



**Asamblea Parlamentaria Euro-Latinoamericana
Euro-Latin American Parliamentary Assembly
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EURO-LATIN AMERICAN PARLIAMENTARY ASSEMBLY

Committee on Economic, Financial and Commercial Affairs

14.8.2012

PROVISIONAL

DRAFT MOTION FOR A RESOLUTION

Food security from the EU-LAC perspective

EP Co-Rapporteur:
LAC Co-Rapporteur:

Food security from the EU-LAC perspective

The Euro-Latin American Parliamentary Assembly,

- having regard to Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation,
 - having regard to the Communication from the Commission to the Council and the European Parliament entitled 'A thematic strategy for food security: Advancing the food security agenda to achieve the MDGs' (COM(2006) 21) adopted on 25 January 2006,
 - having regard to the Communication from the Commission to the Council and the European Parliament on 'An EU policy framework to assist developing countries in addressing food security challenges' (COM(2010) 127) adopted on 31 March 2010, and the Council conclusions adopted on 10 May 2010,
 - having regard to the report of the Committee on Development of the European Parliament of 19 July 2011 on an EU policy framework to assist developing countries in addressing food security challenges,
 - having regard to the Communication from the Commission to the Council and the European Parliament on 'Humanitarian Food Assistance' (COM(2010) 126) adopted on 31 March 2010, and the Council conclusions adopted on 10 May 2010,
 - having regard to the Rome Declaration on World Food Security adopted in 1996 at the World Food Summit organised by the Food and Agriculture Organisation of the United Nations (FAO),
 - having regard to the 2011 FAO annual report on the State of Food Insecurity in the World,
 - having regard to the January-March 2012 edition of the Food and Nutrition Security Bulletin of the FAO Regional Office for Latin America and the Caribbean,
 - having regard to the Los Cabos Declaration by the G20 leaders of 19 June 2012 and the report by the G20 deputy agriculture ministers adopted in Mexico City on 18 May 2012,
- A. whereas point 1 of Article 25 of the 1948 Universal Declaration of Human Rights recognises that everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food in particular,
- B. whereas at the World Food Summit (Rome, 1996) the leaders of 185 countries reaffirmed in the Rome Declaration on World Food Security the right of everyone to have access to safe and nutritious food, consistent with the right to adequate food and the fundamental right of everyone to be free from hunger,
- C. whereas the 2006-2008 food crisis led to serious food emergencies in 39 countries, most of them in Africa and Asia, for which urgent outside support was required and which had major consequences for the most vulnerable in society,

- D. whereas the number of food emergencies has doubled over the last thirty years and the trend is set to continue in coming decades as a result of the convergence of a number of factors, including: climate change and more extreme weather phenomena; the increase in the global population and strong growth in emerging economies; changes to consumption habits and patterns in traditional societies; distortions in the functioning of the food supply and marketing chain; increased energy prices; the more widespread use of biofuels; and growing financial speculation on commodities,
- E. whereas, despite progress in recent decades, efforts to combat hunger and malnutrition have stagnated in most regions in the last five years, owing to, inter alia, commodity price inflation,
- F. whereas the problem of food insecurity severely affects vulnerable members of society in particular, who see their purchasing power decline, thus forcing the poverty line upwards; whereas malnutrition in children and young people has a serious and permanent impact on physical and intellectual development, and therefore limits people's potential in the long term,
- G. whereas hunger and poverty in Latin America are particularly acute in rural areas, where small local producers practice subsistence agriculture on sub-standard and relatively unfertile land and whose incomes are dependent on any surplus production that they manage to generate,
- H. whereas, despite its strong agricultural sector and position as a net exporter of commodities, Latin America as a whole has not benefitted from the high commodity prices in international markets,
- I. whereas food insecurity is not only a serious humanitarian problem but a major threat to stability, peace and global security,
- J. whereas the aforementioned factors have increased global awareness about the scale of the food security problem in recent years, leading to enhanced cooperation and international governance in the field,
1. Urges the EU Member States and the countries of Latin America and the Caribbean (LAC) to continue their efforts towards the achievement of the first Millennium Development Goal (MDG), the aim of which is to halve, between 1990 and 2015, the proportion of people whose income is less than USD 1 a day and the proportion of people who suffer from hunger; stresses the close link between a lack of food, on the one hand, and poverty, on the other, and is concerned that substantial progress still needs to be made with regard to the objective, given that more than a sixth of the global population is living in hunger and poverty;
 2. Is concerned at the high food prices currently facing both regions, and at the FAO's predictions that this trend, of increasing food prices and increasing price volatility, is set to continue in the coming decades;
 3. Is aware of the growing consensus around the structural, rather than cyclical, nature of the fundamental changes to food supply and demand at global level that are leading to increased food price inflation; agrees that this structural imbalance is the result of a wide

variety of phenomena, both real and financial;

4. Shares the dismay felt by many international organisations with regard to the increasingly close links between the agrifood and financial markets; also shares the conviction that the strong positions taken by investment and pension funds in the commodity derivatives markets have been a key factor in market instability and distortion in recent years;
5. Notes that, despite being a phenomenon which is difficult to quantify, the acquisition of agricultural land on a large scale has increased exponentially in Latin America in recent years, facilitated by a boom in food prices and the prospect of higher profits; emphasises that whilst these types of deals can be profitable for both buyers and sellers, the difference in bargaining power between the parties can be detrimental to small producers, and lead to indigenous communities losing their land and to the concentration of land ownership among fewer people, often foreigners;
6. Urges the EU-LAC Governments to continue to work together in the various multilateral governance bodies on food security and to make use of the various EU-LAC bi-regional dialogue forums to align and coordinate their positions on the issue; recommends that, in their search for global solutions, both regions consult various sectors of civil society and, in particular, agricultural organisations and indigenous communities;
7. Calls on the governments to incorporate food security into their policies and to ensure coherence between their agricultural, trade, energy and development policies; thinks it would be advisable, in this regard, for the most developed EU-LAC economies to review their agricultural subsidies arrangements and to assess the potential impact of the incentives created in the biofuels sector;
8. Advocates sustainable and long-term solutions to the food insecurity problem; whilst there is a need to maintain the programmes for ensuring immediate access to food and the transfer of funds to deal with food emergencies, calls for efforts to be focussed in particular on the search for solutions concerning rural development and increased productivity that resolve the problems in the medium and long term;
9. Highlights the need to pursue policies that seize opportunities for agricultural growth; emphasises the importance of improving production methods and land conditions, and of research and development regarding crops, seeds and genetically modified products; in order to tap into that growth potential, stresses the need to invest in training for farmers through specific capacity-building programmes and in rural infrastructure that improve business opportunities for small farmers and help to revitalise local markets;
10. Recommends that particular emphasis be placed on policies related to adaptation of commodity production and consumption, favouring the cultivation of varieties which are best adapted to the food needs of the local population, and to weather and land conditions; stresses the need to avoid unsustainable practices that contribute to land degradation, and the value of implementing production diversification policies as an alternative to monocultures, which are very exposed to weather-related risks, pests and price fluctuation; takes the view that such measures, along with efforts to ensure that more people are food-aware, would save traditional commodities, thereby broadening the food base and improving the nutritional well-being of the population;

11. Calls on the governments to take measures to support family farming, especially measures to facilitate access to loans; emphasises that, in general, family farming has not benefited from high food prices, owing to reduced competition in the markets, high supplies prices and unpredictable income levels, but, rather, has been very badly affected by price volatility that has made planning difficult, acted as a disincentive in investment decisions and limited access to credit;
12. Calls on the EU and its Member States to continue their efforts in the field of development cooperation, even at this time of major budgetary restrictions; also notes that the EU and its Member States account for more than half of official development aid at global level and that a substantial proportion of that aid is used for food security programmes, particularly in countries which are considered to be most vulnerable in terms of food resources, notably Honduras, Nicaragua, Cuba and Haiti; welcomes the effectiveness of the Food Facility (EUR 1 billion) with which the EU responded to the 2006-2008 food crisis;
13. Expresses its firm commitment to the World Food Programme of the United Nations on account of its effectiveness in ensuring the early delivery of food to vulnerable populations in response to the recurring food emergencies of recent years;
14. Welcomes the adoption, in June 2011, of the Action Plan on Food Price Volatility and Agriculture by the Ministers for Agriculture of the G20 countries and, in particular, the implementation of the Agricultural Market Information System (AMIS); in this respect, recognises the important role that better information and market transparency play in reducing volatility in the commodities markets;
15. Calls on the governments to adopt the measures needed to combat excessive speculation, abuse and manipulation in the commodities markets; stresses that, to be effective, efforts to regulate the financial markets must be pursued at the global level; in this regard, shares the recommendation of the G20 that improvements need to be made with regard to the regulation and supervision of the commodity derivatives markets, and supports the Principles for the Regulation and Supervision of Commodity Derivatives Markets presented by the International Organisation of Securities Commissions (IOSCO) in September 2011; calls on IOSCO to ensure that recommendations are drawn up promptly on how those principles could be applied;
16. Recognises that each country needs to have its own food security strategies, establishing an appropriate balance between support for national production and provision for food needs through trade; stresses that, in order to make progress towards food security and increased agricultural productivity, it is essential to have a trade system that is stable, predictable, free from distortion and transparent;
17. Calls on the national governments, in line with the FAO's recommendations, to avoid adopting restrictive trade policies when dealing with internal food insecurity problems, given that such practices lead to even higher prices and to volatility in international markets; therefore calls on the governments to endorse the agreement concluded at the G20 to eliminate, and not to apply in the future, any restrictions on the export of foodstuffs and the special taxes applied to food acquired for humanitarian and non-trade purposes by the World Food Programme; calls on the governments to continue negotiations to transform that agreement into a binding global commitment under the

auspices of the World Trade Organisation;

18. Is aware of the analysis conducted by the World Bank indicating that the sharp increase in logistics and transport costs in recent years are major factors in commodity price inflation; therefore urges both parties to place greater emphasis on policies to encourage trade and deregulate transport, in terms of cooperation at both intra-regional level and between EU-LAC countries;
19. Instructs its Co-Presidents to forward this resolution to the Presidency of the EU-LAC Summit, the Council of the European Union and the European Commission, the parliaments of the EU Member States and of all the countries of Latin America and the Caribbean, the Latin American Parliament, the Central American Parliament, the Andean Parliament, the Mercosur Parliament, the Office of the Secretary-General of the Andean Community, the Commission of Permanent Representatives of Mercosur, the Office of the Permanent Secretary of the Latin American Economic System, and the Secretaries-General of the OAS and UNASUR.