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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 Thierry Cornillet, Danutė Budreikaitė and Niels Busk

on behalf of the ALDE Group

on rising food prices in the EU and the developing countries

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

*The European Parliament,*

- having regard to its former resolutions on food prices,
  - having regard to the European Consensus on Humanitarian Aid of 18 December 2007,
  - having regard to the Conclusions of the 1996 World Food Summit,
  - having regard to the current negotiations on the Doha Development Round,
  - having regard to Rule 103(2) of its Rules of Procedure,
- A. whereas world demand for food is rising faster than supply, not least because growing populations are driving up demand, especially for meat and dairy products, and therefore also for feed,
- B. whereas a world food crisis of a structural nature is looming on the horizon, risking lasting several years and plunging millions of people into ‘food insecurity’,
- C. whereas food prices have risen dramatically, as have fuel and transport costs, drastically reducing the purchasing power of broad sectors of society in developing countries and of food aid agencies,
- D. whereas many countries are threatened by serious social unrest following initial food riots,
- E. whereas the World Food Programme (WFP) estimates that at least 500 million US dollars in additional funding is needed in the coming weeks to ensure that the programmes scheduled for 2008 can be implemented,
- F. whereas, according to the European Consensus on Humanitarian Aid of 18 December 2007, the European Union ‘aims to demonstrate its commitment to humanitarian response by mobilising adequate funding for humanitarian aid based on assessed need’ (paragraph 38),
- G. whereas, according to World Bank calculations, the increase in prices has put back the objectives of poverty reduction by 7 years,
- H. having regard to the interdependence between the development of food-producing agriculture in the south and a reorientation of agriculture in the north,
- I. whereas over the last 40 years food production in Africa has decreased, while countries such as China have become major importers of foodstuffs,

- J. whereas high oil prices have an incidence on the whole food chain, from fertilisers to final consumer price,
- K. whereas a shortage of supplies owing to climatic conditions (e.g. 7 years of drought conditions in southern Africa), together with strong demand for biofuels, has led to price increases, not to mention the increased competition between energy production and food production,
- L. whereas in countries such as the United States an active policy of promoting maize cultivation to produce bioethanol is having a direct effect on feed and food prices, and whereas world demand for food is rising faster than supply,
- M. whereas the level of World Bank loans in the agricultural sector fell from 30% to 12% between 1980 and 2007; whereas only 4% of public development aid today goes to agriculture, although in many developing countries 60-80% of the population depend on this sector,
- N. whereas the policy pursued by the great international institutions as regards agricultural development over recent decades has encouraged cultivation of crops for exportation to the detriment of food-producing crops and has consequently deprived poor countries of access to a fair market,
1. Urges the EU to meet its commitments on food aid and calls for an urgent 'worldwide action plan' for supplying countries in need;
  2. Invites the Council to step up as a matter of urgency its commitments to the Millennium Development Goals (MDGs) by reaffirming funding commitments and adopting an EU MDG Agenda for Action at the June European Council in order to avoid failure; this EU Agenda for Action should identify specific milestones and actions within timeframes in key areas such as education, health, water, agriculture, growth and infrastructure which will contribute to ensuring that the MDGs are met by 2015 with a view, among other objectives, to eradicating hunger by 2015;
  3. Calls on the Commission and the Council to look at reinforcing the food aid budget in 2008 and 2009 and to work together with Parliament in this area; underlines that this reinforcement must not take place at the expense of the humanitarian aid or development aid budgets;
  4. Stresses that global cooperation has to deliver the macroeconomic framework and the incentives needed to address the problem;
  5. Takes the view that the international community must be united in order to confront this situation and coordinate its efforts to attack the structural causes of the crisis;
  6. Calls on the Commission, in anticipation of the CAP Health Check, to undertake an in-depth analysis of world market trends, including the increased demand for food in developing countries;
  7. Recalls that the priority of development programmes has to be food autonomy and

self-sufficiency for poor countries, and views regional cooperation as a priority with regard to stocks, market regulation, access to seeds and water;

8. Takes the view that agriculture and aquaculture must be the cornerstones of development strategies and that all countries must implement agricultural reforms in order to increase the efficiency of their food production;
9. Takes the view that the underlying solution does not lie in permanent humanitarian aid, but in a move on the part of all players (EU, World Bank, FMI), and first and foremost of the States concerned, towards placing agriculture at the heart of development;
10. Welcomes the Commission's initiative of creating a mechanism to give States hit by the crisis the means to subsidise food products, thus avoiding dependence on aid in the long term;
11. Calls on the Commission and Member States to do more to promote the use and production of second-generation bioenergy, which involves processing of manure and agricultural and forestry waste materials rather than primary agricultural products;
12. Calls on the United States, the main producer of ethanol from maize, to take account of the global effects of this policy;
13. Calls for the urgent conclusion of the Doha Development Round, creating an equilibrium in international trade in agricultural products;
14. Stresses the connection between the financial and the food crisis and condemns international speculation; highlights India's decision to suspend trading in some raw materials in order to avoid excessive speculation;
15. Stresses the importance of appropriate investment in research aimed at achieving optimum harvests in all regions of the world;
16. Calls, in particular, for any developments on GMOs and public debate thereon to be followed closely;
17. Calls on the Commission to take all necessary measures to guarantee a sustainable form of agriculture which can contribute to significant reductions in greenhouse-gas emissions;
18. Instructs its President to forward this resolution to the Council, the Commission, the Member States, the World Bank, the G8 and the United Nations General Assembly.