UN official: The EU should consider the global impact of its farm policy

Published: 18 January 2013

A UN rights official is urging the European Parliament to require that the EU monitor how Common Agricultural Policy (CAP) subsidies and other support for growers affect farmers in developing nations.

Background

The EU is Africa’s biggest trading partner, accounting for about 35% of imports and exports, with China and the United States competing for second. The EU absorbs about 40% of Sub-Saharan Africa’s agricultural exports, compared to 25% within Africa.

But foreign commerce doesn’t necessarily translate into prosperity.

A decade of economic improvement and growing south-north trade “has not been translated into commensurate reductions in unemployment and poverty,” says the 2011 Economic Report on Africa.

With notable exceptions, many African countries offer uninviting climates for investment because of bureaucracy, protectionism, mercurial politics and primitive infrastructure. Rudimentary transnational and transcontinental transport and banking also hamper commerce.

Olivier De Schutter, the UN special rapporteur on the right to food who last year pressed the EU to scrap its biofuel targets to help ease global food prices, on Thursday (17 January) called for MEPs to restore proposed amendments to the CAP that were left out of a compromise document to be considered next week by the Parliaments’ agricultural committee.

“Reform of the Common Agricultural Policy means high stakes not only for European farmers, but for millions of others worldwide who are affected by EU policies,” said De Schutter.

“Opportunities are running out for development-proofing the CAP,” he said in a statement. “In order for the CAP to work for farmers inside and outside the EU, we must undertake detailed monitoring of the impacts of EU farm exports and imports on developing countries, consult developing world farmer organizations, and conduct a proper assessment of the impacts on the right to food.”

The agricultural committee is due to consider CAP amendments at meetings on 23-24 January. Last year, the Parliament’s development panel called for the EU to assess the impact of its farm support programme on other nations amid criticism that European subsidies harm farmers in poor nations.

In June, the development committee adopted the recommendations made by German MEP Birgit Schnieber-Jastram (European People’s Party) that also urge an end to export subsidies and that direct payments to farmers be decoupled from production “to create a level playing field between EU and developing countries’ agricultural production.”

Amendment dropped in draft compromise

Anti-poverty groups welcomed the development committee’s position, but the amendment was later dropped in the compromise proposals on the CAP – traditionally the EU’s single most expensive programme.

“The Common Agricultural Policy is something that affects everyone,” Ricardo Fuentes-Nieva, an Oxfam researcher in Britain, told EurActiv. “These huge national subsidies are distorting international markets, so that something that is definitely affecting [poor countries].”
Fuentes-Nieva also said EU policies of subsidising domestic food production while providing aid to support agricultural in developing areas, including special agricultural trade ties the EU has with Africa, “is not consistent. The impact that sending money and supporting agricultural systems in Africa is being offset by the advantage that local European producers are getting from local subsidies.”

De Schutter, a Belgian law professor who has served as the UN expert on food rights since 2008, said the EU is bound by law – Article 21 of the EU treaty - to weigh the impact of its policies abroad.

He also said the EU’s Policy Coherence for Development calls for ensuring “that all EU policy areas with an external impact be designed to support and not contradict the fight against poverty and the achievement of the [UN] Millennium Development Goals, as well as the fulfilment of human rights, including gender equality and social, economic and environmental rights.”

UN rapporteurs have limited powers beyond providing advice and making recommendations to UN bodies and member states.

Last year, De Schutter urged the United States and EU to abandon their subsidies for biofuels targets for road transport set out in the 2006 Renewable Energy Roadmap. The recommendation was made as a summer drought affected three-quarters of the US corn crop and 85% of the main maize-producing region in the United States, creating a temporary spike in food prices.

José Graziano da Silva, head of the UN Food and Agriculture Organization, also urged governments to rethink their mandates.

In response to concerns about high food prices and the potential environmental impact of agro-based fuel, the European Commission in October called for halving its target of 10% biofuel use in transport by 2020.

Next Steps

- **23-24 Jan.**: European Parliament's agriculture committee to meet