

Opinion of the European Economic and Social Committee on the Amended proposal for a Regulation of the European Parliament and of the Council amending Council Regulations (EC) No 1290/2005 and (EC) No 1234/2007, as regards distribution of food products to the most deprived persons in the Union

COM(2010) 486 final — 2008/0183 (COD)

(2011/C 84/11)

Rapporteur: **Mr LUCAN**

On 23 September 2010 and 8 October 2010 respectively, the European Parliament and the Council decided to consult the European Economic and Social Committee, under Articles 43(2) and 304 of the Treaty on the Functioning of the European Union, on the

Amended proposal for a Regulation of the European Parliament and of the Council amending Council Regulations (EC) No 1290/2005 and (EC) No 1234/2007, as regards distribution of food products to the most deprived persons in the Union

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The Section for Agriculture, Rural Development and the Environment, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 15 December 2010.

At its 468th plenary session, held on 19 and 20 January 2011 (meeting of 20 January), the European Economic and Social Committee adopted the following opinion by 150 votes to four with 14 abstentions.

1. Conclusions and recommendations

1.1 The EESC considers that the scheme for food distribution to the most deprived persons in the Union clearly demonstrates the promotion of economic development of the food product market and European values (particularly the principle of solidarity) among the most disadvantaged social groups in the EU. Guaranteeing the supply of food to all EU citizens, especially deprived groups, must remain one of the fundamental objectives of the EU's agricultural policy. The EESC believes that only strong and lasting economic development of agricultural policy can support the most deprived social groups in the EU.

1.2 The EESC considers that the revision of the European legal framework is both appropriate and necessary, given the modifications to the Treaty and the changes in the single market as regards prices, stock, market policies and the specific needs of each Member State.

1.3 In view of the fact that in the EU over 80 million people⁽¹⁾ (over 16 % of EU citizens) live in poverty, the priorities of the 2010 European year against poverty and social exclusion and the fact that the economic crisis is putting increasing numbers of people at even greater risk of poverty, the EESC is in favour of maintaining the scheme for food distribution to the most deprived people in the EU and financing it on a permanent basis from the CAP (Common Agricultural Policy) budget.

1.4 The EESC considers that the scheme for food distribution to the most deprived people must be a permanent part of the CAP, as it improves the situation of people vulnerable to fluctuations in the food product market. At the same time, the scheme balances and stabilises the internal market since the products distributed, produced by European farmers, come from intervention stocks as well as being purchased on the market. The EESC emphasises the need to maintain this indirect market mechanism which is part of the CAP and is vital for deprived people as well as for farmers in the current period of crisis.

1.5 Given the scale of the phenomenon of food poverty, which affects over 43 million European citizens, and the positive impact of the scheme over time on the most deprived social groups, the EESC believes that the scheme needs a permanent and stable budget.

1.6 An assessment of the national and European food distribution schemes should begin by evaluating the needs of all deprived people, including the poorest groups (street children, homeless people, asylum seekers and illegal workers or migrants, etc.) who receive no support under the guaranteed minimum income scheme or who are generally not included in official statistics. The first step in preventing and combating social exclusion is to include all groups of deprived people, a priority for the 2010 European year. The EESC calls on the competent authorities in the Member States, when determining groups of deprived people, to take account of databases of

⁽¹⁾ <http://www.2010againstopoverty.eu/about/?langid=en>.

people who are not included in official statistics; this information is generally available in the statistics collected by NGOs and charities.

1.7 The EESC calls on the Commission to encourage Member States to promote public partnerships with civil society with a view to enabling as many NGOs and volunteers as possible to participate in the process of food distribution. The EESC believes that the food distribution scheme can supplement the social services provided as part of the process to socially integrate deprived people.

1.8 The EESC believes that NGOs and charities which provide food aid along with healthcare and social assistance (especially those providing shelter for deprived people and operating soup kitchens or day centres) should be given support to cover their administrative costs.

1.9 The EESC welcomes the Commission's decision to incorporate into the amended proposal the European Parliament's amendment proposing reimbursement of administrative and storage costs incurred by charities.

1.10 In the current economic crisis, particularly in Member States where income per capita is low and there are many deprived people, national co-financing could increase the red tape involved in the European scheme, making it inoperable. The EESC believes that this would be detrimental to the interests of the most deprived groups in the EU and violate the principles of social exclusion championed by the European year against poverty.

1.11 The EESC believes that the food scheme for deprived people should be run by the Union and fully funded by the CAP budget. The Member States and national charities currently bear some of the scheme's costs (cost of transporting goods to storage facilities, administrative costs, transport costs, storage costs, VAT and cost of social services flanking food distribution).

2. The 2010 European year against poverty and social exclusion aims to support deprived people, including those at risk of food poverty

2.1 In the EU, over 80 million people live in poverty⁽²⁾. 16 % of Europe's population is in a vulnerable position, and

over 43 million people are at risk of food poverty. In 2006, the percentage of the population at risk of food poverty in the EU varied from 2 % (Denmark) to 37 % (Slovakia) meaning that over 20 % of people live in poverty in more than seven Member States. In Poland and Germany alone, 11 million and 9 million people respectively are at risk of poverty. These data prove that a food distribution scheme is needed.

2.2 The groups of people most at risk of subnutrition or malnutrition owing to inadequate food are children from poor families, old people, homeless people, asylum seekers and illegal migrant workers, and disabled adults or children. In certain Member States, some recipients of the food distribution scheme also receive social support on the basis of guaranteed minimum income.

2.2.1 The EESC draws attention to the fact that many disadvantaged people, particularly homeless people, asylum seekers and illegal workers or migrants, do not have any form of social protection and are not included in national statistics. Some of them do not have identity papers. It is difficult to assess their social and food needs and NGOs and charities could help carry out an accurate assessment.

2.2.2 The EESC recommends that particular attention be paid to children from poor families because diet can be at the root of future health problems, poor brain development and learning difficulties. The EESC therefore supports diversifying the products eligible for the food distribution scheme and including fruit and vegetables.

2.3 In 2010 – the European year against poverty and social exclusion – combating poverty is everyone's responsibility. The strategy to promote social inclusion and combat poverty has several priorities:

- active inclusion through minimum income, the return to the labour market and provision of social services to help with reintegration;
- combating child poverty;
- preventing exclusion from access to housing and the exclusion of homeless people⁽³⁾.

⁽²⁾ See footnote 1.

⁽³⁾ See footnote 1.

From this perspective, food distribution should be supplemented by healthcare services, education and social assistance, so that it is in line with the professional and social integration of the various groups of deprived people.

3. Commission proposal

3.1 The current food distribution scheme relies on the distribution of products from EU intervention stocks supplemented, on a temporary basis, by purchases on the market. However, successive reforms of the CAP and favourable developments of 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.

3.1.1 The proposal to amend the basic regulation covers provisions to align the document with the TFEU and substantive changes concerning agricultural measures which have been proposed in order to standardise the implementation of the food distribution scheme in all Member States.

3.1.2 The Commission proposes to amend the legislative framework based on the following principles: two sources of supply (food would be sourced either from intervention stocks or from the market), wider variety of foods to be distributed and clearer priorities, a long-term perspective (three years), reinforcing monitoring and reporting, the introduction of co-financing (Union co-financing rates would be 75 % and 85 % in Cohesion Member States for the 2010/12 plan. Subsequently, under the 2013/15 plan, the Union co-financing rates would be 50 % and 75 % respectively).

4. General and specific comments

4.1 The food distribution scheme for deprived people is operational in 20 Member States. In most of these, food is distributed in partnership with and with the help of non-governmental organisations.

4.2 In 2006, over 13 million people from 15 Member States benefited from the food scheme. In 2008, 19 Member States took part in a volunteer project with a budget of EUR 305 million. The food distribution scheme's budget increased in 2009 to EUR 500 million for the 20 Member States taking part.

4.3 The economic crisis, job losses and rising prices of some basic food products have led to an increase in the number of

vulnerable people. It is estimated that the number of deprived people is rising constantly.

4.4 100 % financing or co-financing?

4.4.1 The Commission considers that the introduction of co-financing would underpin the cohesive dimension of the scheme, ensure proper planning and reinforce synergies. The Commission wants to ensure that outgoings match revenue and to give Member States more responsibilities. It is of the opinion that introducing co-financing will give the scheme a more stable budget.

4.4.2 The Commission takes into account the variable of private donations by charities, which could be deemed to form part of co-financing by Member States. The EESC considers that voluntary work by charities could be quantified and come under the principle of co-financing.

4.4.3 The European Parliament proposes that food distribution schemes be fully financed via the EU budget, because co-financing would prevent some Member States from taking part. The EESC considers that Member States financially unable to pay their share will be unable to achieve the objectives of the scheme, i.e. stabilising the market and the social aspect.

4.4.4 The EESC believes that with co-financing, the poorest beneficiaries from Member States with a low income per capita might be excluded from the scheme.

4.4.5 The EESC points out that one of the objectives of the 2010 European year is to combat exclusion. Co-financing could result in the social exclusion of disadvantaged groups during the very European year which is focusing on social inclusion.

4.4.6 The EESC points out that co-financing would exacerbate social problems and food poverty. If co-financing were implemented and with free movement established within the EU, some of the most disadvantaged people would migrate to more prosperous Member States. In practice, this would shift the issue of solving the food problems of some Europeans from the poorer regions to regions with a higher income per capita.

4.4.7 In the current economic crisis, the EESC believes that the food scheme for deprived people should be run by the Union and fully funded by the CAP budget.

4.5 The EESC supports the Commission proposal to purchase food products exclusively on the European market in order to provide indirect support for European farmers.

4.6 *Diversifying the range of products offered through the scheme*

4.6.1 Although it is difficult to ensure a balanced diet when much of the food distributed comes from intervention stocks, the EESC is in favour of distributing food which is as varied and healthy as possible, in line with nutritional recommendations and diet guidelines for Europeans.

4.6.2 The EESC is in favour of organising food distribution alongside social assistance and recommends frequent (rather than one-off) distribution of food particularly where NGOs or public authorities offer complementary services (accommodation, health care, education, job training, social inclusion, etc.).

5. **Involvement and role of civil society, charities and volunteers**

5.1 On 30 June 2010, the European Commission held the meeting of parties involved in implementing the food distribution scheme. Representatives of 18 NGOs from 15 Member States, a European organisation (European Public Health Alliance) and payment and intervention agencies took part.

5.2 Some NGOs in Europe ⁽⁴⁾ treat food distribution as part of the general social services offered to deprived people to help them integrate further into society.

5.3 Charities are best placed to evaluate the scheme's impact as they interact directly with the groups of deprived people. Charities have said that some scheme recipients recommend extending the range of products in order to achieve a balanced diet, laying the legislative groundwork for the distribution of traditional local products and extending the duration of implementation of the scheme.

5.4 The involvement of NGOs and the large number of volunteers bear witness to the interest and support of European civil society as regards the most deprived members of society. The EESC considers that there is no infringement of the subsidiarity principle provided Member States are free to establish procedures and criteria for appointing the organisations which are involved in implementing the scheme. Similarly, selecting the beneficiaries of food aid falls within the remit of the Member States. This scheme helps develop cooperation between charities and public authorities.

5.5 In some Member States, NGOs and charities would play a greater role if sufficient financial resources were available to cover the administrative costs. The EESC welcomes the Commission decision to incorporate into the amended proposal the European Parliament's amendment proposing reimbursement of costs for administration, storage and transport (between storage facilities and distribution points) incurred by the charities (see Article 27(7) of the amended regulation).

Brussels, 20 January 2011.

The President
of the European Economic and Social Committee
Staffan NILSSON

⁽⁴⁾ For example, in Poland there are 44 regional representations, 100 Caritas centres, 4 500 employees and 70 000 volunteers involved in implementing this scheme. The charity Caritas Poland began implementing the scheme in 2004 and now has 44 storage facilities and 20 cold storage facilities. Caritas Poland has said that the future challenges will be to administer the scheme, transport food and purchase fixed assets.