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Linking emergency aid, rehabilitation and development

41. Deplores the fact that there has still been little practical progress on linking emergency aid, rehabilitation and development, in spite of the numerous political undertakings given in that regard in recent years;

42. Stresses the importance of a timely transition from emergency to development, based on specific criteria and a thoroughly conducted assessment of needs;

43. Calls for more resources with the aim of assuring the continuity of aid and a focus on flexibility and complementarity among existing financial arrangements in the phases of transition from emergency to development;

44. Advocates enhanced dialogue and coordination among humanitarian organisations and development agencies both in the field and in the relevant departments of the EU and Member State institutions;

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45. Instructs its President to forward this resolution to the Council, the Commission and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA).

Recognition of agriculture as a strategic sector in the context of food security

P7_TA(2011)0006

European Parliament resolution of 18 January 2011 on recognition of agriculture as a strategic sector in the context of food security (2010/2112(INI))

(2012/C 136 E/02)

The European Parliament,

- having regard to its resolution of 8 July 2010 on the future of the Common Agricultural Policy after 2013 ⁽¹⁾,
- having regard to its resolution of 13 January 2009 on the Common Agricultural Policy and Global Food Security ⁽²⁾,
- having regard to its resolution of 5 May 2010 on EU agriculture and climate change ⁽³⁾,
- having regard to its resolution of 7 September 2010 on fair revenues for farmers: A better functioning food supply chain in Europe ⁽⁴⁾,
- having regard to the Commission proposal for a regulation of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories, SEC(2010)1058,
- having regard to its resolution of 22 May 2008 on rising food prices in the European Union and developing countries ⁽⁵⁾,

⁽¹⁾ Texts adopted, P7_TA(2010)0286.

⁽²⁾ OJ C 46 E, 24.2.2010, p. 10.

⁽³⁾ Texts adopted, P7_TA(2010)0131.

⁽⁴⁾ Texts adopted, P7_TA(2010)0302.

⁽⁵⁾ OJ C 279 E, 19.11.2009, p. 71.

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- having regard to the Communication from the Commission entitled ‘An EU policy framework to assist developing countries in addressing food security challenges’,
 - having regard to the UN Millennium Goals, which include halving the proportion of the global population suffering from hunger in 2015 as compared with 1990,
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development and the opinion of the Committee on the Environment, Public Health and Food Safety (A7-0376/2010),
- A. whereas ensuring food security for Europe’s citizens, providing consumers with healthy and high-quality food at reasonable prices, and safeguarding farm incomes have been the core objectives of the Common Agricultural Policy (CAP) since its inception and remain key objectives of the EU at present,
- B. whereas recent food and commodity price volatility has raised serious concerns about the functioning of the European and global food supply and whereas the increase in food prices has hit the most vulnerable population groups hardest,
- C. whereas price volatility in agriculture is permanent in nature, as prices respond disproportionately to small variations in the level of production, very frequently as a result of speculation,
- D. whereas at a recent meeting of the Committee on World Food Security in the FAO, the EU highlighted the problem of extreme price volatility and the new High Level Panel of Experts was asked to report on causes and measures in relation to price fluctuations,
- E. whereas climatic and other events may lead countries to pursue protectionist policies, as illustrated by the recent export bans on wheat imposed by Russia and Ukraine, which together export some 30 % of the world’s wheat,
- F. whereas global food production can be regularly undermined by a range of factors including the impact of pests and diseases, availability of natural resources and natural disasters, as illustrated in 2010 by the prolonged drought and fires in Russia and the massive floods in Pakistan,
- G. whereas climate change will result in more frequent occurrences of such natural disasters, thus undermining food security,
- H. whereas the challenge is to produce ‘more from less’, with an emphasis on sustainable production, due to pressure on natural resources,
- I. whereas the EU is the largest net agricultural products importer, and is over-reliant on imports of protein, oleaginous products and maize for its animal husbandry sector, as well as fruit and vegetables, not least because our producers are not allowed to use the same production methods for such products,
- J. whereas the estimated growth in the global population from 7 to 9,1 billion will require a 70 % increase in the food supply by the year 2050, according to the FAO,
- K. whereas poverty and famine still exist in the European Union; whereas 79 million people in the EU still live below the poverty line (60 % of the average income of the country in which the person lives); and whereas 16 million EU citizens received food aid through charities last winter,
- L. whereas food security does not only mean the availability of food supplies, but also includes according to the FAO the right to food and the accessibility of healthy nutrition for all; whereas, by becoming ever more competitive, Europe can contribute to global food security,

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- M. whereas lack of food security for the poorest members of society has been aggravated by the effects of the global economic and financial crisis,
- N. whereas farmers' incomes fell dramatically in 2009 after a decade of income stagnation, due largely to difficult market conditions and rising costs of production; whereas agricultural incomes are significantly lower (by an estimated 40 % per working unit) than in the rest of the economy, and income per inhabitant in rural areas is considerably lower (by about 50 %) than in urban areas,
- O. whereas farmers receive a steadily decreasing share of the value added generated by the food supply chain, while the share of the food industry has increased; whereas a proper functioning food supply chain is a necessary prerequisite to ensure that farmers obtain a fair return for their produce,
- P. whereas along the whole food production, supply and consumption chain, up to 50 % of the food produced in the EU is wasted,
- Q. whereas only 7 % of farmers in the EU are under 35 years of age,
- R. whereas food security is a central issue for Europe and requires coherence and coordination between various sectoral policy areas at EU level, namely the CAP, energy policy, research programmes, development and trade policies, and financial regulation,
1. Stresses that a strong and sustainable agricultural sector across the EU and a thriving and sustainable rural environment, ensured by a strong CAP, are vital components of meeting the food security challenge;
 2. Affirms that the EU has the highest standards of agricultural and food production in the world with a strong emphasis on food safety, food quality and the environmental sustainability of agriculture;
 3. Takes the view that we will need to make use of all forms of farming in order to be able to feed Europe and third countries;

Food security in Europe and the world

4. Believes that the right to food security is a basic human right and it is achieved when all people, at all times, have physical and economic access to suitable, safe (from the point of view of health) and nutritious food to meet their dietary needs and preferences for an active and healthy life;
5. Affirms that the EU has a duty to feed its citizens and that continuing farming activity in the EU is key in this regard; draws attention to declining farm incomes in the EU, caused by rising production costs and price volatility, which impact negatively on farmers' ability to maintain production; highlights the costs that European farmers have to bear in meeting the highest food safety, environmental, animal welfare and labour standards in the world; stresses that farmers must be compensated for these additional costs and for providing public goods to society; underlines that food from third countries entering the EU must meet the same high standards, so that European producers do not suffer in terms of competitiveness;
6. Recognises that guaranteeing an adequate supply of food is an essential component of food security, but also acknowledges that access to food and affordability of food requires that attention be given to the provision of an adequate standard of living, particularly for those with insufficient economic resources, who are often children, elderly persons, migrants, refugees and unemployed persons;
7. Supports the formula Food Security - Nutrition - Quality - Proximity- Innovation - Productivity; believes that in order to achieve this the future CAP should take note of the public expectations that it should be both an agricultural and a food policy geared to providing public information about a healthy diet;

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8. Considers that the EU should create better conditions for the implementation of nutrition programmes such as School Fruit and School Milk in the Member States, as well as better support for education and awareness-raising about the origin of products and nutrition, given that informed choices about diet can prevent disease and reduce the heavy strain on social spending in Europe; also calls for more dietary support programmes, which should have a reduced administrative burden, and for the budget for those programmes to be increased; invites the Commission to assess the practicalities of these programmes;
9. Reaffirms its support for the EU's Most Deprived Persons programme; recalls that through its Farm Bill the US allocates significant support to its Supplemental Nutrition Assistance Programme, which generates substantial revenues for the sector and the economy in general, in addition to alleviating some of the food needs of its poorest people;
10. Is conscious of the great challenge climate change poses to achieving food security, especially through an increase in the frequency and scale of climatic events, such as droughts, floods, fires and storms; highlights the increasing challenge of water scarcity and its impact on food production; stresses the need to tackle water management and climate change as a matter of urgency;
11. Recalls that energy security and food security are very closely linked; recognises that energy costs are a key factor in determining the level of profitability of agriculture, which is the main oil dependent; encourages measures that incentivise farmers to become more energy efficient and develop alternative energy supply sources; recalls that more consistent support for research development and advisory services is needed;
12. Considers, however, that the increased drive to develop renewable energy sources and meet the 2020 targets must take into account the impact on food production and supply; stresses the delicate balance involved in meeting the food/fuel challenge;
13. Notes the level of reliance on imports of proteins and oleaginous products from third countries, which has negative consequences for the food and farming industry, in particular the animal husbandry sector when price spikes occur;
14. Calls on the Commission to propose a technical solution to the problem of low-level presence of GM material in non-GM imports and to propose a faster approval process within the EU for the importation of a new GM feed variant once it has been proved safe;
15. Calls on the Commission and Member States to ensure that the public have access to information on the outcome of food security controls in order to increase transparency at European level;
16. Is concerned about the emergence of the phenomenon of land grabbing and its implications for food security in developing countries and the future of agriculture and farmers; calls on the Commission to investigate this situation in relation to land tenure and natural resources;
17. Observes that, due to high feed costs, the situation of livestock farms within the EU has deteriorated; calls, therefore, for targeted use of the instruments available under the Common Market Organisation Regulation (EC) No 1234/2007 to stabilise the market and avert a crisis;
18. Believes that the productivity gains that will be made in the new Member States will increase the amount of land available and will provide an opportunity to boost the production of proteins and oleaginous products in the EU;
19. Notes that food security cannot be guaranteed if free access to genetic resources for food and agriculture is not available; recognises the FAO International Treaty on Plant Genetic Resources for Food and Agriculture as an important instrument for the preservation of agricultural biodiversity which thereby averts the consequences of climate change;
20. Stresses that the incentives for sustainable energy crops currently being planned should not in any way compromise food security for the public;

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21. Calls on the Member States to develop and implement programmes containing concrete agricultural measures aimed at mitigating and adapting to the effects of climate change;

22. Stresses the need to promote the launching of an information campaign for consumers regarding efforts by farmers and the agricultural sector in terms of environmental protection and food security;

Agriculture, financial markets and price volatility

23. Believes that financial and agricultural markets today are more intertwined than ever; considers that a European response alone is no longer sufficient and that Europe should act in concert with third countries and international organisations on the issues of price volatility and food security; endorses the action taken towards this end by the G20 Presidency;

24. Highlights the problems faced by farmers at times of extreme market and price volatility; draws attention to the difficulties that farmers encounter in attempting to plan ahead at times of extreme volatility; urges the Commission to introduce permanent and robust measures to address volatility in agricultural markets as a matter of urgency; believes that this will be a key determinant in ensuring that production is maintained in the European Union;

25. Notes that the price index on financial markets for primary agricultural goods has never been so unstable; cites as an example the recent increase in the price of contracts for wheat, which rose by 70 % in two months, with the volume of trading in them more than doubling on the Paris commodities market;

26. Highlights the fact that these events are only partly caused by market fundamentals such as supply and demand and are to a great extent the result of speculation; notes that speculative behaviour has accounted for up to 50 % of the recent price hikes; endorses the conclusions of the UN Special Rapporteur on the right to food regarding the role played by large institutional investors, such as hedge funds, pension funds and investment banks – all generally unconcerned with agricultural markets – in influencing commodities price indexes through their movements on derivatives markets;

27. Supports, in this context, a revision of the existing legislation on financial instruments, which should provide for more transparent trading; recalls that financial instruments should serve the economy and help agricultural production surmount crises and climatic events; at the same time, speculation should not be allowed to threaten otherwise efficient agricultural holdings;

28. Welcomes the Commission proposal for a regulation on OTC derivatives, central counterparties and trade repositories; wishes to see safety nets against extreme price volatility available as a rapid reaction crisis tool; wishes to see coordination on legislation between the EU and third countries, such as the US, in order to reduce opportunities for speculators to take unfair advantage of the differences between various regulatory systems;

29. Is in favour of bolder European action to tackle the problem of speculation, including through a mandate issued to regulators and oversight bodies to restrict speculation; believes that commodity derivatives are different from other financial derivatives and that the former should be dealt with only by traders who have legitimate interests in protecting agricultural merchandise against risks and by other categories of persons directly linked to real agricultural production; calls on the Commission to ensure that dealing with food commodity derivatives is restricted as far as possible to investors directly linked to agricultural markets;

30. Expresses its concern about the far-reaching concentration which has occurred in cereals trading, as a result of which the businesses concerned are able to influence market prices; notes that this can increase the volatility of prices, as cereal merchants have an interest in major price fluctuations because of their speculative transactions; considers that this also demonstrates the need for intervention stocks or for some other safety net to promote price stability and defend the interests of farmers and consumers;

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31. Stresses that it is not possible to take effective action against major price fluctuations without intervention stocks or strategic stocks; considers, therefore, that the role of market intervention instruments must be enhanced in the future CAP;

32. Stresses that increased transparency and fairness in the food supply chain is required to ensure a fair return for farmers, fair profits and pricing along the food supply chain and a viable agricultural sector that will deliver food security; urges the Commission to come forward with tangible and effective proposals to address this issue;

33. Points out that, when confronted with price volatility, countries with low income food deficit (LIFDC) tend to be more vulnerable;

Global food stocks for global food security

34. Notes that at present the total global food supply is not insufficient and that it is rather inaccessibility and high prices which deny many people food security;

35. Notes, however, that global stocks of food are much more limited than in the past, having fallen to a record low of 12 weeks' worth of global food reserves during the food crisis of 2007; points out that world food production is increasingly vulnerable to extreme weather events linked to climate change, to increased global pressure on land as a result of urbanisation, and to an increasing number of pests and diseases which can cause sudden and unpredictable food shortages;

36. Considers, therefore, that a targeted global system of food stocks (both emergency stocks to reduce hunger and stocks to be used to regulate commodity prices) would be beneficial, helping to facilitate world trade when price spikes occur, warding off recurring protectionism and easing the pressure on world food markets; considers that these stocks should be managed by a common body under the aegis of the United Nations, or by the FAO, and make full use of the experience amassed by the FAO and the UN World Food Programme; calls on the Commission as a matter of urgency to study and report to Parliament on the most effective way to achieve this; further calls on the Commission to play a leading role in advocating this targeted global food-stock system;

37. Recalls that the EU has so far responded with aid and money, including through the Food Facility; wishes to see reports on the effectiveness of this facility, including with regard to progress in combating causes and symptoms, and calls on the Commission to analyse the possibility of introducing an instrument to help fight famine in the world;

38. Reiterates the importance of developing agriculture in the developing world and the importance of allocating an appropriate share of EU ODA to the agriculture sector; regrets that there has been a dramatic reduction in the level of development aid allocated to agriculture since the 1980s and welcomes the recognition of the need to reverse this trend; calls on the Commission to prioritise agriculture in its development aid, including assistance to farmers in accessing markets;

39. Is dismayed at the conclusions of the 2010 United Nations Summit on the Millennium Development Goals (MDG), pointing out that developed countries are a long way from meeting the commitments given in terms of official development assistance;

40. Commends the initiative taken by the World Bank at the 2010 United Nations Summit on the Millennium Development Goals (MDG) to increase its support for the agricultural sector, so as to boost incomes, employment and food security, particularly in low-income areas;

A new CAP to respond to challenges

41. Reaffirms the position set out in its report on the future of the CAP after 2013; reaffirms its commitment to a strong agricultural and rural development policy which ensures food security for all, maintains the vitality of rural Europe, makes agriculture more competitive, ensures the continuation of

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agriculture production throughout the EU, is supportive of innovation, competitiveness and employment, and plays its part in meeting major global challenges, such as climate change; emphasises also the need for further simplification and debureaucratisation of the CAP in order to reduce the implementing costs for beneficiaries;

42. Stresses the role that must be played by young farmers in the future CAP; points out that only 7 % of European farmers are younger than 35, and at the same time that no fewer than 4,5 million farmers will retire in the next 10 years; favours strengthening measures beneficial to young farmers such as installation premiums, subsidised interest rates on loans and other incentives which have been implemented by Member States through their rural development budgets; reaffirms the substance of its budget amendment on the exchange programme for young people and wishes to see this implemented as a pilot project; calls also for the removal of all administrative constraints preventing young people from taking up farming;

43. Believes that research and innovation are key to meeting the challenge of food security in increasing production while using less resources; highlights the importance of promoting professional training, access to education, knowledge transfer and the exchange of best practices in the farming sector; reiterates the need for a coordinated approach between the CAP and other policies in order to facilitate access to research and innovation in agriculture;

44. Calls on the Commission and Member States to avail themselves to the full of the opportunities offered by the Seventh Framework Programme for Research and Development in the field of research and technological innovation so as to improve productivity while respecting energy efficiency and sustainability criteria;

45. Notes that every year the amount of land available for agricultural production is reduced due to climate change and urbanisation;

46. Wishes to stress in particular the importance of diversity in European agriculture and of ensuring the coexistence of different agricultural models, including small-scale farming which creates jobs in rural parts of the EU, as well as that of the diversity and quality of food, including small-farm and non-industrial products in short supply chains, and nutrition across Europe, with a view to fostering the development of rural areas and preserving the heritage of regional food and wine sectors;

47. Notes that local traditional agricultural practices, family farming, small-scale, and organic farming, can make a valuable contribution to food security, because they often represent effective ways of utilising land through methods specifically developed in individual regions over lengthy periods of time and enable a deep connection to be established between a product and the area in which it originates and which symbolises the quality and authenticity of the product; stresses the need for those types of agriculture to co-exist with sustainable modern farms, combining high productivity with sustainable land use;

48. Emphasises also that the excessive subdivision of farmland in some Member States is an impediment to agricultural productivity, and that steps need to be taken to encourage the amalgamation of small agricultural holdings;

49. Highlights the need to preserve the diversity of agriculture in the EU, acknowledges that local markets supplied by fresh and locally produced agricultural goods are environmentally sustainable and help to support established farming communities; stresses the importance of agriculture in less favoured areas; calls on the Commission to address the diverse European agricultural models in its future CAP proposals, including a consideration of the possibility of creating special financial incentives and identification schemes;

50. The need to implement a fairer CAP, which should ensure a balanced distribution of support to farmers, both within and between all Member States, greater territorial cohesion, and the phasing-out of export subsidies, in parallel with the phasing out of all forms of export subsidies by the EU's trading partners and the imposition of discipline on all export measures with equivalent effect;

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51. Recognises that reforms of the CAP have significantly reduced the impact of the EU's agricultural production on developing countries, with export refunds all but eliminated; calls for the EU to recognise the importance of supporting the agricultural sectors of developing countries, particularly by ensuring that agriculture is prioritised in developing countries and in the EU's overseas development aid budget;

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52. Instructs its President to forward this resolution to the Council and the Commission.
