EUROPEAN PARLIAMENT

2004 **** 2009

Session document

22.10.2007 B6-0403/2007

MOTION FOR A RESOLUTION

further to Question for Oral Answer B6-0321/2007
pursuant to Rule 108(5) of the Rules of Procedure
by Niels Busk, Kyösti Virrankoski and Willem Schuth
on behalf of the ALDE Group
on the rise in foodstuff prices

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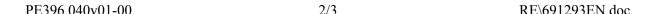
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B6-0403/2007

European Parliament resolution on the rise in foodstuff prices

The European Parliament,

- having regard to Rule 108(5) of its Rules of Procedure,
- A. whereas climate change, bioenergy and water management can be identified as three major new challenges, including within the framework of the Common Agricultural Policy (CAP),
- B. having regard to the rising world demand for agricultural products as such and the increasing influence of non-food uses of such products,
- C. whereas a shortage of supplies owing to climatic conditions together with strong demand for bio-fuels have led to price increases, not to mention the increased competition between energy production and food production,
- D. whereas biomass already provides two thirds of the EU's renewable energies and remains an energy source with great potential,
- E. having regard to the 'decoupling' which allows EU farmers to make their choices in response to market signals and contributes to improving the competitiveness of the agricultural sector,
- F. whereas the area in the EU where energy crops are grown has increased tenfold, up to 2.84 million ha, since 2004,
- G. whereas in the last 15 years the CAP has already changed radically in response to pressure from European society and its evolving economy,
- H. having regard to the drop in cereal production (EU-25 grain production is likely to be less than 242 mio tonnes in 2007 16 mio tonnes less than forecast in mid-July) caused by drought in many major production areas and the surge in demand from China and other emerging countries,
- 1. Calls on the European Commission to analyse, within the scope of the CAP 'health check', how new challenges such as food supply and food security, climate change, growth in demand for bio-fuels and water management can be best met while adapting to new risks and opportunities, not forgetting the role of the forestry sector;
- 2. Calls on the Commission to examine further measures when it comes to anticipating the rising trend in basic commodities, e.g. the Commission proposal to suspend import duties on cereals:
- 3. Welcomes the latest decisions to suspend compulsory 'set-aside' in order to meet the increased demand for grain and cereals, and urges the Commission to address this item in





depth within the context of the CAP 'health check';

- 4. Takes note of the decision to increase milk quotas, while awaiting the forthcoming Commission report (expected in December) on, among other things, the potential impact of such an increase on the dairy sector;
- 5. Calls on the Commission to look into a possible extension of the options of rural development spending in order to provide incentives for climate change mitigation, e.g. rural development funds could also be used to encourage bioenergy by providing environmental services in the area of biofuels or incentives for developing second-generation biofuels;
- 6. Instructs its President to forward this resolution to the Council and the Commission.