

European Parliament resolution on the Common Agricultural Policy and Global Food Security

On January 13th 2009 The European Parliament adopted by 482 votes to 24, with 59 abstentions, a resolution on the Common Agricultural Policy and Global Food Security.

Link to the procedural file: <http://www.europarl.europa.eu/oeil/FindByProcnum.do?lang=en&procnum=INI/2008/2153>

Link to the resolution in all EU languages:

<http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P6-TA-2009-0006>

The own initiative report had been tabled for consideration in plenary by Mairead **McGUINNESS** (EPP-ED, IE), on behalf of the Committee on Agriculture and Rural Development.

Ensuring food security: the resolution notes that, since 2006, there has been an overall global food price increase of around 83%, whereas world food stocks have fallen to historically and critically low levels of only 40 days' supply in 2008. Prior to the most recent hike in food prices, over 860 million people globally experienced chronic hunger. The World Bank predicts that the surge in food prices could push an additional 100 million people into deeper poverty.

The present crisis impacts most heavily on low-income households in both the European Union and in the developing world, where the proportion of household income spent on food represents between 60% and 80% of total income, in comparison to the EU average of less than 20%. The FAO and the OECD predict that, while commodity prices may fall from the record levels of the past year, they are not expected to fall back to pre-2006 levels. Serious fluctuations in commodity prices may therefore be a more regular feature of the global market. According to the FAO, an investment of EUR 30 billion per year would be enough to ensure the food security of a world population which will reach 9 billion by 2050.

In this context, the resolution affirms that global food security is a question of the utmost urgency for the European Union and calls for **immediate and continual action** to ensure food security for EU citizens. It stresses that food should be available at reasonable prices for consumers while, at the same time, a fair standard of living for farmers should be ensured.

Preventing fluctuations in prices: reaffirming the fact that poverty and dependence on food imports are leading causes of food insecurity, the Parliament calls for policy instruments aimed at averting such dramatic and damaging price fluctuations.

The resolution stresses the importance of a **comprehensive analysis of rising food prices**, taking into account rising energy prices for end consumers, stronger weather phenomena and increased demand for energy owing to the increased global population. The Commission is called upon to investigate further the possible link between high food prices and rising energy prices, in particular for fuel.

MEPs call for:

- a **global assessment of the impact of the increased production of biofuels** on food prices and for policy coordination at the global level to ensure that food supply is not jeopardised by the push for renewable energy production;
- policies under the CAP to incorporate provisions on food security and for the inclusion in **international and regional agreements** of commitments that the subsidies granted for biofuel production will not jeopardise world food security and will be consistent with applicable rules so as not to affect competition between trading partners.

The resolution also draws attention to rapidly changing consumer eating habits, particularly in **emerging countries** with a shift towards more meat and protein consumption requiring more grain. MEPs consider that increasing market concentration in the **food retail sector** needs to be monitored to prevent it leading to the development of monopolies and call for the adoption of alternative solutions that adjust the balance in favour of small farmers, who find themselves unable to negotiate with the large retailers.

European Union responses: MEPs believe that the CAP should remain the cornerstone of EU food-security policy, now and beyond 2013, but should be adapted to meet food-security concerns. In light of the 2008-2009 Budget Review, they call for a **stable and constant level** of expenditure on the CAP, guaranteeing a fair income for farmers, and for **effective insurance policies** to be made available, protecting against massive price fluctuations.

The Parliament calls for a **global food inventory regime** and a **global system of food stocks**. It considers that an international observatory should be set up within the FAO to facilitate the monitoring of prices of agricultural products, inputs and food at international level. It also calls for **more effective EU coordination with non-governmental organisations, the FAO and the UN** to promote fair access to global food resources and to increase food production in key developing countries while consistently taking into account biodiversity and sustainable development criteria.

The Commission is called upon to:

- adopt a comprehensive strategy on food security issues so as to achieve coherence among all Community policies;
- devise an effective EU market monitoring system capable of recording the changes and trends in the prices of agricultural products and the cost of inputs;
- look at the impact of climate change mitigation initiatives in the agriculture sector and to provide resources to this sector so that such measures do not result in decreased EU production;
- advocate, at the WTO negotiations, qualified market access, which will ensure that the high environmental standards of EU farming and the right of every Member State to food security are not undermined by cheap imports;
- analyse the effects of the financial crisis on the agricultural sector and to consider proposals to ensure the stability of the sector, also in terms of access to loans and credit guarantees;
- reinforce its present programmes designed to ensure food security in Europe and around the world.

The Parliament urges the EU to help countries at risk of conflict to develop strong agricultural policies of their own based on easy access to raw materials.

Agriculture in the developing world: regretting the reduction in the amount of development aid being devoted to agriculture and rural development, which was 17% in 1980 and only 3% in 2006, the Parliament urges the Commission to direct EU financial support towards achieving agricultural-

led growth and to do all in its power to induce governments to spend the amount of **10% of the national budget** on the agricultural sector, as they have committed to.

MEPs stress the need for more medium and long-term action to develop agriculture and food production in developing countries, particularly in Africa. They believe that the **European Development Fund** should be more focused on agriculture - particularly small farms and processing of products on the spot. The **European Investment Bank** is called upon to look into means to provide programmes for local food producers in developing countries with loan guarantees to support access to credit and micro-credit.

The Parliament also demands that a **permanent food-security fund be created** in support of the world's poorest, under Heading 4 of the General Budget of the European Union to complement other development measures financed by the European Union.

The European Union is called upon to:

- recognise developing countries' right to food sovereignty and to support this with targeted measures;
- put agriculture back at the centre of its development agenda, giving specific priority to programmes for agricultural development including clear targets for poverty reduction (particularly measures promoting small-scale agriculture and the production of food for local markets through the use of biodiversity, with a particular focus on capacity-building for small-holder farmers and women);
- join forces with Member States, ACP Governments, international organisations, regional development banks and private foundations, non-governmental organisations and local authorities, to incorporate new projects and programme interventions for soaring food prices into regional programmes in a better way.

MEPs also believe that **further, unregulated liberalisation** of agricultural trade would lead to a further increase in food prices and even higher price volatility. They stress that the worst affected would be the most vulnerable, food-importing developing countries. They also recall that world trade rules must under no circumstances undermine the right of countries or regions to support their farming sectors with a view to ensuring food security for their population. The Commission is called upon to re-assess its free market approach to agricultural trade accordingly.

Research and development: reaffirming their commitment to investment in technology and innovation in agriculture and farm production, MEPs call for an **accelerated programme** of research and development on sustainable and energy-efficient agriculture, suited to its location.

The Commission and Member States are called upon to promote research and development to prevent and adapt to climate change, in particular the use of high-yield energy crops, environmentally friendly fertilisers that are as effective as possible, new agricultural technologies with minimum negative effects on land use, the development of new plant types that are resistant to changes in climate and related diseases and research into ways to use waste in agriculture.

Full text:

The European Parliament,

- having regard to Article 33 of the EC Treaty,
 - having regard to its resolution of 25 October 2007 on rising feed and food prices⁽¹⁾, as well as its resolution of 22 May 2008 on rising food prices in the European Union and developing countries⁽²⁾,
 - having regard to its resolution of 29 November 2007 on advancing African agriculture - A Proposal for Agricultural Development and Food Security in Africa⁽³⁾,
 - having regard to the proposal for a Regulation of the European Parliament and of the Council establishing a facility for rapid response to soaring food prices in developing countries ([COM\(2008\)0450](#)),
 - having regard to the communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Tackling the challenge of rising food prices - Directions for EU action ([COM\(2008\)0321](#)),
 - having regard to the Conclusions of the 1996 World Food Summit and the objective of reducing by half the number of people suffering from hunger by 2015,
 - having regard to the Agricultural Outlook 2008-2017 released by the Food and Agricultural Organization (FAO) and the Organisation for Economic Co-operation and Development (OECD),
 - having regard to the recommendations of the International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD),
 - having regard to the outcome of the "Health Check" of the Common Agricultural Policy,
 - having regard to the ongoing WTO negotiations on the Doha Development Round,
 - having regard to the Paris Declaration on Aid Effectiveness,
 - having regard to Rule 45 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development and the opinions of the Committee on Development, the Committee on Foreign Affairs, the Committee on International Trade and the Committee on Industry, Research and Energy, (A6-0505/2008),
- A. whereas, for the first time since the 1970s, the world is facing an acute food crisis, determined by both structural, long-term factors, as well as by other determinants, with world maize prices tripling since 2006 and world wheat prices increasing by more than 180% in the time span of two years, and an overall global food price increase of around 83%,
- B. whereas the significant, unforeseen price surge has taken place within a relatively short time, between September 2006 and February 2008; whereas, furthermore, world prices of other

foodstuffs have doubled in the last 2 years and are expected to remain high, despite the current fall in prices of some cereals, as shown by the futures market,

- C. whereas the rise in prices of animal feed increases the cost of production, which entails the risk that production of stockfarming products will fall when demand for them is rising and is forecast to continue doing so, particularly in the emerging economies,
- D. whereas the FAO and the OECD predict that, while commodity prices may fall from the higher levels of the past year, they are not expected to fall back to pre-2006 levels; whereas, however, dramatic fluctuations in commodity prices may be a more pronounced and regular feature of the global market; whereas higher food prices do not automatically translate into higher farm incomes mainly due to the speed at which farm input costs increase and the increasing divergence developing between producer and consumer prices,
- E. whereas world food stocks have fallen to critically low levels, from one year's supply of food in stock after World War II to just 57 days in stock in 2007 to only 40 days in 2008,
- F. whereas these and other factors have had immediate and serious consequences for a significant number of people; whereas, globally, the food price crisis has pushed millions more into poverty and hunger; whereas these developments have sparked riots and unrest around the world, further destabilising countries and regions around the globe; whereas, even in the EU stocks have been depleted in such measure that the emergency food programme has, at present, no more food to distribute,
- G. whereas, according to current estimates from organisations fighting world hunger, in developing countries one person in five is currently undernourished and suffering from chronic hunger and each day over 30 000 children in the world die of hunger and poverty,
- H. whereas agriculture provides employment and a livelihood for more than 70 % of the labour force in developing countries, and for more than 80 % in many African countries, and, as a consequence, rural development policies are essential in order to tackle poverty and hunger effectively,
- I. whereas women produce between 60 % and 80 % of food in developing countries and are responsible for half of the world's food production; whereas women play an extremely important role in caring for their families; and whereas women have much less access to land and to means of production than men and must therefore be given appropriate help and support,
- J. whereas the present crisis impacts most heavily on low-income households in both the European Union and in the developing world, where the proportion of household income spent on food represents between 60 and 80 % of total income, in comparison to the EU average of less than 20 %,
- K. whereas Parliament and the Council have called repeatedly for a strong response to the global problem, providing, in particular, the necessary financing for agricultural inputs and assistance in using market-based management instruments,
- L. whereas the European Union remains a major food producer, accounting for 17 % of the world's wheat, 25 % of world's milk production, 20 % of the world's pigmeat production and 30 % of the

world's beef production; whereas it is also a major importer of agricultural products, falling significantly short of self-sufficiency in numerous agricultural commodities,

- M. whereas the European Union leads the way in setting food production standards at the highest level, concentrating on the farm to fork traceability system and guaranteeing the safety of EU produced food,
 - N. whereas the European Union is also a leader in environmental protection initiatives, which serve to protect natural resources, but which also lead to additional cost burdens for EU farmers,
 - O. whereas the European Union is the leading global donor of development and humanitarian aid, but at international level the share of aid allocated to agriculture, particularly from the European Union, has constantly diminished since the 1980s,
 - P. whereas the European Union traditionally finances around 10 % of worldwide development cooperation, in addition to Member States' contributions; this is confirmed by the current contribution through EC instruments (around EUR 1.8 billion: EUR 1 billion through the new facility for rapid response to soaring food prices in developing countries and the rest through currently available development and humanitarian aid instruments),
 - Q. whereas, against a background of pressure on natural resources, global food demand is expected to double by 2050 and global food production will need to increase,
 - R. whereas, according to the FAO, an investment of EUR 30 billion per year would be enough to ensure the food security of a world population which will reach 9 billion by 2050,
 - S. whereas present international and regional agreements have proved incapable of normalising market supply and trade; whereas the recent surge in food prices should be a wake-up call for governments throughout the world that agricultural production is not to be taken for granted,
1. Affirms that global food security is a question of the utmost urgency for the European Union and calls for immediate and continual action to ensure food security for EU citizens and at global level; considers it important to recognise the value of all the world's farming and food cultures; stresses that food should be available at reasonable prices for consumers, while at the same time a fair standard of living for farmers should be ensured;
 2. Stresses the importance of the Common Agricultural Policy (CAP) as the means to secure food production in the European Union; believes that the CAP has provided EU citizens with a secure food supply since its inception in 1962, in addition to protection and enhancement of the rural environment and EU food production standards that are the highest in the world; stresses the need for Community agriculture to continue to play that role in the future;
 3. Notes, however, that over the past 25 years the result of the many CAP reforms has been a reduction in agricultural output in the European Union, with a shift in emphasis from quantity to market-led, quality production; believes that this policy shift has resulted in a loss of potential market opportunities for EU producers and has led to an increased reliance on imported food from outside the European Union, produced to very different production standards, thereby exposing EU agricultural products to unequal terms of competition;

Situation and causes

4. Points out that, prior to the most recent hike in food prices, over 860 million people globally experienced chronic hunger; notes that the World Bank predicts that the surge in food prices could push an additional 100 million people into deeper poverty;
5. Recognises the Food and Agriculture Organization (FAO) view that net food-importing countries are hardest hit by rising food prices and that many of these countries are the world's least developed; reaffirms the fact that poverty and dependence on food imports are leading causes of food insecurity; is mindful of the fact that only a small percentage of global food production is actually traded on the international markets, increasingly from a small number of exporting countries;
6. Notes that harvests for staple cereals for 2007 and 2008 have been good; notes that the immediate problem of food insecurity in 2007 was due to the fall in supply and the increase in basic commodity prices; is deeply concerned by the low levels of global food stocks which, at present, provide only enough grain for the entire world for less than 40 days;
7. Stresses that efforts to meet people's basic needs, in particular as regards food and water, can often be a source of conflict; notes that the growth in the world's population, which is expected to rise by 3 billion by 2050, will exacerbate such tensions in all regions of the world; calls, accordingly, for this geo-strategic factor to be taken into account in the future formulation of agricultural policy;
8. Notes with concern the escalating costs of farm inputs (price-increases in fertilisers, seeds etc.) which have translated into a rise in costs for which farmers (particularly in the livestock sector) have not all been equally compensated and which significantly eroded any potential increase in farm incomes arising from the higher commodity and food prices, thus eroding the stimulus to increase production; is concerned that dramatic increases in input prices could result in less usage and potentially reduced output which will exacerbate the food crisis in Europe and the world;
9. Notes that commodity markets have seen a sharp fall in prices in the current season, leading to producer concerns and eroding confidence among farmers;
10. Stresses the importance of a comprehensive analysis of rising food prices, taking into account rising energy prices for end consumers, stronger weather phenomena and increased demand for energy owing to the increased global population, and calls on the Commission to investigate further the possible link between high food prices and rising energy prices, in particular for fuel; Further stresses that steps must be taken to reduce the dependence of agriculture on fossil energy sources by using energy more efficiently and developing energy-saving systems of cultivation;
11. Calls for policy instruments aimed at averting such dramatic and damaging price fluctuations, and which are conscious of the need to provide a fair standard of living for producers; believes that the system of Single Farm Payment provides the opportunity for farmers to switch production according to market needs but may be insufficient to cope with dramatic market price fluctuations;
12. Draws attention to the longer term structural causes at play in the recent price increase of agricultural commodities, including steadily increasing global demand and sustained reductions in investment in production agriculture; notes that, among these factors, the increase in the price of energy, and in particular in the oil price, has had a major impact on global agricultural

production (due to increasing farm-production and food-distribution costs) and on the occurrence of food crises in the poor countries (due to food transport costs within these countries);

13. Notes that 2% of EU cereal production was diverted to biofuels in 2007, compared with 25% of US maize production going to ethanol production in that year; calls for a global assessment of this trend and the impact on food prices and for policy coordination at the global level to ensure that food supply is not jeopardised by the push for renewable energy production; calls also for the inclusion in international and regional agreements of commitments that the subsidies granted for biofuel production will not jeopardise world food security and will be consistent with applicable rules so as not to affect competition between trading partners; calls, nevertheless, for firm commitment from the European Union in promoting second generation biofuels;
14. Emphasises the need to strike a balance between the production of biofuels and bio-energy on the one hand, and the requisite global food reserves on the other. The increase in biofuel and bio-energy production can have a positive impact on the agri-foods sector, which is currently feeling the effects of the high prices of raw materials necessary to the processing industry, such as fertilisers and diesel oil, etc. The development of renewable energy sources is therefore a viable economic and social development alternative for rural areas and one that simultaneously offers a sustainable approach to environmental protection, especially if one factors in the European Union's 2020 targets for renewable energy. At the same time, however, measures need to be taken to ward off the adverse effects that the increase in the production of energy crops may have on biodiversity, food prices and land-use patterns;
15. Notes that the European Union has made a considerable contribution to increasing the supply of agricultural commodities by abolishing its set-aside scheme;
16. Draws attention to rapidly changing consumer eating habits, particularly in emerging countries with a shift towards more meat and protein consumption requiring more grain; notes also the welcome increase in real income in countries such as China and India, which will continue to drive the demand for agricultural goods and processed foods;
17. Believes that increasing market concentration in the food retail sector needs to be monitored to prevent it leading to the development of monopolies, as the activities of large retailers may not always be in the best interests of producers, processors or consumers;
18. Calls for the adoption of alternative solutions that adjust the balance in favour of small farmers, who find themselves unable to negotiate with the large retailers. Despite the existence at EU level of an anti-monopolies legislative framework that prevents big producers abusing dominant positions on the EU market, there are as yet no specific regulations for combating the monopolistic practices carried on by supermarkets and hypermarkets;

European Union responses

19. Believes that the CAP should remain the cornerstone of EU food-security policy now and beyond 2013; considers that functioning ecosystems, fertile soils, stable water resources and a diverse rural economy are essential in the interests of long-term food security; considers also that it is of fundamental importance that the CAP, together with other Community policies, should play a greater part in the world food balance;

20. Strongly believes, however, that the CAP should be further adapted to meet food-security concerns; is disappointed that, in its Health Check proposals of May 2008, the European Commission has not fully faced up to the challenge; is opposed to the dismantling of market management measures and cuts in farmers' support payments;
21. Calls, in light of the 2008-2009 Budget Review, for a stable and constant level of EU and Member States' expenditure on the CAP guaranteeing a fair income for farmers; recalls that farmers need a stable policy environment in order to plan for the future; stresses that the basic principle of such a policy is an income safety net against risks and crises arising either from adverse natural phenomena or from market distortions and an unusually long and widespread fall in prices; points out, in this respect, the fact that agriculture brings a significant added-value to national and EU economies;
22. Points out that the market alone cannot provide the income security for producers which they need to continue farming because of the high cost of compliance with EU food production, food safety, environmental and animal welfare standards; welcomes, however, the increased market orientation of the CAP; regrets, on the other hand, that the objectives of the 2003 reforms to provide higher market prices and less bureaucracy for farmers have not been fully achieved;
23. Believes that the numerous cross-compliance rules provide a disincentive to producers and that, where possible, these rules should be made less complex; welcomes, in this respect, the Commission's simplification initiatives;
24. Is alarmed that proposed EU legislation (for example on plant protection products) may have a dramatic impact by reducing the tools available to farmers to maximise yields and may, in effect, lead to a dramatic reduction in EU farm output; calls for a detailed impact assessment - in particular on the implications for food security - of all proposed measures;
25. Urges the Commission to look at the impact of climate change mitigation initiatives in the agriculture sector; considers that farming must make its contribution to efforts to combat climate change but must also receive resources in order to tackle the impact of climate change, being one of the most climate-sensitive sectors of the economy, in order not to depress EU farm output and result in its being replaced with imported production;
26. Believes that there is a need to review EU and other international production and market monitoring systems to provide a more rapid alert mechanism to determine production trends; believes there is a need for a global food inventory regime and a global system of food stocks and that the European Union should take the lead in devising such a system; urges the European Commission to act with global partners and to come forward with a proposal in this regard;
27. Calls for effective insurance policies to be made available, protecting against massive price and income fluctuations as well as weather-related impacts on production;
28. Calls on the Commission to devise an effective EU market monitoring system capable of recording the changes and trends in the prices of agricultural products and the cost of inputs; maintains that such a system must ensure transparency and facilitate cross-border comparisons of similar products;
29. Considers that an international observatory should be set up within the FAO to facilitate the monitoring of prices of agricultural products, inputs and food at international level;

30. Notes that, through successive reforms of the CAP, trade distorting elements of EU agriculture policy negatively impacting on farmers in the developing world have been addressed, but that trade relations remain unequal and that efforts still need to be made to construct a fairer system;
31. Notes, however, that EU policy reforms to meet WTO requirements have led to a reorientation of CAP supports away from production-linked payments, dismantling of market management measures and the opening up of markets, leaving consumers and producers increasingly exposed to world market instability; calls for policies under the CAP to incorporate provisions on food security and for trade agreements to incorporate equal commitments from partners to regulate trade in a way that does not jeopardise world food security; calls on the Commission, at the WTO negotiations, to advocate qualified market access, which will ensure that the high environmental standards of EU farming and the right of every State to food security are not undermined by cheap imports;
32. Notes that the European Union is pushing ahead with its commitments to abolish all export refunds by 2013 and that through the CAP Health Check further reforms of the market support instruments are being pursued, in line with WTO agreements;
33. Considers that the financing facility for rapid response to soaring food prices in developing countries is a necessary first step to tackle the immediate needs of those most affected by the food crisis; stresses, however, that this facility is a one-off measure designed to target funds from Heading 4 of the EU budget towards small-scale agriculture in the worst hit countries which will need to be reinforced by further investment; considers that the Commission should audit how the money is spent and ensure that it is always used where the need is greatest, and that regular reporting to Parliament should be carried out; furthermore, requests that Parliament have regular oversight of implementation, through the 'regulatory procedure with scrutiny';
34. Calls on the Commission to reinforce its present programmes designed to ensure food security in Europe and around the world; calls for a reinforcement of the Food Security Thematic Programme (2007-2010), currently endowed with EUR 925 million for the entire programming period; welcomes the proposal for an increase in the budgetary allocation for the Food Distribution Programme for the Most Deprived Persons of the Community (MDP) presented by the Commission on September 17, 2008; calls on the Commission to adopt a comprehensive strategy on food security issues so as to achieve coherence among all Community policies;
35. Is alarmed by the current global financial crisis which may result in a reduction in finance available for farming; calls on the European Commission to analyse the effects of the financial crisis on the agricultural sector and to consider proposals to ensure the stability of the sector, also in terms of access to loans and credit guarantees;
36. Points to research which shows that consumers are for the most part unaware of the vital benefits provided through the CAP by way of food security and reasonably priced food⁽⁴⁾; calls for citizen information policies and a renewed commitment to simplification, which would result in an increased awareness of the instruments and benefits of the CAP; proposes that the costs of not having a common agricultural policy should be explained to the public;
37. Believes that the CAP should play a significant role in the European Union's foreign affairs and development policies with special regard to the external food security policy; believes that, besides securing the European Union's food production, the CAP can contribute to meeting the increased demand for food globally;

38. Notes that armed conflicts impact very negatively on production of and access to food; expresses its concerns about the serious consequences of conflict-proneness as regards food security, e.g. through mass migrations, paralysis of agricultural production, detrimental impact on vital infrastructure;
39. Believes that it is crucial to avoid disruptive competitive scrambles for scarce food resources; therefore calls for more effective EU coordination with non-governmental organisations, the FAO and other international agencies at a technical level and with the UN at a political level to promote fair access to global food resources and to increase food production in key developing countries while consistently taking into account biodiversity and sustainable development criteria;
40. Urges the European Union to help countries at risk of conflict to develop strong agricultural policies of their own based on easy access to raw materials, quality education and adequate funding, as well as on reliable infrastructure; believes that EU aid should be targeted at improving self-sufficiency with regard to food for recipient developing countries, which will improve regional food security and access to food for the poorest sections of society;
41. Notes that some growing economies might be planning to lease large tracts of land in poorer parts of Africa and Asia for the purposes of growing crops and shipping them back to their markets so as to improve their own food security; believes that, together with the FAO, the European Union must take this phenomenon seriously as a major threat to food security and to effective agriculture policy in host countries;

Agriculture in the developing world

42. Stresses that the current food challenges call for food production to be stepped up in order to keep pace with increasing demand, while improving quality, lowering costs and ensuring greater sustainability; considers that, in order to achieve this, public policies need to be overhauled with a view to improving production and stock management methods, as well as world market regulation;
43. Stresses the need for more medium and long-term action to develop agriculture and food production in developing countries, particularly in Africa, taking account of the recommendations of the United Nations' International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD); is of the opinion that agricultural development can serve as the starting point for broad economic development in a country;
44. Believes that the European Development Fund should be more focused on agriculture, particularly small farms and processing of products on the spot, as the vast majority of the world's poor live in rural areas that are highly dependent on agricultural production; considers, moreover, that efforts should be made to establish rules for agricultural trade, which guarantee food supplies in all countries; believes that developing countries should be accorded trade advantages that support the strengthening of national production; calls on the Commission to take these considerations into account during the WTO negotiations, as well as when negotiating Economic Partnership Agreements (EPAs) with developing countries;
45. Considers that one serious obstacle to increased agricultural output in developing countries is the lack of access for small farmers to loans and micro-credits for investment in improved seeds, fertilisers and irrigation mechanisms; stresses, further, the issue of loan guarantees that in most

cases are not available; calls on the European Investment Bank to look into means to provide programmes for local food producers in developing countries with loan guarantees to support access to credit and micro-credit;

46. Reaffirms its belief in the need for regionally integrated agricultural markets; calls on the Commission to support regional cooperation and integration; reminds African, Caribbean and Pacific (ACP) Group of States of the success of agricultural integration in Europe and the stability it has provided for over 50 years; therefore encourages regional economic communities of ACP states to step up their activities in the agricultural field and calls on developing countries to reduce trade barriers amongst themselves;
47. Stresses, further, the fact that agriculture needs to be transformed from a system of subsistence farming to a job-creating rural economy; considers, further, that in order to develop robust agricultural sectors, a particular emphasis should be put on measures to support young farmers in the developing world; believes the European Union should increase cooperation and support efforts to modernise food chains in developing countries, making them more effective; considers, further, that the European Union should support initiatives such as the common seeds programme, started by the African Union and its national and regional partners;
48. Considers that, if the developing countries are to pursue an effective development policy, they must adopt a national or joint regional strategy for rural development with clear support measures for producers and products; considers, in this context, that EU development aid will not be of a piecemeal nature but will form part of the cofinanced national or joint regional strategy for rural development;
49. Demands that a permanent food-security fund be created in support of the world's poorest, under Heading 4 of the General Budget of the European Union to complement other development measures financed by the European Union;
50. Welcomes global initiatives such as the United Nations High-Level Task Force on the World Food Price Crisis and considers that the European Union should coordinate its efforts with the Task Force; stresses the importance of the Voluntary Guidelines on the right to adequate food adopted by members of the FAO; proposes, furthermore, that, in order to ensure the availability of food, a worldwide stockholding obligation programme should be created, as well as a better basic storage system for key production inputs (protein, fertilisers, seeds, pesticides), preferably based on private-sector players, including farmers' cooperatives;
51. Is mindful of EU commitments to the developing world and our current and future WTO obligations; requests that EU support measures assist the goals as stated in the Maputo declaration of 2002 of African governments; calls on Member States to respect their commitments towards achieving the UN Millennium Development Goals, and in particular the provision of 0.7 % of their Gross National Product to development assistance; is of the opinion, however, that the quality of development assistance is more important than the amounts spent thereon;
52. Regrets the reduction in the amount of development aid being devoted to agriculture and rural development, which was 17 % in 1980 and only 3 % in 2006; urges the Commission to direct and monitor the contribution of the EU financial support towards achieving agricultural-led growth and to do all in its power to induce governments to spend the amount of 10 % of the national

budget on the agricultural sector, as they have committed to (e.g. by setting objectives targeted at national agricultural policies);

53. Reaffirms that, for countries belonging to the African, Caribbean and Pacific (ACP) Group of States, agriculture is a sector which is more capable than others of generating growth for poor rural people, thereby making a tangible contribution to the attainment of the first Millennium Development Goal on the eradication of extreme poverty and hunger, and underlines how it is therefore crucial to act immediately and to promote greater investment in agriculture and rural development;
54. Emphasises that agricultural development must be based primarily on the right to food and the right to produce food, enabling all people to have the right to safe, nutritious and culturally appropriate food produced using environmentally sound and sustainable methods in an autonomous farming structure;
55. Calls on the European Union to recognise developing countries' right to food sovereignty and to support this with targeted measures, primarily using and developing the available structures and resources – such as seeds, manure and means of production – as well as fostering regional integration;
56. Calls on the European Union to put agriculture back at the centre of its development agenda, giving specific priority to programmes for agricultural development including clear targets for poverty reduction and feasible objectives, particularly measures promoting small-scale agriculture and the production of food for local markets through the use of biodiversity, with a particular focus on capacity-building for small-holder farmers and women;
57. Calls for the European Union to join forces with Members States, ACP Governments, international organisations, regional development banks and private foundations, non-governmental organisations and local authorities, to incorporate new projects and programme interventions for soaring food prices into regional programmes in a better way;
58. Calls for measures to improve training to enable young people to pursue higher education in agriculture, including training on how to meet EU sanitary and phytosanitary standards, as well as to create job opportunities for agriculture graduates for the purpose of reducing poverty and migration from rural to urban areas, and for the purpose of avoiding 'brain drain' – migration from developing countries to developed countries;
59. Recalls the Food Crisis Prevention Network's 2008 Code of Good Conduct in Food Crisis Prevention and Management, and calls for it to be implemented and observed in the Common Agricultural Policy; furthermore supports and urges involving civil society and promoting the interests of women, small-scale farming cooperatives and producer groups in order to ensure food security and food self-sufficiency;
60. Is very concerned by the fact that, in many instances, military and defence budgets are larger than budgets for agriculture and food;
61. Believes that smallholders represent the cornerstone of agricultural development; stresses some of the most severe problems facing small farmers in the developing world, such as access to markets, land, training, financing, inputs and technology; reaffirms the importance of developing

rural infrastructure and investment in small farms and traditional low-input methods production suited to its location;

62. Whereas a significant factor in global food production is a lack of trade in foodstuffs, notes that according to the United Nations Food and Agriculture Organisation, global rice production increased in 2007 while trade in rice fell in the same year;
63. Believes that further, unregulated liberalisation of agricultural trade would lead to a further increase in food prices and even higher price volatility; stresses that the worst affected would be the most vulnerable, food-importing developing countries; stresses, furthermore, that world trade rules must under no circumstances undermine the right of countries or regions to support their farming sectors with a view to ensuring food security for their population;
64. Believes that market opening policies for agricultural products in the framework of the WTO and bilateral free trade agreements have significantly contributed to a loss of food security in many developing countries and in the context of the current global food supply crisis; calls on the Commission to re-assess its free market approach to agricultural trade accordingly;
65. Calls on the large food exporting countries (Brazil, Argentina, Thailand, etc.) to act as reliable suppliers of staple foods and to avoid export restrictions, which could have disastrous consequences, especially on poor food-importing developing countries;
66. Is alarmed by the current world financial crisis which could lead to a reduction in the funding available for public development aid; calls on the Commission to analyse the impact of the financial crisis on the development aid sector and to continue devising proposals with a view to supporting agriculture in the world's poorest countries;
67. Notes that the global food crisis is among the great threats to peace and security in the world; welcomes, in that respect, the recent efforts of the Commission to investigate ways of tackling the global food security issue; calls on the Member States to support such initiatives at national and local level;

Research and development

68. Reaffirms its commitment to investment in technology and innovation in agriculture and farm production;
69. Stresses the importance of publicly funded research which serves to promote food security rather than focusing one-sidedly on industrial interests; calls for investment in research not only into individual new technologies but also into comprehensive farming systems which will serve the aim of long-term food security; stresses in this connection the pioneering role which could be played in this field, for example, by a EU technology platform for ecological agricultural research;
70. Stresses the importance of research but also of transferring the knowledge gained through research down to farm level through an effective farm extension service, particularly in the developing world; calls for a strengthening of agricultural research and knowledge generation;
71. Is concerned that the emphasis in the European Union on cross-compliance may be to the detriment of farm production research and advice; stresses the need for both;

72. Calls for an accelerated programme of research and development on sustainable and energy-efficient agriculture, suited to its location; encourages Member States to support research aimed at increasing productivity in respect of applications to agriculture; is mindful of the concerns of EU consumers;

Sustainable world agriculture

73. Is concerned by the alterations to weather patterns brought about by climate change, which, it is predicted, will make droughts and floods more common, with negative impacts on harvest yields and predictability of global agricultural production;

74. Is concerned that the implementation in the European Union of proposals to further reduce greenhouse gases may adversely affect EU food production, particularly livestock production;

75. Recognises that improved energy efficiency is needed in the agricultural sector, which generates a significant share of total CO₂ emissions;

76. Considers that expansion of biofuels and bioenergy production could impact positively on the agricultural and food processing sector which is suffering from higher prices for inputs such as fertilisers, pesticides, and diesel, as well as transport and processing costs;

77. Recognises that the agricultural sector supports the livelihood of the majority of the population in many developing countries, and therefore encourages these countries to develop a mechanism of stable and transparent agricultural policies that will ensure long-term planning and sustainable development;

78. Asks the Commission to monitor closely the effects of increased bioenergy production in the European Union and in third countries as regards changes in land use, food commodity prices and access to foodstuff;

79. Reiterates that incentives for sustainable cultivation of energy crops should not jeopardise food production;

80. Calls on the Commission and the Member States to promote research and development to prevent and adapt to climate change, including, inter alia, research into the next generation of biofuels, in particular the use of high-yield energy crops, environmentally friendly fertilisers that are as effective as possible, new agricultural technologies with minimum negative effects on land use, the development of new plant types that are resistant to changes in climate and related diseases and research into ways to use waste in agriculture;

81. Believes that there is a need for further agricultural research, in order to increase sustainable farm productivity, and calls on the Member States to exploit fully the opportunities offered in this respect by the Seventh Framework Programme for research and technological development, and to adopt measures that will improve agricultural output in a sustainable and energy efficient way.

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