

## EXTRACTS

# Food programm under discussion: the end of a European solidarity towards the most deprived persons?

Understanding the ongoing debate

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## 1.2.2. Emergence of solidarity towards the most deprived people: food programme (1987)

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### *Origin and functioning of the programme*

The food aid programme for deprived people dates back to 1987, the year when Europe experience an exceptionally tough winter, with particularly serious consequences for the most vulnerable people. “In order to alleviate the humanitarian emergency the Community adopted measures to release various foodstuffs, particularly agricultural products which were available in the Community intervention stocks, to charitable organisations for free distribution to the persons in need.”<sup>1</sup> This programme is still in force. For Mariann Fischer Boel, the former EU Commissioner for Agriculture and rural development, “it is a concrete way for the European Union to help some of the most disadvantaged people in our society”<sup>2</sup>.

The participation of member states in the programme is voluntary and a new plan is adopted every year by the Commission. The operational management is entrusted to charitable organisations that receive foodstuffs and ensure the

1. European Court of Auditors, 2009.

2. It is targeted at the most deprived people, i.e. physical people, individuals or families or groups made up of these people, whose situation of social and financial dependence is noted or recognised on the basis of criteria of eligibility adopted by the competent authorities or is judged against criteria practised by charitable organisations and approved by the competent authorities. It is about people whose income is lower than 60% of average income. The threat of food poverty, according to the Eurostat definition, is defined as the percentage of people who cannot afford a meal with meat, chicken or fish every two days. Aid is generally provided to different categories of people living in poverty, especially families encountering difficulties, elderly people with insufficient means, people with no fixed abode, handicapped people, children in danger, poor workers, migrant workers and asylum seekers.

distribution of it to the people concerned. For the European Court of Auditors, the programme “has had a powerful leveraging effect by allowing the development of networks of charitable organisations and by facilitating coordination with public authorities.” The budget for this programme, which is supported by a growing number of member states – nineteen in 2009 – has increased from 307 million euro in 2008 to 500 million euro in 2009.

### ***Social and economic motivation***

The European Court of Auditors (2009) specified that the EU’s food aid programme for deprived persons pursues a social objective. First of all<sup>3</sup>, by contributing to the food security of deprived people and therefore to their wellbeing. Secondly, by stabilising markets for farm products thanks to the reduction of intervention stocks. These two objectives find their justification in the Treaty given that they “are aligned on the objectives of the CAP set out in Article 33”<sup>4</sup>. This double justification can be checked in the evaluation method of the efficiency of the system, which “is not measured by the number of meals offered per beneficiary but by its capacity to secure a stable outlet for products from intervention stocks and a reliable source of food-stuffs for the charitable organisations taking part in aid to the most deprived persons”.

However, the social objective of the programme has been maintained several times in the absence of stocks to sell. That has been possible since a change in the application arrangements by the Commission in 1992<sup>5</sup> and the decision of 1995, which allowed member states to buy on the Community market products that are temporarily unavailable in the intervention stocks (crops, sugar, powdered milk, butter). Thus, when the markets are not in a surplus situation, the measure essentially pursued a social objective.

3. In 1998, the Commission recognised the social dimension of the programme as a primary objective and considered that «the measure should be implemented on a durable basis until the stocks have been run down to a normal level». In addition, noting in 2006 that 16% of EU citizens (80 million) were deprived, the European Parliament called for maintaining and increasing the aid as part of the efforts to reduce poverty. Extracts from the European Court of Auditors, 2009.

4. Commission’s reply to the European Court of Auditors; *ibid*.

5. Regulation (EEC) No.3149/92.

Purchases accounted for 18% of the resources in the value of the programme in 2006 and 85% in 2008<sup>6</sup>.

Despite the growing participation of member states, this situation generated opposition from some of them, considering that, in the absence of intervention stocks, with the link becoming more tenuous between farm expenditure and social expenditure, the EAGGF budget should not finance this programme. In the context of sustainable decoupling between social measures and the regulation of agricultural markets, member states showed their reluctance towards maintaining this measure within the CAP. In September 2010, the Commission proposed to the EU-27 to extend the programme for food aid to deprived persons. Six member states (the UK, the Netherlands, the Czech Republic, Sweden, Denmark and Germany) contested the plan by noting that “this kind of aid in favour of the disadvantaged layers of the population come under social policy, which is the competence of member states and not of the CAP”.<sup>7</sup>

#### **Box No. 2. THE MEASURES FROM ARTICLE 68 (REGULATION EC 73/2009) ROOM FOR MANŒUVRE TO HELP SECTORS FACING SPECIFIC PROBLEMS**

**Before the healthcheck in 2008, in the context of Article 68, member states could retain, by sector, 10 percent of their national budget ceilings for direct payments and use it for environmental measures or improving the quality and marketing of products in that sector.**

**This possibility became more flexible in 2008. The money would no longer have to be used in the same sector. It could be used to help farmers producing milk, beef, goat and sheep meat and rice in disadvantaged regions or vulnerable types of farming. It could also be used to support risk management measures such as insurance schemes for natural disasters and mutual funds for animal diseases. Finally, countries operating the Single Area Payment Scheme (SAPS) system were to become eligible for the scheme.**

**Additional finance for the farmers from the 12 new member states of the EU: 90 million/€ was to be allocated to the EU-12 to make it easier for them to make use of Article 68 until direct payments to their farmers had been fully phased in.**

**Source : [http://ec.europa.eu/agriculture/healthcheck/index\\_en.htm](http://ec.europa.eu/agriculture/healthcheck/index_en.htm)**

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6. *Ibid.*

7. Agra Presse, Monday 4 October 2010.

### 3.2.1. Reinforcing food aid for the poorest citizens

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The CAP is not, strictly speaking, a food policy. However, for the most disadvantaged citizens of relatively wealthy old member states, and for a large number of citizens of new member states, which, overall, are poorer, the loss of purchasing power due to the customs protection and price support in place is significant. The gap separating the amount of aid granted to not particularly poor farmers and the meagre subsidies allocated to the charitable organisations running food programmes for poor sections of the population is difficult to justify.

In France, the EU only provides 30% of the resources of food banks. The programme's capacity to help poor citizens is limited; on average, it provides only one meal a month. Despite the increase in budgetary credits in 2006, 2007 and 2008, the amount available per person was, respectively; 6.24€/person, 5.73€ and 5.83€<sup>8</sup>.

This shortage contrasts with aims of global food security which is used to defend the CAP, and which disregards the individual food security of the most disadvantaged citizens within the EU. The establishment of a generous food aid programme targeted at the poorest citizens, within the

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8. European Court of Auditors,

framework of a general policy devoted to agriculture and rural development, would be more in line with the stated objectives of food security than the current agricultural policy.

### **3.2.2. Beyond farming, public aid for rural communities**

Rural development aims to preserve viable communities in rural areas. In other words, inhabitants should have access to necessary services and be able to enjoy an acceptable level of social life. Difficulties are often greater in very lightly populated areas, while rural communities situated close to urban centres, which generally have access to services and the employment market and do not depend solely on agriculture in economic terms, experience fewer problems. The presence of reasonably good quality services requires the existence of a critical mass to render a profession (e.g. medical) or an infrastructure (educational, sporting or cultural) viable for the private sector, or justifiable in terms of public subsidies. The most important economic factors contributing to the vitality of a rural community are agriculture, forestry and other extraction activities. Nonetheless, rural communities can also take advantage of the opportunities that natural resources provide for hobbies, such as tourism, or simply for residence. Rural development can also make use of economic activities which are less demanding in terms of the location of the business, but for which the presence of manpower and rural infrastructures could prove an advantage.

In most cases, agriculture cannot provide the sole basis of economic activity. Figures show that agricultural activity only accounts for an average of 20% of jobs in rural areas. In areas specialised in cultivation or breeding of pasture-fed livestock, there is a flagrant contradiction between the size of farms as dictated by the requirements of efficiency, and the objective of preserving a sufficient density of agricultural population. Therefore, rural development policy should not only target the agricultural sector.

Unfortunately, programmes conceived under the guidance of rural development policy have too often followed this tendency. Most reports cite a serious imbalance in favour of agriculture, to the detriment of support for other actors in rural areas. Direct payments therefore find their economic justification in the occupation of lands and the preservation of the countryside, as much as in the protection of open agricultural space from neglect, overgrowth and reforestation, and the preservation of agricultural practices which respect the environment. But the enlargement of the rural development base is justified. Boosting the attractiveness of rural areas means the creation or improvement of infrastructure, public services and other public goods.

# Is the CAP a ground for European disunion?

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