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## MOTION FOR A RESOLUTION

to wind up the debate on statements by the Council and Commission

pursuant to Rule 103(2) of the Rules of Procedure

by Friedrich-Wilhelm Graefe zu Baringdorf, Alyn Smith, Milan Horáček, Marie-Hélène Aubert, Alain Lipietz, Frithjof Schmidt, Rebecca Harms, Caroline Lucas, Carl Schlyter, Bart Staes, Marie Anne Isler Béguin, Mikel Irujo Amezaga, Raúl Romeva i Rueda, Kathalijne Maria Buitenweg and Jill Evans

on behalf of the Verts/ALE Group

on rising food prices in the EU and developing countries

**European Parliament resolution on rising food prices in the EU and developing countries**

*The European Parliament,*

- having regard to the Universal Declaration of Human Rights, Article 25(1) of which concerns the right to food,
  - having regard to the recent recommendations of the International Assessment of Agricultural Science and Technology for Development (IAASTD) on global food production, initiated and carried out with support from the United Nations Development Programme, the FAO, the World Bank and other bodies of the international community,
  - having regard to its resolution of 25 October 2007 on rising feed and food prices<sup>1</sup>,
  - having regard to Rule 103(2) of its Rules of Procedure,
- A. whereas soaring food prices have led to food riots in developing countries and according to the World Bank at least 33 food-importing countries could face social unrest as a consequence of increasingly limited access to food for the poor,
- B. whereas the UN Food and Agriculture Organisation (FAO) estimates that 826 million people are suffering from hunger and malnutrition and many millions more are threatened if their access to food production resources and food is not quickly improved,
- C. whereas 25 000 people, including at least 11 000 children, die each day worldwide due to hunger and malnutrition,
- D. whereas the World Food Programme (WFP) estimates that at least \$500 million of additional funds is needed to implement the scheduled programmes for 2008; whereas public and private cereal stocks have fallen to their lowest level in 40 years,
- E. whereas in recent decades the World Bank, the International Monetary Fund and the World Trade Organisation have imposed trade liberalisation in developing countries, which in many countries has established a dominant model of large-scale export-oriented agriculture at the expense of sustainable local food production and local food markets,
- F. whereas lack of investment in agricultural research, rural development and training of farmers by developing countries' authorities and international financial institutions has exposed small farmers, in particular, to unfair competition, which has increased their poverty and vulnerability and decreased their capacity to produce enough food,
- G. whereas over decades export subsidies and food aid, especially from the US and the EU, have been responsible for the destruction of subsistence farming and small-scale farming

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<sup>1</sup> P6\_TA-PROV(2007)0480.

in developing countries and left millions of families landless and without sufficient access to food,

- H. whereas according to the Millennium Ecosystem Assessment Reports (MA) the number of poor people in Sub-Saharan Africa is forecast to rise from 315 million in 1999 to 404 million by 2015 if the current trend continues,
  - I. whereas farm-gate prices for agricultural products have decreased for decades in the EU and worldwide due to market intervention and export subsidy policies which favoured large farms and the concentration of transnational food-processing industries, so that those prices ceased to cover the production costs of most small producers,
  - J. whereas in the wake of this development the food and feed industry has increased prices for processed products, using its market power to increase profits far beyond a reasonable percentage of the agricultural raw materials purchased,
  - K. whereas the current food crisis is also the consequence of increased speculation in agricultural and food commodities, as well as increased droughts and floods due to climate change, increasing competition between food and agrofuel production, unfettered trade liberalisation, a growing world population, the increase in oil prices and consequently in the price of agricultural inputs, and increased global demand for animal feed due to dietary changes in the rising world economies,
  - L. whereas in the light of the global financial crisis the increasing use of agricultural commodities for meat and agrofuel production has encouraged speculation in agricultural commodities, which must urgently be tackled and controlled on a global level,
  - M. whereas the voice of the EU, as a development aid donor and an important trade partner, within bilateral and multilateral negotiations has weight and should be used responsibly, including to promote the use of instruments which favour socially fair and environmentally sound trade rules such as the concept of qualified market access as suggested by the European Parliament,
1. Considers that access to food and nutritional wellbeing is a basic human right that must be guaranteed also for the population of developing countries; calls therefore for adequate measures to implement the provisions of the Universal Declaration of Human Rights on the right to food;
  2. Is deeply concerned about the negative impact of increased food prices on poor people, increased malnutrition and hunger; warns, however, that farm-gate prices need to cover the costs of small producers in order to guarantee food security, especially in developing countries, and that the trend towards further monopolisation of food markets by seed-trade companies and food retailers needs to be sufficiently tackled and controlled; calls upon the Commission to propose a comprehensive framework Fair Trade Agreement, as this particular trading concept has proven to provide protection against volatility of food prices and to foster fair producer prices;

## ***External policies***

3. Considers that a genuine fight against hunger requires a global sustainable development policy in order to enable developing countries to produce and supply their population with sufficient water and food and to rule out agricultural trade and food aid which undermine food security;
4. Acknowledges the important contribution of small and medium-sized farms to the stability of food supply and therefore calls for substantial support for sound farming systems, good governance criteria with regard to land reform initiatives, sustainable farming practices training programmes and the promotion of access to land within development programmes;
5. Believes that the fight against hunger must be based on recognition of the right of a country or region to adopt food security and sovereignty measures and strategies to protect their populations' livelihoods and social, economic and cultural rights;
6. Calls therefore on the Commission as the negotiator at the WTO to make greater efforts to give poorer developing countries, in particular, opportunities to protect their local food production and to refrain from pressurising them, e.g. in Economic Partnership Agreement (EPA) negotiations, to abandon export taxes or export quantity controls if these instruments are justified by national food security concerns;
7. Calls on the EU and other industrialised countries as well as international financial institutions not to force developing countries to liberalise or privatise basic economic sectors and public services that are vital for the population;
8. Welcomes the initiative of the US Administration to untie food aid and sees this initiative as a first important step towards reforming the entire food aid programme to take full account of the need to proactively support enhanced regional and local food security, which in the past were often undermined by tied US food aid;
9. Calls on the Commission to propose within the WTO an initiative to evaluate commodity price stabilisation and other supply management tools; calls on the EIB to investigate possibilities for the immediate setting-up of a guarantee fund in support of national micro-credit schemes and risk-hedging schemes that operate close to the needs of local food producers, especially in poorer developing countries;
10. Calls on the Commission and Member States to dedicate a major part of their development aid budget to agricultural research and training and exchanges of best practice for farmers in order to promote regional and local market-orientated production, and to further develop efficient and sustainable crop systems such as crop rotation and mixed cultivation of crops and participatory, locally adapted non-GMO plant and animal breeding in order to create stability in local food supply and sound farming systems with, in the long term, low inputs of energy;
11. Is convinced that the diminishing degree of food security in most developing countries is intrinsically linked to the increasing liberalisation of agricultural trade; calls upon the Commission to assess the impact of current trade liberalisation policies on hunger and

poverty in developing countries;

### ***Internal policies***

12. Considers, in the light of increased competition between food and agrofuel production, that the use of organic matter for energy production can contribute to a sustainable energy mix provided that waste material and animal manure are used for the production of biogas and that the production of energy does not compete with the production of food;
13. Notes that consumption patterns with a high intake of animal products such as milk, meat and eggs lead to a higher overall demand for agricultural commodities and large greenhouse gas emissions, and therefore calls for food to be labelled to indicate overall energy input;
14. Calls on the Commission and Member States to prevent further massive sealing of arable land for building and transport purposes, and calls therefore on the Commission to develop criteria that would reduce land consumption through building and transport projects in the framework of environmental impact assessments;
15. Urges the Commission and Member States to review the CAP in order to define a sustainable balance between food, feed and energy production, based on a food security impact assessment;
16. Calls on the Commission to work out a full assessment of the impact of EU policies and programmes in the fields of energy, development, agriculture, external trade and industry in order to take full responsibility for better global food security instruments and measures;
17. Instructs its President to forward this resolution to the Council, the Commission and the parties to the Convention on Biological Diversity.