



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 11 January 2012

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DRAFT STATEMENT OF THE COUNCIL'S REASONS

Subject : Position of the Council with a view to the adoption of the Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1290/2005 and Council Regulation (EC) No 1234/2007 as regards distribution of food products to the most deprived persons in the Union
- Draft statement of the Council's reasons

I. INTRODUCTION

On 25 September 2008, the Commission submitted a proposal¹ to the Council on the above issue.

The European Parliament delivered its opinion at first reading on 26 March 2009.

On 17 September 2010, the Commission presented an amended proposal². On 3 October 2011, the Commission submitted a new amended proposal³ replacing the previous one.

The Economic and Social Committee delivered its opinion on 7 December 2011.

On 15 December 2011, the Council reached a political agreement on the text of the proposal.

II. OBJECTIVES

The scheme was originally established in 1987, allowing Member States to release public stocks of surplus food for use as food aid. Since then, the situation has changed (intervention stocks are almost non-existent) which led the Commission in 2008 to adopt a proposal to allow food purchases on the open market on a permanent basis. The main elements of that proposal were the introduction of national co-financing and of three-year distribution plans, and the eligibility of those products to which no intervention applied.

The most recent amended proposal of October 2011 provides for the alignment of EU agricultural legislation with the Lisbon Treaty provisions on delegated and implementing acts and, furthermore, it provides 100 % EU funding with an annual ceiling of EUR 500 million, as well as reimbursement of storage costs to charities and the maintaining of the current annual plans. In addition, market purchases are made a regular source of supply for the programme to complement intervention stocks.

¹ 13195/08
² 13435/10
³ 15054/11

III. ANALYSIS OF THE COUNCIL'S POSITION AT FIRST READING

The Council's position confirms most of the amendments introduced by the Commission in the amended proposal and, therefore, takes into account all the European Parliament's substantial first-reading amendments.

In particular, the Council accepts the European Parliament's view as regards full Union funding for the programme, the possibility of giving preference to food products of Union origin, and the notion that the transport, storage and administrative costs directly linked with the implementation of the scheme can be eligible.

The Council's position also introduces some changes to the amended proposal not covered by the European Parliament's first-reading opinion, which referred to the first proposal from 2008:

- it removes the additional legal basis proposed by the Commission on social cohesion (Article 175(3) of the TFEU) ;
- it phases out the programme within the CAP by 31 December 2013;
- it exceptionally removes the alignment provisions; and
- it provides for retroactivity as from 1 January 2012.

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