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The End of the Line?

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European External Assistance & Food Security: The End of the Line?

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Abstract

In 2007 the European Commission will introduce an ambitious reform of its external assistance structure. Under the new framework the current legal instruments and budget lines supporting food security interventions will be dissolved, with actions to be continued in the form of a “Thematic Programme”, complemented by new geographic and humanitarian instruments. An early prognosis suggests that the scope for EC food security support under these instruments and following the dissolution of the ‘*Food Security Budget line*’ is uncertain. Recent official communications from the Commission to the European Parliament and Council afford low visibility to food security despite an expressed commitment to “*poorer countries, difficult partnerships and fragile and failed states*” The likely implications of ongoing discussions regarding a new European Development Policy Statement (2005) and forthcoming structures for external action under the Financial Perspectives (2007-2013) are also less than clear. Drawing from an analysis of these issues the paper identifies three policy challenges facing the European food security agenda in the future. These include: (i) Maintaining the value added of EC food security support (ii) Responding to countries in transition and crisis (iii) Ensuring policy coherence.

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Introduction

“It is now estimated that 815 million people in developing countries are ‘food insecure’. Despite improvements in a number of high performing countries, overall progress towards reaching the Millennium Development Goal on Hunger - halving the proportion of hungry people in the world between 1990 and 2015 - is seriously off track”.

(European Commission, 2005c)

As a leading donor in external assistance the European Community has an influential role in the international arena for food security. The European Community has a dual function, to provide a co-ordinating framework for European Union (EU) member states and to provide bilateral support to recipient countries. In 2004, aid managed by the European Commission amounted to €8.605 billion, representing a 7.1% increase from the year before and showing a continuing trend towards more efficient disbursement of aid resources (OECD, 2005). Of this amount €12 million was disbursed directly through a dedicated ‘*Food Security Budget Line*’ to countries in crisis/post crisis, chronic and transition scenarios.

The purpose of this paper is to analyse how food security is addressed within the evolving European framework for Community external assistance. The paper restricts its analysis to focus on food security policy formulated and implemented by the European Commission (EC). The analysis arises at a time when EC food security policy is being tested by a rapidly changing external and internal environment. Externally, global approaches to food security are being challenged by a variety of factors including conflict, HIV/AIDS, economic and governance failure. Within the European Community the debate is largely being shaped by institutional debates regarding a new Development Policy Statement (2005) and what new structures and financial arrangements for external action will emerge under the next Financial Perspective, 2007-2013.

The changing political landscape, combined with the results of available evaluations and assessments, provide a mixed prognosis for the future direction of the EC food security agenda. While the analysis points to the added value of EC food security interventions and a sharpened policy orientation particularly in the context of transition scenarios, it is unclear as to how these concepts can be translated into operational tools. This is further compounded by the low visibility afforded to food security in the broader agenda for external assistance.

Drawing from this analysis the paper identifies three key policy challenges facing the EC food security agenda in the future. These include (i) Maintaining the value added of EC food security support (ii) Responding to countries in transition and crisis (iii) Ensuring policy coherence.

1. Background

1.1 What is 'Food Security'?

Food security is defined as a situation where:

“All people, at all times, have physical and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life”. (World Food Summit, 1996)

This concept has evolved in the last thirty years to reflect changes in official policy thinking (Clay, 2002; Heidhues et al, 2004). The term first originated in the mid-1970s, when the World Food Summit (1974) defined food security in terms of food supply, i.e. assuring the availability and price stability of basic foodstuffs at the international and national level:

“Availability at all times of adequate world food supplies of basic foodstuffs to sustain a steady expansion of food consumption and to offset fluctuations in production and prices”.

In 1983, an analysis of the Food and Agricultural Organisation of the UN (FAO) focused attention on food access, leading to a definition based on the balance between the demand and supply sides of the food security equation i.e. *“Ensuring that all people at all times have both physical and economic access to the basic food that they need”* (FAO, 1983).

The revised definition coincided with a 'golden era' of thinking, during which time food security analysis was also conceived at the individual and household level, in addition to the regional and national level of aggregation. In 1986, the highly influential World Bank report *Poverty and Hunger* (World Bank, 1986) focused on the temporal dynamics of food insecurity (Clay, 2002). This introduced the distinction between chronic food insecurity, associated with problems of continuing or structural poverty and low incomes, and transitory food insecurity, which involves periods of intensified pressure caused by natural disasters, economic collapse or conflict. This was complemented by Sen's theory of famine (1981), which highlighted the effect of personal entitlements on food access i.e. production, labour, trade and transfer based resources.

The widely accepted World Food Summit (1996) definition reinforced the multidimensional nature of food security incorporating food access, availability, biological food use and stability. The interpretation enabled policy responses focused on the promotion and recovery of livelihood options.² While initially popularised by academics such as Chambers and Conway (1992), livelihood approaches to development have been advanced by development agencies such as the UK's Department for International Development (DfID) and Non-Governmental Organisations including CARE and Oxfam. Increasingly, livelihood approaches have developed to combine ideas of vulnerability, risk coping, and risk management considerations (Heidhues et al, 2004).³ In short, as the link between food security, starvation and crop failure becomes a thing of the past, the analysis of food insecurity as a social and political construct has emerged (Devereux 2000).

² A livelihood comprises the capabilities, assets (including both material and social assets) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, while not undermining the natural resource base (Chambers and Conway, 1992).

³ In this context vulnerability can be defined as the “Full range of factors that place people at risk of becoming food insecure. This is determined by the exposure of an individual, household or groups of people to the risk factors and their ability to cope with or withstand stressful situations” (FIVIMS: www.fivims.net).

Finally, in more recent times the ethical and human rights dimension of food security has come into focus. The Right to Food is not a new concept, and was first recognised in the UN Declaration of Human Rights in 1948. In 1996 the formal adoption of the Right to Adequate Food marked a milestone achievement by delegates at the World Food Summit towards the possibility of a rights based approach to food security. Currently over 40 countries have the right to food enshrined in their constitution and the FAO estimates that the right to food could be judiciable in some 54 countries (McClain-Nhlapo, 2004). However, the practical incorporation of rights based approaches to food security into existing policy frameworks remains a ‘grey area’, as evidenced most recently perhaps by the elaboration of ‘voluntary’ guidelines to ensure the right to adequate food.⁴

1.2 Why Food Security Matters for the European Commission?

From the perspective of the European Commission a focus on food security arises for some of the following reasons.

First, as one of the first Millennium Development Goal targets - to halve the number of people suffering from chronic hunger between 1990 and 2015 – progress around food security is seriously off track. Despite the overall decline in global undernutrition over the last thirty years, the picture of global food insecurity is marked by alarming trends and poses a challenge to EC poverty reduction objectives.

As indicated in Table 1, between 1990-1992 and 1999-2001, undernutrition fell by 9 million people mainly as a result of progress in high performing economies including China, Vietnam, Thailand, Sri Lanka, Peru, Brazil and Ghana. However, in the second half of the last decade, the number of chronically hungry people in developing countries has increased at a rate of almost 4 million per year, wiping out two thirds of the reduction of 27 million achieved during the previous five years (FAO, 2005). The prevalence of food insecurity in Southern Africa and South Asia is further reflected in high rates of disease and mortality, limited neurological development and low productivity of current and future generations (UN Millennium Project, 2005).

Table 1: Percentage of Population Undernourished in the Developing World

Region	Percentage Undernourished				
	1969-71	1979-81	1990-92	1996-98	2000-02
Sub Saharan Africa	34	37	35	34	33
Near East and North Africa	25	9	8	10	10
East and South East Asia	43	29	17	13	13
South Asia	38	38	26	23	22
Latin America and the Caribbean	19	13	13	11	10
All Developing Regions	37	29	20	18	17

Source: FAO, 2004

⁴ For more information, go to: <http://www.fao.org/Legal/rtf/rtf-e.htm>

Second, the persistence and nature of food insecurity fits squarely within the evolving scope of EC external assistance. There is a strong link between food insecurity, rural development and agriculture. While the share of urban hunger is increasing, approximately three quarters of the food insecure are located in rural areas.⁵ Underlying these trends is the reality that food insecurity persists predominantly in vulnerable or fragile economies lacking the capacity or institutional frameworks to implement long term food security solutions in the face of unfolding crises. For the EC this has motivated a challenging shift in policy emphasis around economies in the transition area between relief, rehabilitation and development. Here, food security interventions are often seen as a useful entry point into stimulating further policy dialogue and cooperation (European Commission, 2005c).

Third, the EC's evolving policy focus complements a wider debate amongst humanitarian and development actors. Responding to transition scenarios is an area of food security that has bearing on a difficult and much debated aspect of aid policy and practice: how to save lives, protect livelihoods and promote peace in protracted situations of conflict and instability (Pingali et al, 2005). It is in this context that donors and national governments have repositioned their strategies to explicitly address these new challenges, often through an agricultural and rural development lens e.g. World Bank (Strategy for Agricultural and Rural Development, 2002), FAO (Anti Hunger Programme) and UN Millennium Project (Halving Hunger: It Can be Done). It is against this backdrop that the role of EC food security policy comes into focus. How does the EC approach food insecurity? What is the value added of its interventions? How does this relate to the overall context of external assistance?

2. The EC Approach to Food Security

To understand how food security policy is positioned within European external assistance an overview of the institutional arrangements is useful. The European Community plays a dual role in providing bilateral support to recipient countries, and providing a co-ordinating framework for European Union (EU) member states. The European Commission is the executive body of the European Union (EU). It has the right to propose policy and is responsible for the implementation and management of the Community's programme. Within this framework external assistance is administered by what is commonly referred to as the "RELEX Family".

The "RELEX Family" includes the Directorate Generals for External Relations (DG RELEX), Development (DG DEV), Trade (DG TRADE) and the services of the Europe Aid Co-operation Office (AIDCO) and the Humanitarian Aid Department of the European Commission (ECHO). EC food security policy is devised and formulated by DG DEV in consultation with RELEX members, member states and other stakeholders. The implementation of development programmes is managed by AIDCO and organised in-country through EU Delegations. All humanitarian programmes are formulated and implemented within the ECHO structure.

⁵ In countries where more than 34% of the population are undernourished, agriculture accounts for over 30% of GDP and nearly 70% of the population depend on agriculture for their livelihoods (FAO, 2003).

2.1 Nature of EC Food Security Support

“EC Food Security policy aims at targeting hunger as the earliest priority in the fight against poverty”.
(European Commission, 2005c)

The EC aims to integrate food security objectives into long term poverty reduction policies to provide a coherent framework for national and regional development strategies. This strategy focuses on a broad approach to food insecurity, which together with rural development, was identified as a focus area in the Development Cooperation statement (2000).⁶

EC food security policy has evolved from a narrow focus on food aid to also consider food access, availability and utilisation (See Box 1). In 1986 the *Pisani Plan* marked a notable change in this direction by formally disassociating food aid from the Common Agricultural Policy and linking it more firmly to development concerns, e.g. by creating more opportunities for local or triangular purchasing of food supplies if warranted.

Box 1: Dimensions of Food Security (Source: *Particip GmbH, 2004*)

The EC understands food security as a multidimensional phenomenon covering availability, access and use and applied at three levels of aggregation: national/regional, household and individual.

Food Availability: Food insecurity at national level is basically an outcome of faltering development and weak trading positions. Food availability can be defined as having sufficient food for all people through production or purchase (import). It can be secured through policies and programs that stimulate supply. This often requires investment in rural development schemes that promote small scale agriculture (e.g. irrigation, extension services), encourage technological change, and improve distribution systems (e.g. storage, transport, etc).

Food Access: Lack of food access is an outcome of poverty and a function of inadequate purchasing power and poorly functioning markets. It can be secured through increasing household incomes and market access. This often requires investment in markets and agribusinesses (e.g. improved information systems); improved infrastructure (e.g. road networks) and non-farm employment opportunities. In particular, it may involve strengthening social and political claims to food (e.g. based on gender, age, ethnicity, etc).

Food Utilisation: Certain targeted programmes such as nutrition education, health actions, or income transfers focused on the most vulnerable, in particular women and children, may be necessary in order to address issues which affect the adequacy of food intake such as: intra-household distribution of food, mother-child feeding practices, food preparation and food quality and safety.

The progression towards a more comprehensive food security framework was advanced in the mid 1990s with the adoption of the *Council Regulation (CE) 1292/96*. This regulation replaced five former separate regulations and increased the flexibility with which funding could be directed towards food security operations. After 2006 the Council Regulation will cease to be in force, as a new legislative framework is elaborated and the Economic and Development Cooperation instrument becomes the legal basis of future food security interventions.

⁶ The Community's current development policy statement identifies six priority areas including (1) the link between trade and development (2) support for regional integration and co-operation (3) support for macroeconomic policies (4) transportation (5) food security and sustainable rural development (6) enhancement of institutional capacities (Communication (2000, 212).

2.2 Key Interventions

EC food security policy is oriented to (i) enhance food security geared to alleviate poverty in the recipient countries; (ii) reduce the recipient countries' dependence on food aid; (iii) contribute to the countries' balanced economic and social development. EC food security interventions are differentiated according to the various scenarios it faces, and may include:

- *Food Aid:* Food aid forms part of safety net strategies for certain vulnerable sections of the population in situations of food shortages (e.g. Sudan, Zimbabwe) and in the transition between relief, rehabilitation and long term development (e.g. Ethiopia). The provision of food aid conforms to the guidelines of the Sphere Project (2004), and is targeted at vulnerable groups to enhance food availability while respecting their nutritional requirements and habits. Food aid is distributed directly through government programmes or indirectly through the World Food Programme of the UN (WFP) or NGOs in situations of protracted crises, e.g. Democratic Republic of Congo, Somalia and Sudan. The EC's promotion of 'genuine food aid' is an important aspect of its policy framework, and is elaborated upon in further detail shortly.
- *Budgetary Support:* Budgetary Support is provided as financial assistance through the government budget to (i) support policy and institutional reforms related to food security (ii) facilitate import of food by the private sector (iii) promote employment and income generation to improve access to food and (iv) to provide support safety nets. Budgetary support – also referred to as foreign currency facility or macroeconomic support – is a particularly effective instrument for leverage of policy dialogue, e.g. Malawi, Mozambique. However, it can be cumbersome owing to the specifications involved and its effectiveness also depends on the absorption capacity of the government.
- *Operations to Support Food Security:* Technical and financial interventions are employed to frame and execute food strategy and lower dependence on food aid. Projects tend to focus on production and income generation, and link assistance to the overarching development framework at various levels, e.g. Food Security Information System (SISA); provision of productive inputs; storage schemes; market access; applied research and training. Project aid is maintained in countries with a weak institutional framework and where the policy environment does not allow budgetary support (e.g. Zimbabwe, North Korea, Uganda, and Eritrea).
- *Technical Assistance & Capacity Building:* Technical assistance and capacity support is motivated to enhance policy formulation and the implementation of effective national strategies (e.g. Bangladesh, Ethiopia, Rwanda, Afghanistan) and programmes (e.g. EC-FAO, Information for Action Programme).

2.3 Food Security Trends

In recent years there has been a noticeable policy shift to respond to food insecurity in different crisis and transition scenarios. EC food security policy interventions target priority countries falling into different categories of transition: (i) crisis/post crisis (e.g. Afghanistan, Angola, Burundi, North Korea); (ii) chronic food insecurity; (e.g. Eritrea, Ethiopia, Malawi, Burkina Faso); (iii) economies in transition (Armenia, Georgia).

As outlined in Table 2, food security interventions are designed to offer flexibility across each transition phase. In this context, it is significant to note that the share of Food Aid has decreased considerably between 1993 and 2005 from 96% to 32% of the annual allocation, with the share of local and regional purchases increasing considerably. In parallel, budgetary support, first introduced in 1996, represents an increasing share of EC assistance, rising from 31% to 38% between 1996 and 2005. Meanwhile the share of the budget implemented by NGO's (cash support) has fallen from 26% in 1999 to 17% in 2005 (Particip GmbH, 2004).

Table 2: Food Security Interventions across Crisis Scenarios

INSTRUMENTS		CRISIS			Protracted Crisis	Post Crisis	Chronic Food Insecurity
		Conflict	Natural disaster	Economic			
Food Aid	In emergencies	X	x	--	--		--
	For Safety nets	--	--	X	X	x	(x)
	For Crisis prevention (e.g. food reserves)	--	(x) if recurrent	--	--	--	x
Financial Aid NGOs (cash)		X	x	(x)	X	x	x
Project Aid		--	(x)	X	X	x	x
Budgetary support		--	(x)	X	(x)	(x)	x

Source: European Commission (2004)

Note: x fully relevant; (x) partly relevant; -- not relevant

The financing of EC food security support is perhaps one of the most controversial elements of the policy framework. Since 1993 the Commission has funded specific food security interventions through a Food Security Budget Line (FSBL)⁷, which has fallen from €509 million to €112 million between 1999 and 2004. It is, however, important to see the decreasing allocations in the wider context of external assistance. Food security interventions are also supported by a range of geographical instruments (EDF, MEDA, ALA, TACIS, CARDS) and other important budget lines (ECHO, Rehabilitation, NGO-Co financing). The precise financial scope of these instruments is hard to quantify and has therefore been the subject of significant criticism and scrutiny from stakeholders, particularly in the civil society sector, e.g. European Food Security Group.

2.4 EC Food Security – The Bigger Picture

It is important to note that in addition to its role as a donor the EC is also a key interlocutor in policy dialogue. At the international level the Commission is engaged in strategic partnerships with lead UN sectoral agencies including the FAO and WFP. These partnerships are oriented to foster close collaboration at global, regional and country levels and to build on comparative advantages across development programmes. For example, at a practical level, the EC-FAO

⁷ Four budget lines are commonly referred to as the Food Aid and Food Security Budget Line i.e. (i) line 210201 finances food aid and it is directly linked to the Community's obligation under the Food Aid Convention (minimum annual commitment: 990,000 metric tonnes, wheat equivalent); (ii) line 210202 provides funds for food security project and programme aid; (iii) line 21010401 caters for technical assistance and other operational costs; and (iv) line 2102100 funds the Commission's FAO membership administrative expenses.

partnership incorporates the *Information for Action programme*, which is designed to provide technical capacity in the support of food security interventions at the national level in approximately 20 countries.

The Commission also plays an active role in shaping international debates around food security, including the current food aid debate within the WTO Doha Round negotiations. Although food aid has declined in absolute value and relative importance from over 20% of total bilateral ODA in the mid 1960s to below 5% since the mid 1990s, it continues to be a hotly contested issue between the United States and Europe in particular; as well as among other donors including Japan, Australia and Canada (OECD, 2004). This debate centres on the development effectiveness of food based interventions, with a particular focus on the potential commercial displacement effects of tied and monetized food aid outside of emergencies.⁸ The EC plays a strong role in advocating 'genuine' food aid which would limit food aid transfers to an instrument for humanitarian assistance and the promotion of cash instead of food in kind for food aid programmes. This contrasts with the US approach, which is typically criticised as a surplus disposal mechanism, i.e. least available when international prices are high and therefore less responsive to country needs in terms of poverty and food security indicators.⁹

The need to establish an enforceable set of disciplines governing international food aid is therefore a contested issue in this area. Under the current WTO negotiations a range of proposals have been tabled including calls for the provision of food aid in largely cash form, with additional restrictions on the use of food aid in kind (Oxfam, 2005); as well as a proposal to adopt the Uruguay Round Agreement on Agriculture 'box' framework to regularise different categories of interventions (Barrett and Maxwell, 2005). However, the precedents for the regulation of international food aid do not augur well, as evidenced by the weakness of previous mechanisms including the FAO Consultative Sub Sector of Surplus Disposal (1957); the Food Aid Convention (1969) and the provisions under the Uruguay Round Agreement on Agriculture, (1995). The outcome of these negotiations owes a lot to the leverage of a diverse set of interests, which is becoming an increasingly contested area in the United States owing to the competing interests of food processors, agricultural producers and NGOs (Barrett & Maxwell, 2005). From the perspective of the European Commission the policy debate touches upon the mandate of each member of the '*RELEX family*'.

3. EC Food Security Policy Orientations

Future orientations around EC food security policy are being shaped against a changing background that combines past lessons learned with the present realities of development reform. The changing political landscape provides a mixed prognosis for the future direction of EC food security support.

On one level the analysis points to the added value of EC food security interventions and a sharpened policy orientation particularly in the context of transition scenarios. This is reinforced by ongoing reform processes aimed at modernising the organisation, improving financial management and accountability, increasing efficiency and effectiveness, and raising

⁸ 'Tied' food aid requires the procurement of goods and services from the donor country. About 90 percent of global food aid meets this definition (Young & Abbott, 2005).

⁹ The vast majority of food aid by weight is provided by the United States, which has provided approximately 6 million metric tonnes of cereal food aid annually since 1970 and has been the source of 50-60% of total cereal aid (WFP, 2005). By way of contrast donations from the EC in the form of cereal food aid have recently declined to 1 million metric tonnes per annum.

awareness of external assistance with the European public.¹⁰ However, this contrasts with the visibility afforded to food security in the broader agenda for external assistance, e.g. the EU's package on the Millennium Development Goals and most recently the new EU Strategy for Africa.¹¹ More concrete policy orientations are identified in the proposed Development Policy Statement (2005) and the proposed restructuring of external assistance envisaged through the new Financial Perspective (2007-2013), which are now examined in closer detail.

3.1 Lessons Learned

According to the European Commission, the following synthesised lessons emerge from recent evaluations, assessments and analysis of EC Food Security policy (EC, September 2004): (i) EC Food Security policy is a robust and valuable framework in development cooperation; (ii) there is a need to foster complementarity with national poverty reduction strategies, donors and civil society; and (iii) there is a need to promote policy coherence.

The above lessons are reinforced by the recent *Thematic Evaluation of the Food Security Budget Line* (Particip GmbH, 2004), which concluded that budget line funding should be continued as a flexible funding source for integrated approaches to food aid and food security interventions. The value added of this mechanism was recognised owing to its role in linking relief, rehabilitation and development, as well as the high degree of flexibility between its components, its specific poverty orientation, and its involvement of multi actors-partnership.

The findings of the Thematic Evaluation (2004) highlight progress in responding to identified conceptual and operational shortfalls in the past. A defining analysis in this regard was a Communication based on an external evaluation in 2001 (Communication (COM (2001) 473). While conceptually, the Communication identified the strategic value of food security interventions in linking relief, rehabilitation and development, it also identified the need to improve targeting of policies in terms of country selection and vulnerable population groups affected by gender, environmental degradation and limited coping capacities.

From an operational perspective, the Communication further highlighted the limited integration of food security objectives in Country Strategy Papers and Poverty Reduction Strategy Papers (PRSPs), in addition to the need to improve monitoring, evaluation and impact analysis. The weakness of EC implementation was further exposed in 2003 in the findings of the *Special Report of the Audit Court No 2/2003* which examined EC food security policy operations between 1997 and 2001. Its conclusions stressed the need to (i) work with multilateral and bilateral donors in order to elaborate common national strategies; (ii) consider the absorption capacity of recipient countries and the capacity of the Commission to manage and evaluate; (iii) support information systems on the socio-economic situation of vulnerable households; and (iv) reinforce participation of the local population.

¹⁰ In recent years there have been improvements to increase accountability at different levels in the system, by clarifying delegations of authority (including a significant 'deconcentration' of staffing from the headquarters at Brussels), reducing the number of sectors and improving country strategies and programming. For further information refer to the *European Community OECD Development Cooperation Review*, OECD 2002.

¹¹ On April 12, 2005, the European Commission adopted three communications concerning 1) the volume and effectiveness of aid; (2) the coherence of the Union's development policies; and (3) the priority to be given to Africa. On October 12, 2005, the European Commission adopted a Communication focussed on a new EU Strategy for Africa. The strategy suggests a framework for action for all EU Member States and the European Commission to support Africa's efforts to attain the UN Millennium Development Goals (MDGs). Refer to http://europa.eu.int/comm/development/index_en.htm for all Communications.

Disappointingly a number of weaknesses can still be identified. Despite its positive assessment, the Thematic Evaluation highlighted the limited progress in implementing food security policies, signalling the need to (i) improve coherence and complementarity to the 1292/6 regulation; (ii) reinforce operational efficiency of food security operations and improving technical assistance from headquarter level; and (iii) strengthen program design, implementation and phasing out strategies. These issues are examined in further detail in the next section (Particip GmbH, 2004).

3.2 Food Security and the new EU Development Policy Statement

In July 2005 the Commission launched a Communication (Com (2005) 311) proposing a new EU Development Policy Statement for the approval of the European Council and European Parliament.¹²

The new policy statement, which is currently under discussion at the European Parliament and Council, is designed to bring EU development policy in line with commitments made through the Millennium Development Goals and the wider challenges of the global poverty agenda. The statement marks a new point of departure by formally setting EC development policy as a key element of the EU's external action along with the common foreign and security policy and trade policy. Significantly, it aims to build a common framework of objectives and principles for the EC and member states (the so called "*European Consensus*"). It also continues the emphasis on policy effectiveness and efficiency by the promotion of policy guidelines for EC development programmes.

From a Food Security perspective the likely implications of the proposed statement are mixed. The proposed statement is noticeable because it no longer includes the six 'priority areas' which were a hallmark of the Development Policy Statement (2000). The focus on six 'priority areas' was often criticised because it led to a bias towards key sectoral interventions including transport and infrastructure, with little integration of cross-cutting themes into external assistance programmes e.g. food security, as well as institutional capacity building. The proposed policy statement marks a departure from this by finally linking its overarching poverty reduction objective to the targets adopted in the Millennium Development Goals. Within this context food security interventions – including the right to food – are stressed as action themes by the EU. According to the proposed policy statement, '*action themes*' should arise under a common thematic framework for EU and Member State development policies.

However, the precise scope for Food Security as an action theme is unclear. The Development Policy Statement emphasises many issues that are central to the Food Security Agenda, but often fails to link the two. For example, the proposal notes that not enough attention is paid to rural development and agriculture despite their importance for growth and poverty reduction. It also includes a commitment to paying greater attention to poorer economies, difficult partnerships, fragile or failed states. The proposal argues that post-crisis development processes will be guided by integrated transition strategies comprising at the same time political responses and financial support appropriate to changing needs. Unfortunately, the precise linkage between these issues and the wider food security agenda is not established. As detailed above and returned to shortly, this pattern is further reflected in the Communication outlining a new EU Strategy for Africa.

¹² Proposal for a Joint Declaration by the Council, European Parliament and on the European Union Development Policy Statement: The European Consensus". (Com (2005), 311, final)

3.3 *Food Security and the new Financial Perspective 2007-2013*

Within the framework of the new Financial Perspective 2007-2013 the Commission has proposed a major reorganisation of the structure for the delivery of external assistance. The proposal aims to address the weaknesses of its current structure, which is acknowledged to be in need of streamlining. The proposal entails the creation of six regulations including three policy-driven instruments (covering Pre-Accession Assistance; European Neighbourhood and Partnership policy; and Development Cooperation and Economic Cooperation) and three horizontal instruments (for stability, humanitarian aid, and macro-financial assistance). The outcome of the renegotiation will ensure that all financing for development and other external policies is incorporated under one framework.

As a result of the new legislative framework, the Council Regulation (CE) 1292/96 supporting food security – and the Food Security Budget Line - will no longer be in force after 2006. Instead a *Thematic Programme for Food Security*¹³ will be introduced alongside the geographic and humanitarian instruments to implement EC food security policy. The clearest indicator of how the Food Security Budget Line is to be translated across thematic, geographic and humanitarian instruments is currently expressed through a Communication on the Thematic Programmes (Com (2005) 324 final) and a related ‘issues paper’ (European Commission, 2005c).

The issues paper forms the basis for a stakeholder consultation to determine the precise strategy of the Thematic Programme, in advance of a final Communication to the Council and Parliament in December 2005. The Thematic Programme will focus on the following three components:

Component 1: *Supporting the delivery of international public goods contributing directly to food security and the financing of global programmes*

- The support of public goods is envisaged to improve and align policy formulation at an international level; and also to provide expertise in countries that lack institutional capacity and resources. The EC will continue to support global programmes, which have a multi regional coverage and can be addressed through geographic instruments, e.g. Food Security Information Systems.

Component 2: *Address food insecurity in exceptional situations in countries or regions where either governments are not in place or not in control of parts of a country, or no country strategic framework is operational*

- *The Food Security Thematic Programme* provides an instrument to achieve this in situations where (i) food security actions with partner governments may be difficult to agree owing to differing priorities, e.g. hunger hotspots in areas out of state control, or amongst vulnerable groups (ii) cooperation has been suspended or no cooperation framework exists.

¹³ “...A specific area of activity of interest to a group of partner countries not determined by geography, or co-operation activities addressed to various regions or groups of partner countries, or an international operation that is not geographically specific, including multilateral or global initiatives to promote the Union’s internal policies abroad” (European Commission, 2005b).

Component 3: Promote innovative policies and strategies in the field of food security

- To keep pace with evolving food security challenges the Thematic Programme expects to offer a flexible mechanism to support innovative approaches in the field of food security, e.g. community therapeutic care; replication mechanisms for South-South co-operation.
- The Commission believes that in addition to policy and methodological work that is ongoing with strategic partners, there is a need to further develop work in the following areas (i) vulnerability and food insecurity (ii) resilience and coping strategies to address vulnerability and (iii) poverty reduction frameworks.

4. Issues Arising

The previous analysis points to an increasingly focussed EC food security agenda, with a strong presence at the national level across a range of diverse countries. However, it also points to a policy framework that has uncertain visibility and little direction on how it can be translated into operational tools. Drawing from an analysis of these issues, the following challenges appear to test the future relevance of EC food security support: (i) Establishing the value added of EC food security support (ii) Responding effectively to transition scenarios and (iii) Ensuring policy coherence.

4.1 Maintaining the Added Value of EC Food Security Support

Food insecurity is the most basic dimension of poverty and is widely accepted as a *sine qua non* to poverty reduction (UN Millennium Project, 2005, FAO, AHP, 2002). The EC has traditionally played a strong added value role by integrating food security objectives into long term poverty reduction policies to provide a coherent framework for national and regional development strategies.

Under the evolving structures for external assistance EC food security support is increasingly focussed around fragile economies, often in 'exceptional situations' where national development frameworks do not exist. This poses a challenge to the future geographic, humanitarian and thematic instruments in maintaining the added value of EC food security interventions. Section 4.2 considers the issue of humanitarian support and food security in more detail.

Added Value of Thematic Instrument

The *Thematic Programme for Food Security* can be seen as an important opportunity to maintain a focus around this added value. While the scope of the Thematic Programme will be determined by the final Financial Envelope that is devoted to it under final negotiations in 2006, it is nonetheless an important tool to promote EC competence in food security. Its three components, outlined above, point to an added value for the EC in the following areas:

- *International Policy Dialogue and Debate:* The scope for the EC to improve/align policy analysis, formulation, monitoring and evaluation at the international level is significant and could help to reinforce interventions through the geographic instruments. Based on its portfolio of interests, it would appear that the EC has strong potential to engage in the following areas of debate: Food Security in the context of

PRSPs; bridging short term (food aid) and long term responses to crisis; the interactions between food security and trade.

- *Policy Innovation:* The Thematic Programme components are largely oriented to promote global programmes, regional cooperation and innovative approaches to food security. This appears to respond to important policy gaps at the international level, which could relate to the poor coordination between lead agencies in food security responses (e.g. needs assessments) and the weakness of response mechanisms in reacting to food security crises (e.g. transition context). In this respect the EC could usefully support initiatives around donor coordination, in particular by promoting collaboration between UN sector led agencies with whom it already has agreed Strategic Partnerships in place (e.g. FAO, WFP). A clearer indication of how support is envisaged to civil society organisations would be useful in this context.

Added Value of Geographic Instrument

The continued added value of geographic instruments for food security will be tested by the following factors:

- *The End of the Budget Line & Council Regulation 1292/96:* The dissolution of the Budget Line and Council Regulation 1292/96 form part of a necessary reform process that is geared to streamline and simplify the structure of external assistance. While it may help to refocus food security concerns within a single strategy to alleviate poverty (both urban and rural) it also removes high visibility and predictable funding at a time when food security maintains uncertain visibility within the overall policy framework.
- *The Limited Incorporation of Food Security into National Strategies:* The integration of food security as a priority area in Poverty Reduction Strategy Papers (PRSPs) and EC Country Strategy Papers (CSPs) has been limited to date. With the cessation of the Food Security Budget Line, this now brings into focus the likely scope and coverage of future interventions under the Geographic Instruments.

4.2 Responding to countries in transition and crisis

Responding to transition scenarios is an area of food security that has bearing on a difficult and much debated aspect of aid policy and practice. The question is particularly topical for the EC considering the focus of the current *Thematic Programme for Food Security*, which considers how best to handle ‘exceptional situations’ with poorer countries, difficult partnerships and fragile and failed states; and what principles should be adhered to in the phasing-out of relief so as to ensure a smooth transition to development.

From the perspective of the European Commission these questions are best understood by referring in the first instance to a Communication to the Council and the European Parliament on Linking Relief, Rehabilitation and Development (COM (2001) 153 final). This defines LRRD as: “*Rehabilitation programmes which gradually take over the relief/emergency aid to stabilise the economic and social situation and to facilitate the transition towards a medium and long term development strategy*”. The translation of this framework into an operational tool has been a significant and widely discussed stumbling block for the EC (European Commission, 2003).

The sensitivity component of LRRD is now a major issue acknowledged by the European Commission and wider community. Over the past decade there has been a shift in the ‘linking relief and development debate’, giving rise to a formulation of LRRD based on a ‘contiguuum’ approach, emphasising ‘links’ or ‘synergies’ that allow for the coexistence of interventions that serve relief, rehabilitation and development objectives.¹⁴ Application of the linking concept in political crises has remained a contentious issue for humanitarian actors.

In the future, it is suggested that the EC should focus on two key areas in this regard:

- *Shared Learning:* There is significant scope for shared learning between the EC and its partners drawn from international organisations, NGOs and national governments. In recent times, humanitarian and development agencies have started to find themselves in agreement on the need to identify new frameworks to guide operational responses to short-term and protracted emergencies and to address the need for sustainable food security. While a clear set of principles guide humanitarian assistance, concepts and capacities for designing longer term policies and interventions require further development.
- *Institutional Aspects:* The EC’s weak operational strategies around LRRD cannot be divorced from the division of responsibilities between involved services. The division of responsibilities between DG DEV and ECHO raise co-ordination issues given the overlapping portfolios handled by each service. An effective LRRD must address this issue and how it links to the implementation phase of Programme Cycle Management. A workable instrument presents a mechanism to enhance co-ordination, to reduce work duplication and minimise any incoherence in the use of Community food aid (European Commission, 2003).

4.3 Policy Coherence

“The systematic promotion of reinforcing policies across government departments and agencies to create synergies towards achieving the defined objectives”.
(OECD Development Assistance Committee, Poverty Guidelines)

The question of policy coherence is at the centre of the Community’s reform process. As detailed in the New Development Policy Statement (2005) this issue is largely considered in terms of understanding what fields of activity beyond development impact upon the effectiveness of external assistance.

However, drawing from the above analysis it is argued that food security impacts upon this agenda in two critical – and overlooked - respects:¹⁵

¹⁴ For further information refer to Macrae and Harmer (2004).

¹⁵ The paper adapts the classifications proposed by Piciotto (2004) who suggests that policy coherence spans four dimensions. They include (i) internal consistency within the aid programme of donors (ii) whole of government coherence, referring to the aid and non aid policies of a donor government (iii) the consistency between aid and non-aid policies across donor countries (harmonization) and (iv) donor government policy and the overarching strategy at a government level (alignment)

- *Internal Consistency of Policy:* The internal consistency relating to EC food security policy is particularly weak owing to the limited linkage of priority issues to the overall policy framework for external assistance. This applies in two critical respects:
 - *Food Crisis Scenarios:* During 2005 the Development Policy Statement and Communication on the *EU Strategy for Africa* placed a strong policy emphasis on ‘fragile economies’. Despite this commitment the linkage with the food security agenda, and its associated range of interventions, has not been established, leaving food security issues marginalised from the mainstream.
 - *The link between Food Security, Agriculture and Rural Development:* The EC food security policy framework has not capitalised effectively on the linkages between food security, agriculture and rural development. Interventions in support of food security present a framework to advocate for increased allocations around agriculture and rural development at a time when allocations in this area continue to decline, despite growing attention in the area.¹⁶

- *Harmonisation of Policy:* The EC currently supports a number of initiatives which contribute to the alignment of policy at an international and regional level, for example strategic partnerships with FAO and WFP; support devoted to the Global Donor Platform for Rural Development. The EC could continue to pursue policy linkages and broaden partnerships with member state countries and stakeholders, particularly those at a regional level including the African Union (AU) and New Partnership for African Development (NEPAD). This presents an opportunity to enhance policy formulation and share lessons. It also positions the EC to assist with donor co-ordination, and more generally strengthen diverse policy narratives around food security.

Conclusions

As a leading donor in external assistance the European Commission has an influential role in the international arena for food security. The current framework of broad based policy support to economies in transition and crisis, combined with a strong country presence, is particularly relevant at a time when global approaches to food security are being challenged by conflict, economic failure, HIV/AIDS and poor governance. In this context the focus of the *Thematic Programme for Food Security* is promising.

Moving ‘Beyond the Food Security Line’ and considering the current institutional debates the following principal conclusions emerge:

- *EC Food Security support beyond the ‘Budget Line’ is unclear:* The prioritisation of food security as an ‘action theme’ within the Development Policy Statement (2005) lacks precise meaning, but offers an appealing opportunity to promote development consensus between actors of the European Community.

The clearest indicator of how the *Food Security Budget Line* is to be translated across thematic, geographic and humanitarian instruments is addressed in a Communication and Issues Paper based on the Thematic Programme element. The

¹⁶ For example, total Official Development Assistance towards agriculture from both bilateral and multilateral donors fell from 22 percent in sectoral aid in 1982 to 7 percent in 2002 (Matthews, 2005).

magnitude of the financial envelope supporting this programme has yet to be defined and the exact modalities of the geographic and humanitarian instruments remain to be seen.

- *The evolving policy orientation points to an increased challenge in translating EC Food Security policy into operational tools:* The continued added value of EC food security support (i.e. to integrate broad based food security policies into long term poverty reduction objectives) is being tested by a sharpened policy orientation around transition contexts and by continued difficulties in incorporating food security into EC Country Strategy Papers, and more broadly national poverty reduction strategies.

This is a problem shared by a range of other humanitarian and development agencies and could usefully be addressed by closer collaboration between the EC and stakeholders drawn from international organisations, civil society and national governments. Given its strong presence at country level the EC could usefully draw on its field based expertise to enhance policy formulation and quite possibly strengthen diverse narratives amongst the relevant constituency of stakeholders.

- *The coherence of EC food security support is undermined by its low visibility in the wider framework for external assistance:* If EC food security support is to maintain any relevance, the internal consistency and external harmonisation of policy must be addressed. Recent Communications regarding the Millennium Development Goals and EU Strategy for Africa afford low visibility to food security. Furthermore, food security is poorly linked to key priorities in the New Development Policy Statement including 'fragile economies', agriculture and rural development. This sets an alarming precedent and raises questions regarding the future effectiveness and leverage of the EC in policy dialogue and debate, which has hitherto been restricted to a narrow focus on the contested topic of food-aid.

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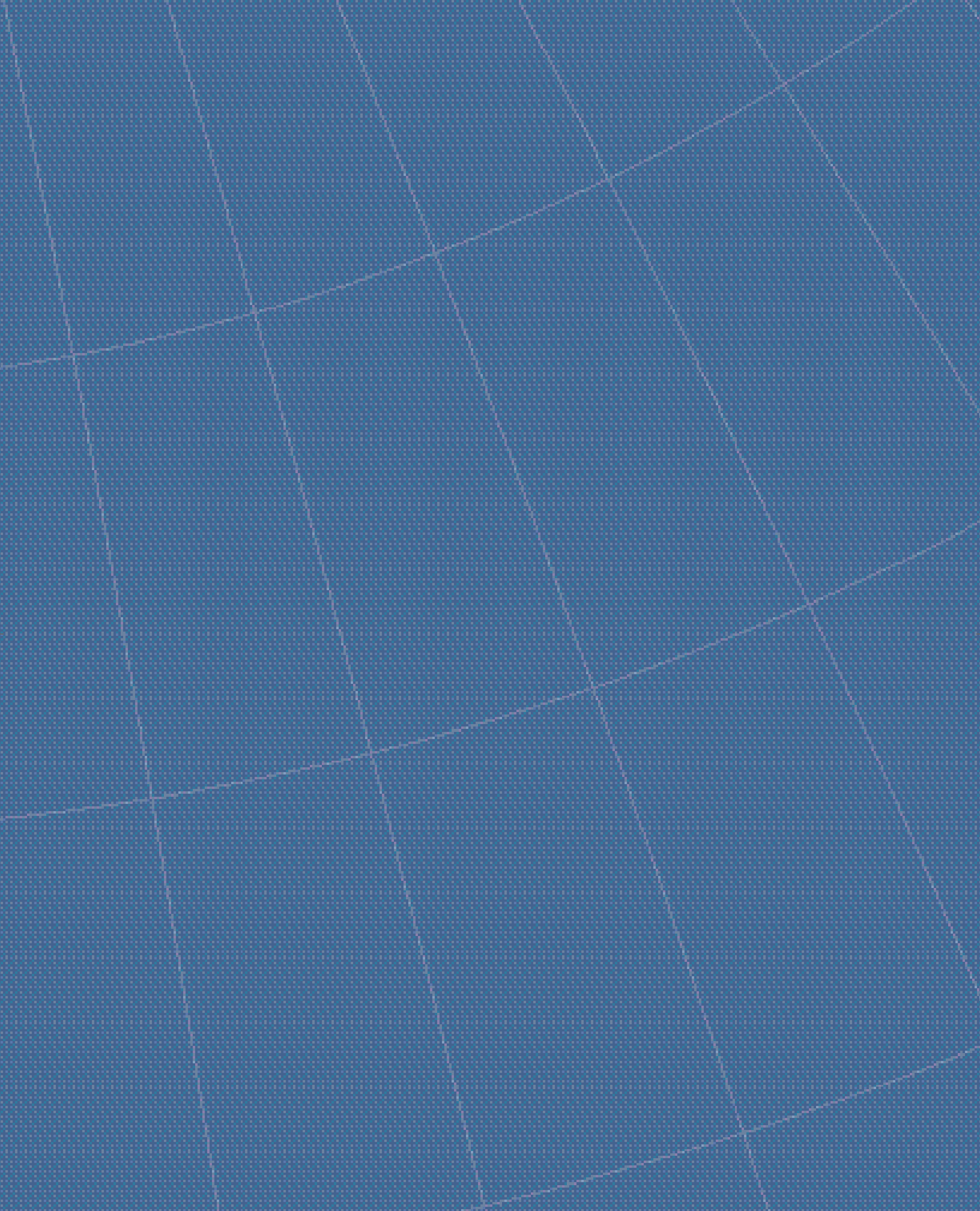
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