehicles for big liquidity, particularly for impact investors and investors with environmental, social and governance requirements and so on and so forth. That was my third block on transformation of food systems related to SDGs.

4. International Law. What do we need to consider in terms of international law? A lot of the things that I mentioned are related to domestic policies. Do we need to also look at some aspect of international law? Yes, and I'll just mention five and with that I'll conclude.

First is TRIPs – Trade-Related Intellectual Property Rights Agreement of the WTO. In principle, there were several decisions, particularly the one adopted finally in 2007 related to compulsory licensing and exports and imports. The question is, is that enough? Do we need to look at that body of legal obligation in greater detail for the vaccine that we will need against COVID, for the equipment, etc. That is a question and I don't have any answer. I'm just saying that perhaps, we need to take a look at that and see if that framework will help going forward.

Second aspect, also related to WTO, is the issue of export bans. Now about 80 countries and separate custom territories, 72 of which are part of the WTO, have implemented export bans, mostly related to medical equipment but also to food. Within the GATT of 1994, Article 11 permits some export bans under certain conditions and you have to inform and so on so forth so you have transparency requirements. The question is, is that enough? Going forward, do we need also to look at strengthening the discipline on export bans?

Third, this going to be a world with a lot of debt, and debt problems. What are the World Bank regulations, for instance, as to capital requirements under the Bank of International Settlements, several of the criteria of how the bank should operate, and also for rating agencies. How they are going to rate these private banks but also public banks? Whether the ratings of the agencies may be constraining, let's say the IDB or the African Development Bank, to lend more? Just a quick number - the World Bank has a leverage of about five so they can lend five times the capital. Some of the regional countries are working more around two or three so that they could even expand or double the amount of lending. But that's really dependent on all the financial constraint that may come from the rating.

My final point, also related to debt, is going to be not only about private debt but also public debt, and that is, we will probably need a much better sovereign debt resolution framework, because most countries will come out of this with levels of debt not seen since World War II. So, those are my four points.

In closing, certainly the pandemic has generated a huge negative shock in our countries, but what we do as a region in our governments has a lot of impact, not only for the difficult conditions with debt, unemployment, vulnerability, change of diets and so on so forth, but also - as we all know because we live in the region - we have a long standing debt, a social debt, with a lot of our poor and vulnerable population. What we do will not only have domestic implications, or regional implications, it will have international implications because it is related to food exports, to migration, to environmental sustainability, and even peace and democracy at the world level. So

I think we have a lot of work ahead of us that will require all of our efforts, so I just congratulate the organizers and my fellow panelists. Thank you all for listening and please stay safe. Thanks.

Closing Remarks given by Dr. Dante Negro: I want to thank all our panelists today, Joaquin, Manuela, Ricardo and Eugenio. I think that all of us who have been listening carefully to these presentations can agree that they have given us a fairly complete vision of the impact that the pandemic is having in this region in terms of food security and what we can do, not only during these times but also in the future.

I would like to highlight Eugenio's final intervention in which he specifies the elements of international law that can support this strengthening and rebuilding for food security. Definitely, one of the fundamental roles that international law plays is in helping national governments identify which laws and policies can help in this effort. And precisely one of the topics that, in my opinion, can contribute towards this strengthening, among many other topics, is access to credit. Accordingly, I want to invite you to another webinar in this series, on July 13th, in which we will specifically address the topic of access to credit in times of COVID-19.

In 2012, the OAS General Assembly established the need to improve the food security situation in the Americas. Eight years have passed since that resolution and today more than ever I believe that we can all agree that this takes on specific importance in our region.

I want to thank our panelists again for this vision so complete and so complementary among all of you regarding food security, a subject that, I repeat, is of the utmost importance.

I do not want to end without sharing with all our followers that next Monday, June 29th, this series of webinars continues with the theme of “transparency in public procurement.” But beforehand, this Friday, June 26th, we will have a special session on “justice in times of a pandemic” so I invite you both this Friday the 26th and Monday the 29th to continue with us. I hope that you all have a good start to the week and I conclude again by thanking you for these excellent presentations and hope that we will be seeing each other very soon.

Conclusion

The current crisis represents an opportunity within the OAS community to reflect and rebuild our food and agricultural systems on the principles of social, economic and environmental sustainability. This is the time to consider how we can build resilience in the face of crisis and achieve food security for today as well as for future generations; international law is a vital tool in that endeavor.