



HOUSE OF LORDS

European Union Committee

2nd Report of Session 2010–11

**Subsidiarity
assessment:
distribution of food
products to
deprived persons**

Report

Ordered to be printed 27 October 2010 and published 28 October 2010

Published by the Authority of the House of Lords

London : The Stationery Office Limited
£3.00

HL Paper 44

The European Union Committee

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The Members of the Sub-Committee which prepared this report are listed in Appendix 1.

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Sub-Committee Staff

The current staff of the Sub-Committee are Paul Bristow (Clerk), Alistair Dillon (Policy Analyst) and Melanie Moore (Committee Assistant).

Contacts for the European Union Committee

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Subsidiarity assessment: distribution of food products to deprived persons

Amended Commission proposal for a Regulation of the European Parliament and of the Council amending Council Regulations (EC) No 1290/2005 and (EC) No 1234/2007 as regards distribution of food products to the most deprived persons in the Union ((COM(2010)486, Council Document 13435/10)

Recommendation

1. We recommend that the House of Lords should issue the reasoned opinion set out below to the effect that the proposed Regulation does not comply with the principle of subsidiarity; and should send it to the Presidents of the European Parliament, the Council and the Commission, in accordance with the provisions of the EU Treaties.

Scrutiny reserve

2. This report does not complete our scrutiny of this proposal.

Our report

3. This report was prepared by the Agriculture, Fisheries and Environment Sub-Committee whose members are listed in Appendix 1.

Reasoned opinion

4. Since 1987,¹ excess stocks of food purchased into public stores under the intervention mechanisms of the Common Agricultural Policy (CAP) have been made available to the most deprived persons in the Union. In 2008, more than 13 million people benefited from the scheme.² Following reform of the CAP, and the consequent reduction in intervention stocks, the programme has relied increasingly on market purchases for the provision of this food. An internet-based public consultation has expressed strong support for the continuation of an EU food aid programme and the European Parliament has stressed the fundamental nature of the right to food.³ Member State participation in the scheme is voluntary, and the UK has not participated in it since the mid-1990s.
5. While leaving unchanged the voluntary nature of Member State participation in the scheme, the Commission's proposal would:
 - formalise the provision for food under the scheme to be sourced not just from intervention stocks but also from the open market;
 - widen the range of goods that can be purchased in order to take into account nutritional balance and suitability for distribution, allowing Member States to give preference to food products of Union origin;

¹ Council Regulation (EEC) No 3730/87

² COM(2010)486 p.2

³ Ibid p.3

- establish three-year programmes instead of the current annual rounds in order to allow longer-term planning by Member States and charities;
 - introduce co-financing by participating Member States at a minimum of 25% (10% for cohesion countries) of eligible costs with an annual ceiling of €500m for co-financing from the EU budget; and
 - enhance reporting obligations, both for participating countries and for the Commission.
6. The Commission justifies its action on the following basis:⁴
- the programme addresses problems of hunger, deprivation, poverty and social exclusion in the spirit of the Treaty, which states that the Union's aim is to "promote the well-being of its peoples" and "promote [...] solidarity among Member States" (Article 3, TEU);
 - the programme contributes to meeting the CAP's objectives of stabilising markets and ensuring that supplies reach consumers at reasonable prices;
 - social support provided by Member State authorities rarely focuses on access to food; and
 - the programme can trigger Member State action, and help charities and civil society to develop their own initiatives to ensure the right of all EU citizens to food.

Conclusions

7. Even to the extent that addressing problems of hunger, deprivation, poverty and social exclusion can be considered to be in the spirit of the Treaties, it is nevertheless the case that the spirit of the Treaties can be respected without Union action, and it can be promoted by the Union without following the legislative route. Inequalities between Member States are dealt with through EU cohesion policy. Member States are capable of acting individually to address the issues highlighted; and indeed confusion could arise from the parallel operation in a Member State of a national system and the EU scheme.
8. The extent to which purchases from the market contribute to the objectives of the CAP is questionable, being dependent on numerous factors, including: the quantity of food purchased from the market; any reduction in purchases by deprived persons who become eligible for the scheme; and the price paid. In any event, there is no reason why the Union is better placed to organise the purchase of products from the market than Member States.
9. The failure of Member States to act is not in itself a reason for the Union to act. The voluntary nature of the scheme suggests also that there is no demonstrable need for action, particularly at the Union level. All Member States do, of course, retain a stake in the proposal because it is part-financed from the Union budget.
10. In conclusion, there appears to be no compelling argument to suggest that the Union is better placed than Member States to ensure a food supply to its most deprived citizens.

⁴ SEC(2008)2437 p.3

APPENDIX 1: SUB-COMMITTEE ON AGRICULTURE, FISHERIES AND ENVIRONMENT

The members of the Sub-Committee which prepared this report were:

Earl of Arran
Baroness Byford
Earl of Caithness
Lord Cameron of Dillington
Lord Carter of Coles (Chairman)
Earl of Dundee
Lord Giddens
Baroness Howarth of Breckland
Lord Lewis of Newnham
Baroness Parminter
Baroness Sharp of Guildford

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