

EC Food Security and Food Aid Programme

New orientations

Food security has changed substantially as an issue over the last decade. The crises to which today's food security policies have to respond are increasingly complex. Ensuring that people from developing countries have reliable access to adequate nutrition is no longer a simple question of making food available or boosting production, as thought in the past. It also depends on a series of technical, economic, political and social factors interlinked at various levels from the macro to the micro-economic; this combination of circumstances differs from one country to another, which means that operations have to be tailored to each country. In recent years, forecast food supplies from countries traditionally producing surpluses have failed to keep pace with rising demand for foodstuffs, particularly from sub-Saharan African and South East Asian countries - to which one may now add certain newly independent states in the Caucasus and Central Asia.

In this new context, seeking to develop coherent, long-term food security policies, the EC recognized that there was a need:

- for greater flexibility in its food aid instrument;
- for a better balance between traditional operations, aimed simply at providing foodstuffs, and new operations aimed at supporting production and marketing and boosting the purchasing power of those most at risk;
- for food aid and food security operations to be integrated more effectively into a comprehensive development policy.

To this end, three key features of the new food aid management policy were pinpointed:

- the use of food aid as a basic element of development policy, and of a long-term food security policy in particular;
- an improved EC contribution to the endogenous development and food production of countries coping with food insecurity, particularly in the field of agricultural rehabilitation;
- enhancement of the ability of the poorest to obtain basic nutrition, instead of a focus on supplying food.

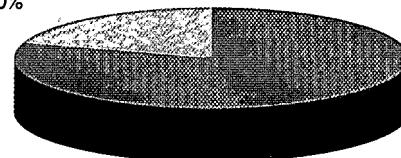
Moreover, food security projects need to be grounded in a stable and conducive political and economic environment. Food security operations are increasingly important in connection with conflict prevention, either in the short term as a means of reducing social tensions, or as part of a development policy incorporating crisis prevention. Community aid must therefore be programmed and implemented only after the direct and indirect consequences (including the potential risk of creating tensions or aggravating crises) have been assessed. Such projects are frequently

associated with policies aimed at increasing the lowest incomes, targeting social groups most at risk, optimizing the use of available resources, in particular agricultural resources, and job creation policies. Accordingly, local purchases and triangular operations play a key role in schemes to assist production and local marketing, regional integration and the private sector and ensure that food aid fits in with the dietary habits of recipient countries.

As a result, food aid supplied as goods and the special instruments to support food security have been rationalized within an overall policy framework to achieve a single intervention strategy which can be tailored to the individual situation of each region or country, is consistent with other EC policies and fits in with other tools of EC development aid. The new structure has been codified in a regulation of the Council of the European Union which sets out the new EC food security programme described in this document.

FOOD AID FUNDING IN 1995

Humanitarian food aid 20% Food aid for development 80%



COMMITMENTS		MECU
Food aid for development	DC	646.30
Special programme	NIS	132.00
Humanitarian food aid	ECHO	194.14
TOTAL		972.44*

*1,284.09 Mio \$US - 626,038.71 Mio FCFA

QUANTITIES		Tonnes
Food aid for development	DC + NIS	2,747,723
Humanitarian food aid	ECHO	500,000
TOTAL*		3,247,723

*This enables the EC to provide almost 4 million rations per day worldwide.

European Community aid and its partners in development

In 1995, ECU 401 million, i.e. 62% of the resources for food aid and specific operations in support of food security, was channelled through non-governmental organizations (NGOs) and specialized multilateral agencies (WFP, ICRC, FAO, UNRWA, etc). This enabled over 50 NGOs from Europe and from beneficiary countries to carry out some 135 projects.

These, so-called "indirect" operations are programmed by the development agencies concerned within the framework of a partnership with the Commission which ensures, firstly, that the basic principles and objectives of EC policy are followed and, secondly, that there is coordination, monitoring and proper supervision of these operations, consistent with the terms of allocation and mobilization of Community aid. Moreover, many NGOs benefit from aid managed by the Commission itself (aid supplied in the form of goods, counterpart funds, etc) as part of "direct" operations involving the Commission and the beneficiary countries. This cooperation between the Commission and NGOs has enabled Community aid to be targeted more precisely and improved its cost-effectiveness.

WHY FOOD AID

Food aid is an implicit recognition of shortfalls and shortcomings in development and in social/political progress. As a stopgap measure, it can only deal with the results, not the underlying structural problems. For all that, it is an essential tool in the event of a food crisis.

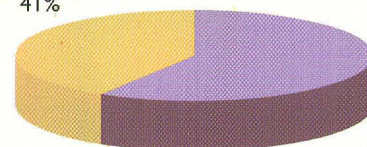
Massive or poorly targeted food aid can have devastating effects on local food production, marketing structures and dietary habits. But when it is well managed, with the use of local or triangular purchasing operations, and correctly targeted and integrated into a development process, it can act as a booster for the rehabilitation and recovery of local food production and local or regional trade.

Specific projects to support food security are intended to tackle the major causes of food crises. These medium- or long-term operations have a multiplying effect on the impact of EC aid, which makes it all the more important that the objectives and the actual instruments be complementary and consistent.

LOCAL PURCHASES AND TRIANGULAR OPERATIONS IN 1995

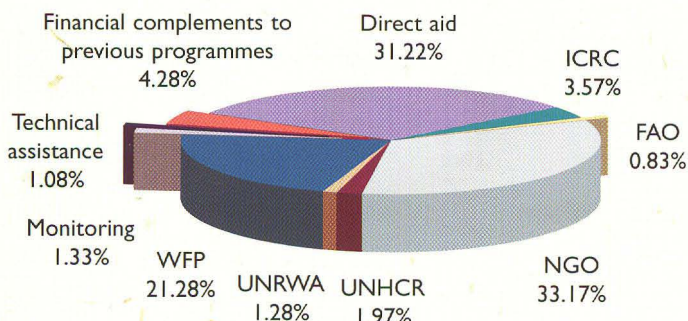
The importance of triangular operations (where products are purchased in developing countries, preferably in the same region as the country that receives them as food aid) and local purchases operated by the EC reflects the usefulness of this type of aid mobilization as a development tool. Such operations are a key factor in boosting local production and marketing and supporting regional integration and trade among developing countries. The Commission is the only major donor to permit and promote such operations, and currently devotes over 40% of its resources to triangular and local purchases. This form of intervention, which is a feature of EC aid, also contributes to the cost-effectiveness of EC operations compared with those of other donors in the field.

Triangular action and local purchases
41%



European market
59%

FOOD AID FOR DEVELOPMENT: BREAKDOWN BY PARTNERS IN 1995



At ECU 972 million in 1995, Community food aid managed by the Commission accounted for around 15% of total Community development aid (ECU 6.515 billion). Note that the EU accounted for 46% of total world official development aid in 1994.

TYPE OF AID	Organisations	Allocated amount (ECU)	%
Direct aid		201,760,681	31.22%
Indirect aid		401,329,400	62.10%
	ICRC	23,043,110	3.57%
	FAO	5,380,000	0.83%
	NGO	214,383,981	33.17%
	UNHCR	12,742,660	1.97%
	UNRWA	8,241,753	1.28%
	WFP	137,537,896	21.28%
Monitoring		8,609,360	1.33%
Technical assistance		6,952,558	1.08%
Financ. compl. to previous programmes		27,648,000	4.28%
OVERALL TOTAL		646,299,999	100%

Policy objectives

The Community carries out food aid operations, and special operations to improve food security, within the framework of its policy of cooperation with the developing countries, in order to ensure that they can cope with food insecurity situations provoked by serious shortfalls or food crises.

To this end, such food aid and food security operations aim:

1. to promote food security at regional, national, local and family levels;
2. to raise the target groups' standard of nutrition;
3. to promote the availability and accessibility of foodstuffs to the public;
4. to contribute to the balanced economic and social development of the beneficiary countries, in both rural and urban areas, paying careful attention to the respective roles of women and men in the household economy, and in social structures;
5. to support the efforts of beneficiary countries to improve food production;
6. to reduce their dependence on food aid;
7. to promote their food independence, either by increasing production, or by enhancing and increasing their purchasing power;
8. to contribute to initiatives to combat poverty with a view to development.

The ultimate objective is to transform the recipients into active participants in their own development.

HOW IS AID ALLOCATED ?

Food aid is allocated according to an objective evaluation of the concrete needs of the potential recipient, bearing in mind economic factors. To this end, the following factors are considered, along with any other relevant information:

- food shortfalls;
- per capita income (and whether there are particularly deprived groups);
- social indicators of the welfare of the people concerned;
- the balance of the payments situation of the potential recipient country;
- the economic and social impact and financial cost of the proposed operation;
- the existence of a long-term food security policy in the potential recipient country;

Instruments geared to improving market supply

a) **Aid supplied in the form of goods:** the Commission can supply food and essential agricultural inputs for increasing farm productivity. Stocks can be procured on the local market, in other developing countries (via triangular operations) or in the EU.

Foreign currency facility: foreign exchange is made available to private sector operators who can then import food and/or agricultural inputs. This option is considered when the conditions for competition in the food and agricultural input distribution sector are met and when it is more efficient to transfer cash than goods.

b) **Financial assistance:** this instrument may be used to finance specific programmes and projects with the potential to improve food security by influencing availability, i.e. rural credit schemes for farmers, support for transport, storage, marketing and distribution sectors, applied agricultural research, food crop development, etc.

Instruments geared to improving vulnerable groups' access to the market

a) **Counterpart funds:** these are generated from the sale of commodities and foreign exchange. They can be used (usually within an appropriate budgetary framework) to finance specific operations to support food security, sectoral reforms or vulnerable groups' access to commercial food supplies. Such operations may include income-generating activities and subsidies for targeted at-risk groups.

b) **Financial aid:** this instrument may be used to finance specific projects and programmes in support of food security. These may include credit schemes to support consumption, income-generating projects, training, and educational or research activities to do with health and nutrition.

The instruments of the European Community

The new food aid and food security policy relies on two types of instruments, which differ in essential respects but complement each other: on the one hand, food aid supplied in the form of goods and, on the other, financing for operations to improve food security.

FOOD AID DELIVERED AS GOODS

The Commission may deliver not only "food aid" but also seeds, fertilizers, tools or other inputs to boost farm production. This may be accompanied by technical and financial assistance and also by awareness and training campaigns.

The aid may be either direct, or indirect. Direct aid is entirely implemented by the Commission while indirect aid consists of a donation from the Community to outside bodies (international or non-governmental organizations) which are given responsibility for implementation in accordance with a partnership agreement with the Commission.

GREATER BUDGET FLEXIBILITY

Generally, donors programme their food aid commitments in terms of financial resources. However recipients, for obvious practical reasons, measure their needs in tonnes. Since food commodity prices can vary greatly, this difference in programming procedures can result in serious mismatches between the amount of aid allocated by donors and recipients' expectations. To get around this problem, the EC set up a financial mechanism that enables it to offset the consequences of the different approaches.

The food aid budget is decided at the beginning of each financial year partly with a view to the overall annual tonnage intended for allocation. Under an inter-institutional agreement on calculating the budget, reached in 1993, an official reference price is set (say, ECU 127 per tonne of wheat). This indicative price is used to calculate the total budget needed to purchase the required tonnage. If the price of cereals rises (as it has for wheat, which currently stands at around ECU 180 per tonne), it causes an immediate budget shortfall, but the agreement solves this problem by providing for a transfer of funds from the EAGGF (European Agricultural Guidance and Guarantee Fund) to the food aid budget, equivalent to the difference between the price fixed by the agreement and the real market price. In this way, the EC is sure of being able to fulfil its commitments despite fluctuations in the market.

Direct aid is granted to groups of people whose governments request it. The goods may be sold on the market in order to reduce a structural food shortage, or be distributed to people at risk (by means of food for work actions, school feeding programmes or socio-economic rehabilitation schemes), or even be used to create security stocks (at local, national and sometimes regional level).

If aid supplies are sold on the market, the proceeds - counterpart-funds (CPF) - are included as far as possible in the state budget. These CPF are used for the financing of integrated rural development programmes geared to food security. In the case of countries undergoing structural adjustment, the CPF must be incorporated into a single, coherent budgetary policy as part of a programme of socio-economic reform.

MOBILIZATION

Food is supplied from one of three possible sources: it may be bought on the Community market, or in the beneficiary country (local purchase), or in another developing country (if possible, in the same region) included in the list annexed to the Regulation (triangular operation).

Local purchases and triangular operations have three undeniable advantages. Firstly, they make it possible to provide products more suited to the normal diet of the recipient population. Secondly, they encourage regional economic trade and the use of food surpluses built up by certain developing countries. Thirdly, they provide an incentive to local food producers.

Such operations are a distinctive feature of Community aid. The only major donor to permit and promote them, the Commission currently devotes over 40% of its resources in this field to triangular and local purchases.

FINANCIAL AID

Food aid alone may be insufficient to establish or sustain a food security policy in a country coping with food insecurity, as it does not tackle the structural problems that are the root cause of food crises, hence the provision for financing food security projects that do not rely on a food aid component. Again, such projects may be implemented either directly by the Commission or by outside organizations.

FOOD SECURITY INFORMATION SYSTEMS -an aid to decision-making-

To keep abreast of changing, diverse and often complex food crises, the EC needs access to reliable sources of information relevant to food security policy. These information sources supply a range of data on the level of food insecurity in a particular population and its degree of vulnerability. The EC analyzes and interprets this data, sharpening its ability to assess food security and thereby obtaining a genuine decision-making tool, enabling it to make precise diagnoses and select the most appropriate response.

Various types of system are currently financed by the EC.

- early warning systems (EWS) aimed at detecting food shortages early enough so that food aid can fulfil its emergency function;
- advanced early warning systems based on cross-referencing indicators of various kinds (crop monitoring, income, migration, nutritional state, health) to generate socio-economic and nutritional data;
- information systems on markets, which enable information on market trends to be disseminated to economic operators;
- the permanent diagnosis system (DIAPER), which produces cereal forecasts based on early harvest forecasts of output;
- data banks based on the use of remote sensing satellites such as the GEOFILE data bank (FAO/EC).

These information systems, combined with the increasing adaptability of food aid, enable the EC to formulate policies and programmes bringing together a wide range of operations to improve food security, and at the same time ensuring that aid is better targeted and better coordinated with development programmes and sectoral policies.

SUBSTITUTION OPERATIONS

Substitution operations allow food allocations to be swapped, or partly swapped, for financial assistance with special operations to improve food security. In some cases, changes in production, consumption, stock levels, people's food situation or the degree of food aid granted by other donors, may mean that actual food aid deliveries are no longer vital, but projects to improve food security, started using counterpart funds, still need financing.

SPECIAL FOOD SECURITY SUPPORT OPERATIONS

These operations provide technical and financial assistance with a view to improving food security by helping to finance:

1. the supply of seeds, tools and inputs essential to the production of food crops;
2. support for rural credit;
3. storage operations at appropriate levels;
4. marketing, transport, distribution and processing operations relating to agricultural and food products;
5. support for the private sector with a view to trade development at national, regional and international level;
6. applied research and field training activities;
7. projects to develop food production;
8. flanking, awareness, technical assistance and field training activities;
9. support measures for women and producers' organizations.

These diverse activities are intended to enhance support for recipient countries' food security and provide a range of options enabling them to tackle potential problems effectively.

THE FOREIGN CURRENCY FACILITY

Where a recipient country has liberalized food imports to any degree, the EC must see that any aid mobilization is consistent with the national policy, so as to avoid causing turbulence in the markets. Since such a policy is geared to fostering the development of the private sector, the Commission must avoid any tendency to displace market supplies from the outset, while helping to improve commercial operators' effectiveness and efficiency. One way in which it does this is by providing the country concerned with access to foreign exchange for the use of private operators, provided that the scheme forms part of a national food security policy consistent with its economic policy.

This type of financial aid, an innovation introduced under the new policy, should prove very useful to countries where the private sector is capable of importing food but lacks access to the necessary hard currency (due to a shortage, hyperinflation, etc). In that case, an amount in foreign exchange will be allocated to the recipient country and importers wishing to obtain foodstuffs on the international market for sale on the domestic market, will have access under the same terms as for structural adjustment programmes financed by the EC. Special measures in support of small and medium traders are encouraged with a view to improving market effectiveness by increasing the number of operators.

Linking relief, rehabilitation and development

In countries that are prone to political or economic risks and/or natural catastrophes, linking relief, rehabilitation and development is crucial. Humanitarian and food crises are costly in both human life and resources. They disrupt economic and social development, they require long periods of rehabilitation, and they lead to separate bureaucratic structures and procedures which duplicate development institutions. Yet at the same time, development policy all too often ignores the risks of drought and other potential catastrophes, as well as the need to protect vulnerable households by helping them to develop "coping strategies". If relief and development could be linked, a lot of shortages could be avoided. Better "development" can reduce the need for emergency relief, better "relief" can contribute to development and better "rehabilitation" can ease the transition between the two.

Faced with crises of different kinds, progressing from relief to development, different policies and instruments have to be used in

parallel, with the ultimate goal of reducing the economic and social vulnerability of people in a crisis situation. For this, it is essential that a strategic planning policy is set up for each specific country, covering political, developmental, social and technical factors. With this goal in mind, coordination among donors is also a prerequisite for efficient policy and action; but it will only be effective if included within this policy framework. Finally, timing is essential. A loss of momentum at a critical stage can plunge a country back into crisis.

As far as food crises are concerned, the new regulation provides the policy framework and the tools necessary to put this approach into practice: the resources to improve assessment skills, a package of new and more flexible instruments, a wider list of potential recipient countries in which to operate and the recognition of food aid as an instrument of food security.

Emergency food aid - Food aid in a development perspective

The EC's contribution to international efforts in support of food security in developing countries has become a key element of its development aid policy. Food is also an important aspect of humanitarian operations. The European Union is now the leading donor to the major international and non-governmental organisations active in the field of food aid, and the Commission is the leading international donor.

Community policy hinges on two concepts: firstly, the integration of food aid into development policy as a tool for improving long-term food security, and, secondly, the incorporation of food aid as a component of humanitarian aid policy. These two concepts are a response to different imperatives, and require modes of operation appropriate to their different contexts, but are linked via effective coordination of the two policies and of the relevant Commission departments.

The division of responsibilities between the relevant departments with regard to both development and humanitarian aid policy relies on well-established coordination and liaison, organized as follows:

- specifically humanitarian food aid operations are the responsibility of the Humanitarian Office (ECHO);
- development-oriented food aid operations, structural aid, operations to improve food security and other food aid operations with a development component, are undertaken by the Food Security and Food Aid Unit of the Directorate-General for Development, in agreement with the relevant desk officers for the country/region;
- in the event of serious food crises or humanitarian crises involving serious food supply problems, all instruments of EC aid are deployed in a coordinated operation, the coordination being done by the Food Security and Food Aid Unit for food crises, and by ECHO for humanitarian crises;
- there is continuous liaison with a view to ensuring maximum consistency and coordination and to ensuring that the transition

between humanitarian operations and rehabilitation or development is as effective and smooth as possible.

These measures enable the Commission to deploy all the means at its disposal as effectively as possible in a range of situations requiring EC food aid operations.

FOOD SECURITY OPERATIONS: SPECIFIC, COMPLEMENTARY AND CONCERTED

SPECIFIC - because the aid is granted by the EC to tackle specific temporary or structural food security problems and allocated in support of a coherent policy on the matter;

COMPLEMENTARY - to other financial instruments of EC development policy, because they are tied in with financial and technical cooperation projects, or geared to EC support for structural reforms, and must exploit synergies with development projects in countries suffering food crises or serious food shortages.

and CONCERTED - because there must be a dialogue on sectoral policies to promote food security before such operations can be undertaken.

What does food security mean ?

Food security is a combination of circumstances of supply and demand - involving both availability of food and ability to obtain access to it - which represents a threshold above which households can start to accumulate reserves (in the form of stocks, livestock or savings), develop more powerful means of production or ways of increasing income and organize their social relations to provide more reliable solidarity networks; all of these actions make them less vulnerable in the event of a food crisis. On the other hand, below this threshold, rural households are obliged to consume their reserves; to rely upon their solidarity system, and even to give up their means of production: in short, to increase their vulnerability.

Assessing the vulnerability threshold is therefore the key to any food aid or food security intervention strategy. Above the threshold, people are part of a process of development that can be accelerated only by well-thought-out aid. Below the threshold, people are drawn into a spiral of food aid dependency which may lead to death or to forms of dependency which will be all the more difficult to overcome if aid arrives late. In this situation, aid is essential and urgent, because the earlier it arrives in this process, the more effective it is.

The threshold differs for every kind of society and social group, and it is crucial to gauge it correctly. Over-protecting people, far from facilitating their recovery, induces dependent behaviour and jeopardizes the long-term viability of the project, while inappropriate or delayed action increases dependency, so that ultimately humanitarian aid is needed. A coherent policy to support food security increases the solvency of the target groups so as to guarantee access to adequate nutrition.

Food supply forecasts to the year 2020

There is nowadays a broad consensus as to the extent and nature of the world's food problems and their future consequences. Indicators show that, at current rates, world food production will not keep up with population growth. Since 1980, more than 50 developing countries have failed to increase yields in line with population growth.

Sub-Saharan Africa is a case in point: although a marked increase in food production is forecast, this is set to be outstripped by demand from its rapidly rising population. Africa will be obliged to triple commercial cereal imports from 9 million tonnes in 1990 to 27 million tonnes in 2020 to cope with extra demand. Moreover, total demand for cereal products for human and animal consumption in the developing countries is expected to double between now and the year 2020, to 1.7 billion tonnes, leaving a shortfall of 200 million tonnes, assuming, on present trends, that total production rises to 1.5 billion tonnes.

Nevertheless, the biophysical potential exists to increase agricultural output to a level which would enable the world to feed the extra 70 to 90 million people added to the population each year. Consequently, it is primarily a question of exploiting all possible efforts to ensure that this potential is realized, since, of the two billion extra members in the world's population by the year 2020, more than 80% will be born in the developing countries. It is obvious that extra food aid from the OECD countries will not be sufficient to meet this challenge. The time has therefore come to take a serious look at the need to improve agricultural production in countries with low incomes and structural food shortages, to reduce poverty by boosting

RURAL DEVELOPMENT AND FOOD SECURITY

The European Community food aid and food security programme was set up specially to enable the Commission to respond to the needs of food-insecure countries around the world. It would be a mistake, however, to think that it was the only channel available. Other funding sources are also used, such as those related to technical and financial cooperation, which may directly or indirectly impact on the food security of a number of developing countries.

Complementarity in the use of these different funding sources is sought and joint funding programmes are developed from time to time.

Over 50% of the European Development Fund (EDF*), which finances development aid operations for the 70 African, Caribbean and Pacific (ACP) countries that are signatories to the Lomé Convention, is allocated to agriculture and rural development projects. These operations, principally rural development projects such as country roads, schools, small scale irrigation schemes and outreach services, are often aimed at improving the incomes and living conditions of the rural population.

In Asia, in 1995, ECU 175 million, equivalent to 33% of total aid to the continent, was devoted to agriculture and rural development programmes. In the Mediterranean region, 23% of the ECU 2 billion spent over the last 18 years has been allocated to the agricultural sector, which continues to be the main beneficiary of Community aid.

*EDF 6/Lomé III = ECU 7 400 million, EDF 7/Lomé IV = ECU 10 800 million, EDF 8/Lomé IV = ECU 12 967 million

the purchasing power of vulnerable groups and households, so that they have the means to subsist and, finally, to implement policies aimed at reducing population pressure.

To overcome the limiting factors on the horizon in the 21st century, namely stagnating yields from farming and pisciculture, it is important to implement a food security policy that works primarily through:

- political stability and an absence of armed conflicts;
- governments able to create the climate needed for the development of the private sector;
- policies to encourage agricultural production and investment in the sector;
- a combination of sustained agricultural development and anti-poverty policies involving job creation and diversification of rural economies;
- an appropriate balance between cash crops and food crops including tubers and root crops, fishing and livestock-farming;
- import-export policies that improve national stocks.

Adapting the policy to different situations

The diverse range of food shortages and food crises which Community aid must cover (in geographical, geopolitical, economic and social terms), and the way each one changes over time, calls for intervention instruments to be organized in two ways:

- they must be versatile, so as to provide appropriate aid in each situation;
- there must be a range of different and coherent instruments enabling the Commission to match its intervention to each problem and its progression.

Three typical scenarios may illustrate the point:

I - Serious food crises due to natural or manmade catastrophes causing temporary food shortages: in such situations, EC humanitarian aid (ECHO) and food aid for development are deployed jointly according to the nature of the crisis and the operation proposed, depending on which instrument is appropriate. Food aid distribution in kind, using imports or triangular or local purchases, is the most appropriate instrument. Food distribution must be targeted. Ancillary projects may be set up to supply seeds, agricultural inputs and tools, and run awareness campaigns, planned with a view to helping the population resume economic and productive activities. Such programmes must be matched by projects to ensure monitoring and early warning of food and nutritional problems.

II - Rehabilitation and food recovery: in most cases, this is a post-crisis transitional phase, in which the food problem is still fundamental. The focus is on sale and distribution programmes for seeds, tools and inputs, and projects to restore agricultural capacity (e.g. seed-bearing land, land rehabilitation). Targeted distribution of food aid supplies may, in certain cases, continue to be essential to vulnerable groups, or in support of food recovery programmes (e.g. to tide people over lean seasons).

Operations to improve food security are appropriate at this point: rehabilitation of trade via support for small and medium-sized traders, storage operations at family, village, regional or national level, projects to expand food crop production, operations to support private sector marketing, transport, distribution or processing of agricultural and food products, programmes to improve administrative and institutional structures, etc. Labour-intensive programmes of the "food for work" or "cash for work" variety are generally well suited to this situation.

All these activities reinforce or complement EC rehabilitation aid in other fields: health, infrastructure, education, rural development, etc, and must be implemented with a view to sustainable development.

III - Structural food security problems, often resulting from inadequate or non-existent food security policies: Delivering food aid supplies in such circumstances may be inappropriate and even contrary to development goals, fostering dependence on food aid and erecting barriers to sectoral reforms, for example. In this context, the first thing to be done is for the recipient country to draft and adopt a food policy. The Commission joins the government and other donors with that objective, in a dialogue on policies. The aid instruments deployed are therefore rather different: financial and technical assistance with the reform of sectoral policies relating to food production, processing, marketing and storage, aid for importing basic food supplies, via the foreign exchange facility, and support for security stocks and seed policies. This aid has to be budgeted for and programmed in accordance with the macroeconomic reform process.



Eligible countries

Despite the adaptability of EC instruments used to support the food aid and food security programme, and the considerable volume of finance involved, it has proved necessary to rationalize and concentrate EC operations in order to obtain the critical mass needed to ensure that aid achieves results. For this purpose, a list of priority countries was drawn up for the 1996 financial year.

Group 1

- very high degree of structural food security problems
- very low income

ERITREA
ETHIOPIA
MADAGASCAR
ANGOLA
MALAWI
MOZAMBIQUE
HAITI
NICARAGUA
PERU
BOLIVIA
BANGLADESH

Group 2

- countries in crisis

LIBERIA
SIERRA LEONE
BURUNDI
RWANDA
SUDAN
SOMALIA
PALESTINE
GUATEMALA
AFGHANISTAN

Group 3

- high degree of structural food security problems
- high degree of dependency on food imports

CAPEVERDE
CUBA
EGYPT
YEMEN
HONDURAS

Local cereal trade programme in West Africa

Caucasus and Central Asia programme (ARMENIA, AZERBAIJAN, GEORGIA, KYRGYZSTAN, TAJIKISTAN)

The countries eligible for an intervention are represented in red on the map.