



**ACP-EU JOINT PARLIAMENTARY ASSEMBLY**  
**ACP-UE - ASSEMBLEE PARLEMENTAIRE PARITAIRE**

## ***Press Release***

Monday, 28 May 2012

### **Agriculture in ACP countries: increase spending and stop speculation**

**Protecting smallholders in developing countries, lowering trade barriers and fighting price volatility is needed to ensure food security, parliamentarians said in the plenary debate of the ACP-EU Joint Parliamentary Assembly (JPA) this Monday. Small farms often run by women and the young are key, but they need national and international support and protection from speculation, MEPs and their ACP counterparts said. The Assembly will vote on a resolution on this issue on Wednesday.**

"A collapse of financial markets can have devastating consequences for both developed and developing countries," Cornelius Mwalwanda (Malawi), ACP co-rapporteur, said. The draft resolution calls for action to prevent abusive speculation in agriculture commodities in order to limit price volatility in the international markets and also for improved regulation of futures markets.

#### **Flexible safety net for agricultural prices**

"Even a short term food crisis causes long lasting damage to children and the population," David Martin (S&D, UK), EU co-rapporteur, added, calling, together with other parliamentarians, for a flexible safety net for agriculture product prices to be deployed during times of crisis. Better management and more physical storage facilities are also needed, he argued. "We do not want to waste the resources."

Mariya Nedelcheva (EPP, BG) insisted on the need to involve all decision-making levels, from local to global: "The crisis situation must not be a pretext for hiding behind protectionism."

#### **Biofuels incentives**

Assarid Ag Imbarcaouane (Mali) pointed to the increasing use of agricultural land for biofuel production. The draft resolution calls in this respect for the elimination of market distorting biofuel fiscal incentives. Biofuels should only be produced where it is economically feasible so they don't endanger food production, the text says.

#### **Increase spending, lower trade barriers**

Spending should be increased, the draft resolution says, and considerable contributions from the ACP governments are also needed to fill the investment gap in rural development. MEPs and ACP MPs also ask for the reinforcement of small-holders' property rights to protect them against large scale land acquisitions and outright land-grabbing by foreign investors. Trade barriers must be lowered and export subsidies gradually eliminated in the EU and WTO partners, the text argues.

"Inaction is not a choice," Cornelius Mwalwanda said. "Give the poor farmers a chance. Collectively we can tide the tide."

## **Background**

*Demand for agricultural products is expected to double by 2050 while close to a billion people already suffer from hunger. Development aid to the agricultural sector stands today at as little as 3.8% of total Official Development Aid (ODA), with developing Country government investment in agriculture reduced to just 7% of total spending.*

Co-rapporteurs: Cornelius Mwalwanda (Malawi) and David Martin

Vote in Committee: Saturday, 26 May 2012

Debate: Monday, 28 May 2012

Vote: Wednesday, 30 May 2012

ACP-EU Joint Parliamentary Assembly

[http://www.europarl.europa.eu/intcoop/acp/2012\\_horsens/default\\_en.htm](http://www.europarl.europa.eu/intcoop/acp/2012_horsens/default_en.htm)

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