Food distribution to the most deprived persons in the Community

2008/0183(COD) - 17/09/2008 - Legislative proposal

PURPOSE: to amend 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) to improve food distribution to the most deprived persons in the Community.

PROPOSED ACT: Council Regulation.

BACKGROUND: Council Regulation (EEC) No 3730/87 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stocks to designated organisations for distribution to the most deprived persons in the Community, subsequently repealed and integrated into Council Regulation (EC) No 1234/2007, has provided a reliable source of food for distribution to the most deprived persons of the Community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.

The need for food distribution has grown following the successive enlargements that have substantially increased the Community's needy population. In 2006 more than 13 million people benefited from this aid scheme. Moreover, rising food prices are adversely affecting the food security of the most deprived persons as well as increasing the costs of providing food aid. In recent years, the CAP has been substantially reframed, with a switch of emphasis from the primary objective of increasing productivity to enhancing the long-term sustainability of agriculture. In this context, intervention as a regulatory tool has been removed completely for some products such as olive oil, sugar and maize and, for the rest, is being returned to its original role as a safety net.

In its <u>declaration</u> of 4 April 2006 on supplying approved charities working to implement the European food aid programme for the most deprived, the European Parliament expressed its concern about the future of the European food aid programme for the most deprived and, in acknowledgement of the need to meet their food requirements, called on the Commission and the Council to put the European food aid programme on a permanent footing. More recently, on 22 May 2008, the European Parliament adopted a <u>resolution</u> on rising food prices in the EU and the developing countries, in which it stresses the fundamental nature of the right to food and the need to improve access for all people at all times to enough food for an active, healthy life.

CONTENT: the proposed rules are designated to implement the new provisions for the food distribution scheme for the most deprived persons in the Community. In this context the Commission proposes a revision of the food distribution programme based on the following elements:

- **Two sources of supply:** food may be sourced either from intervention stocks or from the market. The latter would no longer be limited to situations of temporary unavailability of intervention stocks. However, priority will be given to the use of suitable intervention stocks where these are available:
- Wider variety of foods to be distributed: in order to improve the nutritional balance of the food provided by the programme, the products distributed would no longer be limited to those for which intervention applies. The food would be chosen by Member State authorities on the basis of nutritional criteria and distributed in cooperation with civil society partners;
- Long-term perspective: food distribution activities require long-term planning and careful preparation by the national authorities and civil society partners concerned. In order to enhance its

efficiency, the Community food distribution plan would be established for three years. The amounts of aid for the second and third years would only be indicative and would have to be subsequently confirmed by the budgetary authority;

- Clearer priorities: Member States would base their aid requests on national food distribution programmes, setting out their objectives and priorities for food distribution to the most deprived;
- **Co-financing:** the introduction of co-financing would underpin the cohesion dimension of the scheme, ensure proper planning and reinforce synergies. To help make for a smooth introduction and a continued high take-up of the Community funding made available, Community co-financing rates would be 75% and 85% in Cohesion Member States for the 2010/12 plan. Subsequently, as of the 2013/15 plan, the Community co-financing rates would be, respectively 50% and 75%;
- **Reinforcing monitoring and reporting:** reporting obligations at various levels would be increased and include a report from the Commission to the European Parliament and the Council by 31 December 2012, at the latest.

To conclude, the new scheme will be co-financed by the Community; hence the amendment of Article 3 (1) of Regulation (EC) No 1290/2005 is necessary. These rules by themselves will have no impact on the budget. The budget impact will start with the 2010 food distribution programme and will be determined at the time that this programme is drawn up.