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2009

Committee on Regional Development

2008/0183(CNS)

12.2.2009

OPINION

of the Committee on Regional Development

for the Committee on Agriculture and Rural Development

on the proposal for a Council regulation amending Regulation (EC) No 1290/2005 on the financing of the common agricultural policy and Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) as regards food distribution to the most deprived persons in the Community
(COM(2008)0563 – C6-0353/2008 – 2008/0183(CNS))

Rapporteur: Florencio Luque Aguilar

PA_Legam

SHORT JUSTIFICATION

Because of the economic crisis that Europe is undergoing, the number of people living below the poverty line is set to rise in the next few years; the present figure already stands at 16% of the total population (80 million). Given that the scenario is one of crisis, it is therefore vital to provide continuity in the Community aid programme serving to supply food to the most needy.

However, the fact of phasing out intervention stocks also does away with an arrangement that has to date proved a very useful way of supplying food to the most deprived persons in the Community while guaranteeing stable prices for European producers.

Under the Commission's proposed new programme, food is to be supplied to the most needy primarily in the form of purchases made directly on the market. Although this has the advantage of widening the range of products available for distribution, thus helping those who are most deprived to eat a more balanced diet, it does entail some drawbacks.

In particular, it does nothing to safeguard Community preference, in spite of the fact that farmers in the Member States are the protagonists of the common agricultural policy and the driving force of the economy in many rural areas. One point to bear in mind is that the new scheme falls under the CAP and will accordingly need to be kept as closely in line as possible with the principles of that policy, taking into account in addition that European farmers and stockbreeders play a central role in rural development.

Secondly, the Commission proposal is for the first time introducing mandatory co-financing into the European programme, thus posing the risk that some Member States might not be able to meet the full cost.

One alternative to the proposal, and a way to prevent the launch of the programme being impeded on account of co-financing, might be to limit the scope of Member States' contributions so that the expenditure to be topped up would account for no more than 40% of the Community allocation, a percentage equivalent to the additional budget needed for next year. This would at least ensure that earlier measures could continue. The Commission is seeking an increase of €200 m in the budget for the scheme in 2009, raising the total to €500 m, to which national contributions would be added.

Co-financing of the programme is the most worrying aspect for the charities called upon to distribute food, since they fear that it might pose an obstacle to the continuity of measures begun in the past. Furthermore, the cost could increase over the next few years as a result of the upward trend in food prices.

AMENDMENTS

The Committee on Regional Development calls on the Committee on Agriculture and Rural Development, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Proposal for a regulation – amending act Recital 1

Text proposed by the Commission

(1) Council Regulation (EEC) No 3730/87 of 10 December 1987 laying down the general rules for the supply of food from intervention stocks to designated organisations for distribution to the most deprived persons in the Community, subsequently repealed and integrated into Council Regulation (EC) No 1234/2007, has provided a reliable source of food for distribution to the most deprived persons of the Community for more than two decades.

Amendment

(1) Council Regulation (EEC) No 3730/87 of 10 December 1987 laying down the general rules for the supply of food from intervention stocks to designated organisations for distribution to the most deprived persons in the Community, subsequently repealed and integrated into Council Regulation (EC) No 1234/ 2007, has provided a reliable source of food for distribution to the most deprived persons of the Community for more than two decades ***and has positively contributed to the cohesion of EU regions by reducing economic and social disparities between regions which have different levels of development.***

Amendment 2

Proposal for a regulation – amending act Recital 2

Text proposed by the Commission

(2) The objectives of the Common Agricultural Policy (CAP) as defined in Article 33(1) of the Treaty include stabilising the markets as well as ensuring that supplies reach consumers at reasonable prices. Over the years the food distribution plans implemented under the scheme have successfully underpinned the fulfilment of both objectives and, by reducing the food insecurity of the most deprived persons in the Community, have proven to be an essential tool contributing to *guarantee* broad availability of food within the Community while reducing the intervention stocks.

Amendment

(2) The objectives of the Common Agricultural Policy (CAP) as defined in Article 33(1) of the Treaty include stabilising the markets as well as ensuring that supplies reach consumers at reasonable prices. Over the years the food distribution plans implemented under the scheme have successfully underpinned the fulfilment of both objectives and, by reducing the food insecurity of the most deprived persons in the Community, have proven to be an essential tool contributing to *guaranteeing* broad availability of food within the Community while reducing the intervention stocks. ***The new European food aid scheme for the most deprived persons has to continue guaranteeing the***

aims of the CAP and to help achieve cohesion objectives by ensuring balanced, harmonious sustainable development for all regions.

Amendment 3

Proposal for a regulation – amending act Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) To ensure the continuation of measures already taken, and to prevent co-financing of the programme from impeding its optimal implementation, the financial provisions adopted should be geared more closely to the need to avert an excessive drain on Member States' budgets.

Justification

Most Member States are calling for the full cost of the programme to be charged to the Community budget. The rapporteur's amendment puts forward a compromise.

Amendment 4

Proposal for a regulation – amending act Recital 5

Text proposed by the Commission

Amendment

(5) The current food distribution scheme relies on the distribution of products from Community intervention stocks supplemented, on a temporary basis, by purchases on the market. However, *successive reforms of the CAP and favourable developments of producer prices have resulted in a progressive reduction in intervention stocks, as well as the range of products available.*

Consequently, market purchases should also be made a permanent source of supply for the scheme to complement intervention stocks, where suitable intervention stocks

5) The current food distribution scheme relies on the distribution of products from Community intervention stocks supplemented, on a temporary basis, by purchases on the market. However, *increasing strains in the world market for primary agricultural products and the phasing out of tools for the orientation of production and stocks applied under successive reforms of the CAP, have reduced the EU's food self-sufficiency in terms of the quantity and range of products available and its capacity to respond to the food needs of its most*

are not available.

deprived citizens or to any food crises or international speculation. Consequently, market purchases should also be made a permanent source of supply for the scheme to complement intervention stocks, where suitable intervention stocks are not available.

Justification

Successive reforms of the CAP have led to a reduction in intervention tools, but the main causes of the reduction in stocks and the range of products available are the expansion in world demand for food and non-food agricultural products and increasing speculation (cf. food riots, etc.)

Amendment 5

Proposal for a regulation – amending act Recital 5

Text proposed by the Commission

(5) The current food distribution scheme relies on the distribution of products from Community intervention stocks supplemented, on a temporary basis, by purchases on the market. However, successive reforms of the CAP and favourable developments of producer prices have resulted in a progressive reduction in intervention stocks, as well as the range of products available. Consequently, market purchases should also be made a permanent source of supply for the scheme to complement intervention stocks, *where suitable intervention stocks are not available.*

Amendment

(5) The current food distribution scheme relies on the distribution of products from Community intervention stocks supplemented, on a temporary basis, by purchases on the market. However, successive reforms of the CAP and favourable developments of producer prices have resulted in a progressive reduction in intervention stocks, as well as the range of products available. Consequently, market purchases should also be made a permanent source of supply for the scheme to complement intervention stocks, *with preference given to locally produced fresh food products.*

Justification

The food distribution scheme should pay special attention to the quality of the food products distributed to the most deprived. Hence the call for purchases of healthy, fresh food products on the local markets. This contributes to the sustainable production, processing, distribution and consumption of food.

Amendment 6

Proposal for a regulation – amending act

Article 2 – point 1

Regulation (EC) No 1234/2007

Article 27 – paragraph 1

Text proposed by the Commission

1. Products in intervention stocks shall be made available or food products shall be purchased on the market so that food products may be distributed to the most deprived persons in the Community through organisations designated by Member States.

Food products shall be purchased in the market only where intervention stocks suitable for the food distribution scheme are not available.

Amendment

1. Products in intervention stocks shall be made available or food products ***of Community origin*** shall be purchased on the market, ***with preference given to locally-produced fresh food products***, so that food products may be distributed to the most deprived persons in the Community through organisations designated by Member States.

Amendment 7

Proposal for a regulation – amending act

Article 2 – point 1

Regulation (EC) No 1234/2007

Article 27 – paragraph 7 – subparagraph 1

Text proposed by the Commission

7. The Community shall co-finance the eligible costs under the scheme.

Amendment

7. For the purposes of financing the scheme, the proportion of the Community allocation to be supplemented by contributions from Member States shall not exceed 40%.

Justification

En los últimos años la Unión Europea ha invertido en torno a 300 millones de euros para ayuda alimentaria, dotación que ha sido íntegramente financiada por el presupuesto comunitario. Para el próximo año la Comisión prevé, sin embargo, un presupuesto de 500 millones de euros. Las organizaciones caritativas temen que la propuesta de la Comisión de cofinanciar la totalidad del programa obstaculice su aplicación en algunos Estados miembros. La enmienda del ponente pretende, por lo tanto, garantizar la continuidad de las acciones emprendidas en el pasado, limitando la co-financiación al 40 % de la dotación comunitaria, porcentaje que equivale actualmente al aumento en 200 millones de euros previsto por la Comisión para el 2009.

Amendment 8

Proposal for a regulation – amending act

Article 2 – point 1

Regulation (EC) No 1234/2007

Article 27 – paragraph 7 – subparagraph 2 – introductory phrase

Text proposed by the Commission

The Community co-financing rate shall not exceed:

Amendment

The Community co-financing rate, **for measures whose total funding accounts for not more than 40% of the Community allocation**, shall not exceed:

Justification

En los últimos años la Unión Europea ha invertido en torno a 300 millones de euros para ayuda alimentaria, dotación que ha sido íntegramente financiada por el presupuesto comunitario. Para el próximo año la Comisión prevé, sin embargo, un presupuesto de 500 millones de euros. Las organizaciones caritativas temen que la propuesta de la Comisión de cofinanciar la totalidad del programa obstaculice su aplicación en algunos Estados miembros. La enmienda del ponente pretende, por lo tanto, garantizar la continuidad de las acciones emprendidas en el pasado, limitando la co-financiación al 40 % de la dotación comunitaria, porcentaje que equivale actualmente al aumento en 200 millones de euros previsto por la Comisión para el 2009.

PROCEDURE

Title	Food distribution to the most deprived persons in the Community (amendment of the Single CMO Regulation)
References	COM(2008)0563 – C6-0353/2008 – 2008/0183(CNS)
Committee responsible	AGRI
Opinion by Date announced in plenary	REGI 21.10.2008
Drafts(wo)man Date appointed	Florencio Luque Aguilar 2.12.2008
Discussed in committee	20.1.2009
Date adopted	12.2.2009
Result of final vote	+: 41 –: 0 0: 3
Members present for the final vote	Emmanouil Angelakas, Stavros Arnaoutakis, Elspeth Attwooll, Rolf Berend, Victor Boștinaru, Wolfgang Bulfon, Giorgio Carollo, Bairbre de Brún, Gerardo Galeote, Iratxe García Pérez, Monica Giuntini, Ambroise Guellec, Gábor Harangozó, Filiz Hakaeva Hyusmenova, Mieczysław Edmund Janowski, Gisela Kallenbach, Evgeni Kirilov, Miloš Koterec, Constanze Angela Krehl, Florencio Luque Aguilar, Jamila Madeira, Iosif Matula, Miroslav Mikolášik, Lambert van Nistelrooij, Jan Olbrycht, Maria Petre, Markus Pieper, Giovanni Robusti, Wojciech Roszkowski, Bernard Soulage, Catherine Stihler, Margie Sudre, Oldřich Vlasák
Substitute(s) present for the final vote	Emanuel Jardim Fernandes, Stanisław Jałowiecki, Zita Pleštinská, Samuli Pohjamo, Christa Prets, Flaviu Călin Rus, Richard Seeber, László Surján, Iuliu Winkler
Substitute(s) under Rule 178(2) present for the final vote	Sepp Kusstatscher, Toine Manders