EUROPEAN COMMISSION



Brussels, - 4 OCT. 2011 C/2011/6621

Ms Anne-Marie Meldgaard Chairperson of the European Affairs Committee Folketinget Christiansborg DK – 1240 Copenhagen

Dear Ms Meldgaard,

I would like to thank you for forwarding the reasoned opinion of the Folketinget on the Commission proposal for a Regulation of the European Parliament and of the Council establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation){COM (2010) 799}. This reasoned opinion refers exclusively to the provisions in the proposal regarding the distribution of food products to the most deprived persons in the Union that forms part of the Single CMO Regulation).

The Commission notes that the reasoned opinion is very similar to an earlier opinion of the Folketinget dated 15 November 2010 on the Commission proposal for a Regulation of the European Parliament and of the Council amending Council Regulations (EC) No 1290/200 and (EC) No 1234/2007, as regards the distribution of food products to the most deprived persons in the Union {COM (2010) 486}, to which I replied, on behalf of the Commission, on 18 April 2011 by means of letter ref C/2011/2673.

The Commission would like to highlight that the purpose of {COM (2010) 799} is to align the Single CMO Regulation to the provisions of the Lisbon Treaty and, as far as the provisions relating to the distribution of food products to the most deprived persons in the Union are concerned, it simply incorporates the wording proposed under {COM (2010) 486} for this very scheme, which explains the similarity of the current reasoned opinion with the one of 15 November 2010.

As explained in the Commission's reply of 18 April 2011, I would like to recall the following elements:

First, the Commission would like to assure the Folketinget that it takes very seriously the Treaty obligation (article 5 of Protocol 2) to motivate its proposals in light of the subsidiarity and proportionality principles. In preparation of this proposal the Commission carried out an impact assessment in 2008, in which it analysed subsidiarity in terms of value added and the necessity for intervention by the EU in this field. This assessment is publicly available. ¹

¹ http://ec.europa.eu/agriculture/markets/freefood/fullimpact_en.pdf

The purpose of the European Programme of Food Aid for the Most Deprived Persons is twofold. While it certainly seeks to fulfil the CAP's Treaty objective of ensuring that food reaches consumers, it also has a primary role in the use of public intervention stocks of agricultural products.

To provide you with the most recent information, 87% of the resources devoted to food procurement in the programme's 2010 plan were sourced through intervention stocks, while for 2011 the share rose up to 97%. The recently adopted 2012 plan is exclusively sourced from intervention stocks.

Even if the situation in the markets has improved, intervention remains an important market stabilisation tool, offering a safety net against price volatility. The management of intervention at EU level is the responsibility of the European Commission. Under the aegis of the Common Agricultural Policy, the food aid programme for the most deprived remains a main outlet for intervention stocks.

It is therefore the Commission's view that the proposal's merits lie in its dual contribution to two of the objectives of the Common Agricultural Policy as enshrined in the Treaty, namely, market stabilisation and ensuring that supplies reach consumers at reasonable prices. In this scheme, both goals go hand in hand and cannot be considered separately.

The 2008 impact assessment considered various options for the programme's future, ranging from the maintenance of the status quo to the termination of the programme. It elaborated as well on the subsidiarity issue, as mentioned above.

The impact assessment emphasised that the food aid programme did not seek to replace or substitute private or national actions, but rather to complement and underpin them. It is the Commission's experience in many of the 20 participating Member States, in particular those where no food distribution previously existed, that the initiation of the EU programme has had what could be described as a snowball effect, enabling the development of various types of locally-based social aid programmes.

This view was largely supported in an internet-based public consultation and by the NGO community across participating Member States.

A final argument as regards compliance of the programme with the subsidiarity principle is the extent to which responsibility for implementing the Programme is delegated to the participating Member States:

- It is the responsibility of each Member State to identify the target population to which it wishes to direct the food aid. They usually do this in consultation with charities or public authorities with the appropriate local knowledge.
- The Union has no role in purchasing products from the market; this is the responsibility of the Member States.

³ Commission Implementing Regulation (EU) No 562/2011

² Commission Regulation (EU) No 945/2010

The Commission	hopes that	these	clarifications	address	the	questions	and	concerns	raised	in
your opinion, and I look forward to continuing the political dialogue with the Folketinget.										

Yours sincerely,

Maroš Šefčovič Vice-President for Inter-Institutional Relations and Administration