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Report

drawn up on behalf of the Committee on Development
and Cooperation

on the proposal from the Commission of the European
Communities to the Council (Doc. 1-1235/83 - COM(83)
695 final) for a regulation on the implementation in
relation to food of alternative operations in place
of food aid

Rapporteur: Mrs K. FOCKE

PE 89.482/fin.

Or. De.

By letter of 16 December 1983 the Council requested the European Parliament to deliver an opinion on the proposal from the Commission of the European Communities to the Council (Doc. 1-1235/83) for a Council Regulation on the implementation in relation to food of alternative operations in place of food aid.

On 16 January 1984, the President of the European Parliament referred this proposal to the Committee on Development and Cooperation as the committee responsible and to the Committee on Budgets for an opinion.

On 26 January 1984, the Committee on Development and Cooperation appointed Mrs FOCKE rapporteur.

At its meeting of 21 March 1984, the committee considered the Commission proposal and at its meeting of 29 March 1984 unanimously adopted the motion for a resolution.

Under the chairmanship of Mr Poniatowski the following took part in the vote: Mrs Focke (vice-chairman and rapporteur); Mrs Cassanmagnago Cerretti; Mr de Courcy Ling; Mr Enright; Mr Irmer; Mr Jackson; Mrs Pruvot (deputizing for Mr Sablé); Mr Vergés and Mr Wawrzik,

The report was tabled on 29 March 1984.

The opinion of the Committee on Budgets will be published separately.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

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The Committee on Development and Cooperation hereby submits to the European Parliament the following amendments to the Commission proposal and motion for a resolution together with explanatory statement:

Text proposed by the
European Parliament

Commission text

Proposal for a Council Regulation (EEC)
on the implementation in relation to food
of alternative operations in place of
food aid

Amendment No. 1

Amend the seventh and eighth recitals
to read:

Whereas the measures to be taken in
order to implement these alternat-
ive operations should be ascertained;

Whereas a procedure should be laid
down for the management of this aid;

Whereas the measures to be taken in
order to implement these alternative
operations should be defined;

Whereas a procedure should be laid
down for the management of this aid,
and whereas Article 8 of Council
Regulation (EEC) No. 3331/82 lays
down an appropriate procedure;

Whereas the Treaty does not provide
the specific powers required for this
purpose;

Amendment No. 2

Article 2

Article 2

Amend this Article to read:

Operations in place of food aid may
be implemented on their request in
favour of developing countries
which are eligible for Community
food aid operations for a part or all
of the amounts of food aid that have
been or could be allocated to them,
taking into account in particular
the developments in relation to
production and consumption and the
level of stocks in the country as
well as the food situation of the
population.

Operations in place of food aid may be
implemented on their request in
favour of developing countries
which are eligible for Community food
aid operations under Regulation (EEC)
No. 3331/82 for a part or all of the
amounts of food aid that have been or could be
allocated to them taking into account
in particular the developments in
relation to production and consumption
and the level of stocks in the country
as well as the food situation of the
population.

Amendment No. 3

Article 8

Amend this Article to read:

1. Decisions granting aid shall be taken by the Commission following consultation of an Advisory Committee.
2. The Advisory Committee may examine any other matter relating to the implementation of the operations in place of food aid put to it by the Chairman on his own initiative or at the request of a representative of a Member State.

Article 8

Decisions granting aid shall be taken by the Commission following consultation of the Committee provided for in Article 7 of Regulation (EEC) No. 3331/82 and in accordance with the procedure laid down in Article 8 of that Regulation.

The Committee may examine any other matter relating to the implementation of the operations in place of food aid put to it by the Chairman on his own initiative or at the request of a representative of a Member State.

A

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation on the implementation in relation to food of alternative operations in place of food aid

The European Parliament,

- A. having regard to the proposal from the Commission of the European Communities to the Council (COM(83) 695 final)¹,
- B. having been consulted by the Council (Doc. 1-1235/83),
- C. having regard to the report of the Committee on Development and Cooperation and the opinion of the Committee on Budgets (Doc. 1- 116/84),
- D. having regard to the vote on the Commission proposal,
- E. having regard to the conciliation procedure on the proposal for a Council Regulation on food aid policy and its implementation,
- F. having regard to the resolutions and reports of the European Parliament on the contribution of the European Community to combating hunger in the world² and measures following the debate in the European Parliament on hunger in the world, the communication from the Commission to the Council on an action plan to combat hunger in the world and the motions for resolutions tabled on this subject³,
- G. having regard to the resolution on the proposal for a regulation on the implementation of the special programme to combat hunger in the world⁴,

¹ OJ No. C 340, 17 December 1983, p.3

² Report by Mr Ferrero, Doc. 1-341/80, 29 August 1980, OJ No. C 265, 13.10.1980

³ Report by Mr Michel, Doc. 1-281/82 Corr., 7 June 1981, OJ No. C 182, 19 July 1982

⁴ Report by Mrs Cassanmagnago-Cerretti, Doc. 1-114/83, OJ No. C 128 of 16.5.1983

- H. having regard to the Commission memorandum on the development policy of the European Community¹ and the resolution adopted on this by the European Parliament²,
- I. having regard to the resolution of the European Parliament on the context of the follow-up convention to Lomé II³,
- J. having regard to the resolutions adopted by the ACP-EEC Consultative Assembly on combating hunger⁴
1. Stresses that the causes of hunger can only be eliminated in the long term by a coherent strategy or package of coordinated measures for the rural and agricultural sphere;
 2. Reiterates its earlier demand that Community food aid should become an integral part of development policy and be used as an instrument to develop the fields of agriculture and food;
 3. Expresses its support in this connection for the Commission proposal to replace food aid with food projects;
 4. Welcomes the fact that the Commission proposal goes beyond the incorporation of Community food aid in development projects and provides instead for financial assistance in the form of subsidies for development projects in the field of agriculture and food and for all types of project upstream and downstream of production;

¹ COM(82) 640 final

² Report by Mr Jackson, Doc. 1-475/83, OJ No. C 242, 12 September 1983

³ Report by Mr Irmer, Doc. 1-605/83-I, OJ No. C 277, 17 October 1983

⁴ OJ No. C 15, 20 January 1982, p. 30
OJ No. C 39, 10 February 1983, p. 34
OJ No. C 300, 7 November 1983, p. 22

5. Calls on the Commission, within the framework of this regulation, to give priority to measures designed to encourage local efforts to achieve self-sufficiency, particularly as part of food strategies;
6. Rejects categorically the reference by the Commission to Council Regulation (EEC) No. 3331/82 of 9 December 1982 as the legal basis for the proposal as this reduces Parliament's powers; therefore calls for its deletion;
7. Points out that the Commission, which is directly answerable to Parliament, has the last word, i.e. must assume the political responsibility, for all projects relating to operations in the food sector in place of food aid;
8. Wishes this regulation to enter into force as soon as possible; regards the Commission's proposal, subject to the above amendments, as an appropriate way of shifting the emphasis in Community food aid; regards this in particular as a positive contribution to overcoming malnutrition.
9. Instructs its President to forward this resolution to the Council and the Commission.

B

EXPLANATORY STATEMENT

1. Since the seventies, the per capita food shortfall has increased in most African countries. Reports of breakdown in the food system are not only coming from the Sahel area but from all four corners of the continent. The drought which has afflicted large parts of Africa is not the sole reasons for this shortage, it simply exacerbates existing structural problems and mistakes. The rapid growth in population has also been blamed for the poor food situation in Africa. The worst effects come from a combination of a growing population, exceptional droughts and backward agriculture. Farmers in Africa achieve the lowest hectare yields in the world, have the smallest proportion of irrigated land and the lowest level of working funds necessary for agriculture. The lack of foreign currency has moreover led African governments to give preference to agricultural products for export which have been threatened by continually falling prices at the expense of agricultural products destined for domestic consumption.
2. Food aid is absolutely essential in emergency cases but cannot eliminate chronic malnutrition in the long term. Experts now agree that food aid has more negative than positive consequences. It contributes to changes in dietary habits, which are, however, a major reason for a growing dependence on imports and as a result hunger.

Food aid also depresses prices and thus discourages farmers in the recipient countries. The false logic behind food aid leads to a situation in which it is often in direct competition with local agricultural production and undermines domestic farming. Why, for example, have farmers in Bangladesh recently been protesting against increased imports of food?

3. In January 1984 certain non-governmental organizations in France and Belgium¹ pointed out the adverse effects of food aid and launched an extensive publicity campaign under the motto 'the right of people to feed themselves'. This is not a criticism of food aid in the wake of disasters or emergencies but the sale of the industrial countries' agricultural surpluses to the Third World.
4. Immediately after direct elections, the European Parliament dealt in depth with the question of combating hunger in the world. It came out clearly in favour of reconsidering and amending the Community's food aid policy with a view to the agricultural and rural development of developing countries and safeguarding their food supplies. The Commission and Council were urged clearly and unequivocally to combine food aid as far as possible with projects aimed at agricultural and rural development. In other words, Community food aid should become an integral part of development policy as such and as a result an instrument for promoting development in the fields of agriculture and food.
5. The Committee on Development and Cooperation welcomes this Commission proposal because it is seeking to do more than incorporate Community food aid into development projects. The proposal provides for some of the budgetary resources earmarked for food aid to be made available for other projects. Or, as the Commission puts it in its explanatory memorandum: 'It provides for the possibility of granting financial aid in the form of grants for agriculture and food projects to beneficiary countries which consider that they could do without some of the Community food aid which is (or should be) allocated to them'.

¹ Frères des Hommes, France and Belgium
Terre des Hommes, France
Temples solidaires, France

In order to give Community aid the required flexibility, a new article 929 'Food projects in place of food aid' was inserted in the 1983 budget.

6. In its proposal the Commission stresses that food projects in place of food aid must be considered in the context of the Community's food aid policy. That policy is designed not only to raise the standard of nutrition of the recipients but also to contribute towards the balanced economic and social development of the recipient countries.

In its communication 'Food Aid for Development'¹ at the beginning of 1983, the Commission set out alternatives to present conventional forms of food aid.

7. According to the remarks contained in the general budget of the European Communities for 1983, the appropriations are intended to cover the financing of agricultural and foodcrop development projects.

This covers operations in the field of agricultural production, production designed to meet domestic requirements and any project upstream or downstream of production.

This is to be achieved by the following measures:

- The supply of essential inputs for such production,
- Rural credit operations,
- Storage at various levels,
- Marketing, transport, distribution or processing of locally-produced foodstuffs,
- Applied research and on-the-job training,
- Projects to develop food production and all other operations aimed at a greater self-sufficiency in food.

¹ COM (83) 141/fin.

8. In its opinion for the Committee on Budgets¹ on the draft budget of the European Communities for the 1984 financial year, the Committee on Development and Cooperation established as one of three priorities encouraging self-sufficiency in the food sector by agricultural and technical training in the poorest countries to take account of the fact that food aid can represent an obstacle to agricultural production. Clearly, self-sufficiency in food can only be achieved by applying a coherent strategy or coordinated package of measures for the agriculture and food sector. The Council should therefore adopt the Commission proposal as soon as possible so that real progress can be made towards self-sufficiency. Hunger can only be eliminated in the long term if it proves possible to combat the climatic, economic and political causes of this disaster.
9. Within the framework of the present draft regulation, the Commission should concentrate on measures, especially those forming part of food aid strategies, to promote independent efforts to achieve self-sufficiency.

To summarize: Farmers in the Third World must feed the people of the Third World. And we, the industrial nations, must help them achieve this.

10. In its proposal for a regulation, the Commission refers to Council Regulation (EEC) no. 3331/82² of 3 December as the legal basis of these measures. The Committee on Development and Cooperation completely rejects this reference as it has often done in the past. This regulation formed the object of a conciliation procedure with the Council but this procedure was brought unilaterally to an end by the Council which enacted the regulation under terms which Parliament has always described as unacceptable. As the reasons for the disagreement between the Council and Parliament have been described many times before in opinions and reports, we need not consider the proceedings in detail in this report.

¹PE 86.135/fin.

²OJ No. L 352, 14 December 1982

11. It is, however, important to note that the decision-making procedure established in this regulation severely curtails the European Parliament's powers. The Committee on Development and Cooperation therefore calls for the deletion of the reference to Regulation no. 3331/82 in this draft regulation.

Subject to this condition, the Committee on Development and Cooperation supports the proposal for a regulation to replace food aid by alternative operations. It wishes to point out explicitly in this context that the Commission's reference to Council Regulation (EEC) no. 3331/82 should not be allowed to delay the measures planned and at the same time that approval of this Commission proposal by no means represents approval for Council Regulation no. 3331/82.