



**For immediate release:**  
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## **ONE welcomes EU 1 billion for long term solution to food crisis in developing world**

- **EU leadership on EU 1 billion must be backed by swift action says organisation supported by Geldof and Bono**

Today the European Commission launched its proposal to use 1 billion euros of its unspent budget on agricultural production in the developing world, where the food crisis has hit the hardest.

The idea was floated at the European Council on 20 June, where EU leaders agreed in principle to finding funds from this year to help mitigate the devastating effects of the food crisis in the most vulnerable parts of the world.

Launching the proposal, Commission President Jose Manuel Barroso said the food crisis "may put at risk our progress towards the Millennium Development Goals and exacerbate tensions in poor countries, namely in Africa", adding that the "1 billion Euro facility aims to generate a strong and rapid agricultural supply response".

Jamie Drummond, Executive Director of ONE, welcomed the proposal today:

"This is the kind of leadership people want to see from Europe. There is a beautiful symmetry and strategy in deploying funds freed up because of high food prices in Europe to help struggling smallholder farmers in places like Africa. There is also an urgency to this proposal. While the food crisis is hitting consumers in Europe hard, in the developing world it is far worse - 100 million more people now face the threat of extreme poverty and hunger. More than half the population of sub-Saharan Africa depends on farming to survive, mostly smallholder farmers, so increasing their ability to produce food is critical to saving lives as well as generating sustainable long term growth. And boosts in their productivity should also contribute to a long term reduction in food prices. This move is a serious step in the right direction and these funds must be fully secured and swiftly targeted towards the right policies and mechanisms. Other donors must now follow the example of the European Commission and its Member States" said Drummond.

ONE welcomed the proposal, and urged all EU institutions to ensure that the 1 billion euros would be spent in a way that best supports country systems in the developing world, and called for transparency in implementation of the funds. "We need to spend these resources in the most

effective way possible, and the good news is there are a number of options which we look forward to working on with the Member States, the Parliament and the Commission." added Drummond. A speedy process is needed to get the proposal through Council and Parliament before the end of the year, otherwise the money will be lost.

"With strong political will to get this through, the EU can be a global leader and show the world and its citizens it can respond pragmatically with innovative proposals to help global crises. We need the French Presidency to use its leadership and guide this through as quickly as possible, and for all EU bodies and member states to work together in a spirit of getting this deal done"

The one billion euro surplus has become available because food prices are at record levels, which has led to a surplus in some CAP funds.

### **Notes for editors**

- The proposal will be adopted today by the Commission and then sent to the European Parliament and to the Council. A first reading agreement is needed, with Parliament likely to vote on the proposal in October, or November at the very latest.
- The regulation will be decided under the codecision procedure and is based on article 179 of the Treaty, the legal basis of the EU's Development Policy.
- The regulation suggests that 750 million euros be disbursed in 2008, and the remaining 250 million euros in 2009.

### **About ONE**

ONE is a global advocacy and campaigning organization backed by more than two million people around the world dedicated to fighting extreme poverty and preventable disease, particularly in Africa. For more information, please visit [ONE.org](http://ONE.org).