



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

Biodiversity and World Food Security

Bob McMullan

Paper prepared for presentation at the “Biodiversity And World Food Security: Nourishing The Planet And Its People” conference conducted by the Crawford Fund for International Agricultural Research, Parliament House, Canberra, Australia, 30 August – 1 September, 2010

Copyright 2010 by Bob McMullan. All rights reserved. Readers may make verbatim copies of this document for non-commercial purposes by any means, provided that this copyright notice appears on all such copies.



Biodiversity and World Food Security

THE HON. BOB McMULLAN MP

PARLIAMENTARY SECRETARY FOR INTERNATIONAL
DEVELOPMENT ASSISTANCE

I would like to take this opportunity to recognise the contribution of Neil Andrew and Meryl Williams to international agricultural research and Australia's international assistance effort.

Neil Andrew has been Chair of the Crawford Fund over the past five years, and the fund has thrived under his leadership. He has skillfully guided the fund through a period of growth and maintained support for the fund's work from government and the community.

Dr Meryl Williams has been chair of the Commission for the Australian Centre for International Agricultural Research for three years, following three years as chair of the (then) ACIAR Board of Management and president of the ACIAR Policy Advisory Council. Beyond ACIAR, Meryl has played a key role in marine science research over several decades, and she has represented Australia internationally on many occasions with distinction. She will be leaving ACIAR soon; it is in

BOB McMULLAN was sworn in as Senator for the Australian Capital Territory in February 1988, and went on to serve as a cabinet minister in the Keating government, including a period as Minister for Trade. Following a redistribution in the House of Representatives, he stood for the seat of Canberra in 1996 and was elected and served in various shadow portfolios. Following a further redistribution in 1998, he became Member for Fraser, a position he holds today. As Parliamentary Secretary for International Development Assistance, he oversees the implementation of Australia's international development policy and is responsible for the day-to-day management of issues related to the aid program. This involves working closely with AusAID, the Australian Government agency responsible for international aid, international development partners, other donor governments and international organisations to advance Australia's development objectives.

very good shape.

I also welcome conference participants to Canberra, particularly those of you who have travelled from other countries for this event.

Introduction

The Australian Government has a commitment to increase the size of the international aid budget and at the same time make its aid more effective.

The government remains committed to increasing official development assistance to 0.5% of gross national income by 2015–2016, a substantial increase in the aid budget. In 2010–2011 the aid program will increase by 14% to over \$4.3 billion, up from \$3.8 billion in 2009–2010. There is now bipartisan support for a larger aid program and for a program that is value for money and achieves results. A larger aid program allows Australia to not only play its part as a good international citizen, but to make a real difference to the plight of the poor in our region and around the world. We need an effective aid program if we are to help improve the lives of the billion people worldwide who live in extreme poverty.

A number of actions are being taken to ensure that the aid program is effective:

- AusAID is undertaking a review, together with partner governments, of advisers working in the aid program. The review will ensure that each adviser is the most effective, value-for-money response to meeting agreed needs and priorities.
- AusAID has new management arrangements, becoming an Executive Agency from 1 July.

This is an edited version of the Mr McMullan's speech

This strengthened management capacity is essential if the agency is to effectively handle growing aid volumes.

- The aid program is allocating increasing funds to research—from \$70 million and 2.2% of the budget in 2006–2007 to an estimated \$144 and 3.8% per cent in 2009–2010. These increases are important to ensure that we have an aid program that is evidence-based.

Australia has a role to play in the global struggle against poverty and hunger.

Because of our history, our expertise and the common challenges and characteristics that we share with many of our developing country partners as a vast, dry continent often remote from its key markets, Australia has made and continues to make an important contribution in developing agriculture overseas. Eighteen of our 20 nearest neighbours are developing countries. We have a stake in their success at the macro level because of the benefits that accrue to our own security and economy. We also have a stake in their ability to manage agriculture at the micro level—to control the spread of pests and diseases before they arrive on Australia's shores. Most of all, however, Australians want their aid program to be of real benefit to the lives of farmers, workers, families and children in developing countries.

We can do this in two main ways:

- First, we need to play an active role in the international discussions on food and agriculture.
- Second, we need to deliver high-impact programs in our region and further afield, and demonstrate those results to an interested Australian public.

Food and agriculture: international developments

Internationally, the Australian Government has demonstrated a commitment to food security and agricultural development over a number of years, and this commitment will continue into the future.

Australia pledged \$464 million as part of the L'Aquila Food Security Initiative in 2008. This was a historical turning point in the global approach to food and agriculture, when the international community agreed to mobilise \$US20 billion in response to emerging concerns around food security. From the mid-1980s to 2008

the dollar value of global aid to agriculture fell by half, and the proportion of aid to agriculture fell from 17% in the late 1980s to less than 6% in 2007. On a positive note, recent data show the beginnings of a reversal of this trend. Food security featured at the G20 summit in June this year and we can expect it to figure prominently in other international forums including the UN Development Summit in New York next month. Australia will continue to play a significant role in both the global policy debate and by making tangible contributions to agricultural development.

Global Agriculture and Food Security Program (GAFSP)

For example, we have provided funding to the World Bank's Global Agriculture and Food Security Program. The GAFSP is an ambitious flagship initiative of the World Bank targeting food security; it was formally established following its endorsement at the Pittsburgh summit of G20 leaders in September 2009. Led by the United States, groups such as the Gates Foundation and a number of other bilateral donors, the program hopes to mobilise up to \$1.5 billion to address a wide range of food security issues, including:

- agricultural productivity and technology
- functioning markets
- managing the effects of climate change
- access to finance for farmers
- social safety nets and insurance.

I'm very happy to note that Australia made a \$10 million contribution in the last financial year to the GAFSP and has indicated a willingness to make further contributions in the next three financial years.

Consultative Group on International Agricultural Research (CGIAR)

Australia is also doubling its funding to the CGIAR. In doing so, we are supporting the group's shift to funding high-priority research areas rather than funding the centres themselves. The centres will then work together to deliver results on priority programs. Like other donors, our funding will be performance-linked and we remain optimistic about the direction of the CG.

USAID MOU

AusAID will work more closely with the USAID in the future following the signature of a new Memorandum of Understanding. One of the ten priority areas for collaboration relates to food security and water management; we aim to jointly support research and innovation in agriculture, particularly in Sub-Saharan Africa.

Impact of international agricultural research

Turning now to the delivery of high-impact programs, evidence of significant benefit is already available. An evaluation of 37 ACIAR projects found they generated \$12.6 billion in benefits from an investment of \$234 million; the benefits were 54 times the costs. Although most of these benefits flow to developing countries, improving the livelihoods of poor farmers, there were also significant returns—\$1.2 billion—to Australian agriculture.

The evidence shows that innovation in international agricultural research benefits Australian agriculture:

- through the new technology developed
- through protection from pests and diseases
- by increasing trade
- by increasing the stock of knowledge among Australian researchers.

This is an important message for the Australian community—helping others is not only the right thing to do, but it also brings direct benefits to Australia.

The Australian approach

Australian expertise in agriculture is in high demand for good reason. We have strong institutions such as ACIAR, CSIRO and the Crawford Fund with established reputations. We have state departments of agriculture, universities and centres of excellence that play a vital role. We have experts with an understanding of the problems and challenges facing developing countries. Australia has particular experience in adapting to harsh climatic conditions.

We cannot expect another ‘green revolution’ such as occurred in the 1950s. There are growing

constraints on land, water and inputs such as fertiliser. Rather than technical advances, more of the future gains will come from building institutional capacity and improving the way farming systems work. This means building better connections between farmers, researchers, educators and policy-makers. Australian researchers and aid program managers are good at this work. Our experts have good relationships with our partner countries and can play a role as honest brokers of advice on best practice.

Examples of research success

In **East Timor**, the ‘seeds of life’ program of AusAID and ACIAR provides farmers with higher-yielding varieties of five staple food crops. Ten years of trials and research are paying off, with yields increasing by up to 80%; 70% of farmers approached by the program continued to replant with the new seeds. These gains improve food security and contribute to wider social and political stability.

In **Cambodia**, more than 200 000 farmers are estimated to have benefited from an AusAID research project to improve rice yields and reduce storage losses. The economic rate of return is conservatively estimated at over 80%. Most importantly, the project has laid the foundation for a commercially sustainable supply of high-quality rice seed.

In **South Africa**, an ACIAR project called ‘Beef Profit Partnerships’ has helped farmers earning less than \$1 per day to organise themselves, to gain information on nutrition and cattle management and to access markets. The results were price increases of up to 55% and benefits of \$2300 per farmer. The project is managed by the Cooperative Research Centre on Beef. It has been such a success in showing how small farmers can access markets that the methods employed have been extended to other countries such as Botswana. The methods have also been brought back and implemented in Australia. This is very positive because we know the effect that scaling-up can have, not only for agriculture itself but to the communities and individuals whose livelihoods depend on it. Scale needs to be considered in the early stages of research planning if expanded adoption is to be achieved as a long-term objective.

Communicating results

These are impressive results; it is increasingly important that we communicate them widely to policy-makers in developing countries and to other donors and researchers. We also need to communicate results to the general public, whose opinions are vital if we are to maintain support for large increases in aid spending in a tight budget environment.

We also need to communicate to a generation of young agricultural scientists the opportunity that international agricultural research provides to make a real difference to the lives of others. Our scientists need to regenerate, just as our crops.

Conclusion

Australia's commitment to international agricultural research is long-standing and substantial. In an expanding aid program over coming years, agricultural development and research will play an important role. We have achieved good results over the years, and many of the people in this room today have contributed to those results.

Our achievements bring tangible benefits to many livelihoods in neighbouring countries. They also bring identifiable benefits to Australia, whether in our economic relationships, our biosecurity or lessons learned that can be applied at home. I would like to thank you on behalf of the Federal Government for those efforts. Most of all, as a good global citizen we demonstrate to our neighbours, our friends and our multilateral partners that we are willing to do our part to tackle global challenges.