Mobilisation of the Flexibility Instrument: facility for a rapid response to soaring food prices in developing countries

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The Committee on Budgets adopted the report drafted by Reimer **BÖGE** (EPP-ED, DE) approving the proposal for a decision to mobilise the Flexibility Instrument to finance a new facility for rapid response to soaring food prices in developing countries.

To recall, this facility was initially envisaged to be financed from the margin of heading 2 of the Multiannual Financial Framework (MFF), however, this approach was rejected both by the European Parliament and the Council.

At the conciliation meeting of 21 November 2008 (see the amended draft budget BUD/2008/2026), the two branches of the budgetary authority finally agreed to finance the "Food Facility" through an optimal combination of the Instrument of Flexibility, the Emergency Aid Reserve and redeployment within heading 4 from the Instrument for Stability. The Flexibility Instrument should be mobilised for an amount of EUR 420 million in 2009.

In parallel, MEPs regret the near systematic mobilisation of this instrument to finance additional needs in heading 4 of the financial perspectives (twice in three years of the implementation of the IIA). This shows that the there is a persistent problem of the funds available under the ceilings of certain headings in the MFF being insufficient, notably in heading 4.

Although MEPs welcome the agreement on the use of the Flexibility Instrument in favour of the "Food Facility", they reiterate their concerns about the fact that heading 4 has been under permanent pressure due to its limited available margin, which necessitates repeated mobilisation of flexibility mechanisms under this heading in order to respond to urgent unforeseen situations. They call for a thorough evaluation of the necessity to increase the amounts available under this heading in order to allow for the smooth development of long-term programmable activities in this area and secure the Union's capacity to fully play its role as a global actor in the international sphere.

MEPs decide to approve the decision annexed to this resolution aiming to mobilise the Flexibility Instrument for EUR 420 million in 2009 to finance the Food Facility.