Departament Współpracy Międzynarodowej

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| **Thematic Report to the 78th session of the General Assembly**  **“The right to food in the context of post-covid recovery”**  **Special Rapporteur on the right to food** |

1. Please provide information on existing or new local and national laws, policies and programs that proved to effectively ensure people had access to adequate food and nutrition in the past three years. (This may include, but is not limited to, measures such as direct cash transfers; universal school meals; support for territorial markets; support for food workers; support for peasants, pastoralists, fishers and other small food producers).

Poland, being a member of the EU, implements mechanisms within the framework of the Common Agricultural Policy directly established at the EU level, as well as national measures that are compatible with the CAP. Accordingly, activities related to agriculture, regulation and stabilization of agricultural and food markets, rural development and fisheries were implemented. The aim of these activities was to improve and stabilize the economic conditions of agriculture, develop rural areas and increase the competitiveness of the agri-food sector, which consequently translates into ensuring food security.

* Due to the Covid-19 crisis, the mechanism for subsidies for private storage of beef, mutton and goat meat, as well as butter, skimmed milk powder and cheese was implemented in 2020. In Poland, the mechanism covered 354 tons of skimmed milk powder, 431 tons of butter, 39 tons of cheese and 290 tons of beef.
* In 2020 and 2021, support was provided to hop producers in connection with reduced income from hops cultivation. The aid was de minimis aid in agriculture. Applications for aid could be submitted from July 29 to August 12, 2022 to the ARMA paying agency. The total support amounted to about PLN 11 million.
* Storage subsidies: in 2022, the mechanism for subsidies for private storage of pork was implemented. Subsidy rates were determined for 7 product categories for 4 storage periods: 60 days, 90 days, 120 days and 150 days, and ranged from EUR 157/t to EUR 423/t. In Poland, applications were for 5.2 thousand tons (11% EU-wide).
* Emergency aid to producers in agricultural sectors 2022: Financial assistance for consumption apple producers and pig producers is currently being implemented. Consumption apple producers will receive financial support for each kilogram of apples covered by the aid. Maximum quantity of apples covered by aid: 200 thousand tons. For pigs, the amount of aid was set at PLN 80/head. It covered pigs born on the producer's farm in the period from April 1, 2022 to June 30, 2022, whose marking was notified to the paying agency by July 15.
* The National Support Program for Beekeeping in Poland for 2020-2022, with a budget of €28.0 million (including 50% from the national budget), was implemented.
* The Common Agricultural Policy continues the "Program for Schools," which allows free delivery of milk and dairy products, as well as fruits and vegetables to schools. The total budget of the Program for the school year is about PLN 230-240, including about 50% from the national budget.
* Food Aid Operational Program 2014-2020, co-financed by the European Fund for European Aid to the Most Deprived (FEAD). The goal of the Program is to provide support to people experiencing the deepest forms of poverty by making food aid available in the form of packages or meals. Assistance may be provided to individuals or families in difficult life situations.
* On October 2, 2021, the law on amending the law on agricultural producer groups and their associations came into force. The new solutions are aimed at facilitating the operation of entities with the status of an agricultural producer group or producer organization, as well as strengthening the creation of such structures in rural areas. The changes introduced should increase the competitiveness of groups and organizations in the market of agricultural products, and consequently the profitability of the farms of farmers who are their members.
* The Rural Development Program 2014-2020 (RDP 2014-2020) granted support to young farmers in connection with starting a farm. The support relates to the development of agricultural activities on the farm, as well as preparation for the sale of agricultural products produced on the farm.
* The 2014-2020 RDP offered assistance to farmers for operations involving the restructuring of a small farm in the production of food or non-food agricultural products or the preparation for sale of agricultural products produced on the farm.
* Also, the investment measures of the RDP 2014-2020 pursue the goals of driving food production and production potential on farms.
* In the 2023-2027 perspective, support will continue to be provided to ensure access to capital necessary for starting and developing agricultural activities on the young farmer's farm. The assistance is to concern the development of crop or livestock production on the farm, as well as preparation for the sale of agricultural products produced on the farm.
* Support for small farms will be aimed at increasing market orientation and competitiveness in particular, through: linking production to sales (shortening the supply chain), changing the production profile, improving the quality of production, increasing the added value of the product.
* Investment support in farms will also continue, resulting in increased market orientation and competitiveness of farms. Among other things, the support will contribute to the rationalization of production technologies, the introduction of modern, including digital, technologies or innovations, changing the production profile, improving the quality of production, increasing the added value of the product. Operations may concern the production and preparation for sale of agricultural products produced on the farm.

2. What food security policies from the past three years does your Government envisage converting into permanent programs?

Recent years have been characterized by high volatility in agricultural markets, and thus the need for rapid intervention and response to current problems. Programs require constant adaptation to current needs. Relevant policies, interventions and programs are implemented on an ongoing basis in response to the changing market situation at both the EU and national levels.

The Strategic Plan for the Common Agricultural Policy 2023-2027 (SP CAP 2023-2027), takes advantage of the opportunities offered by the reformed CAP. This approach provides an opportunity, including in the years to come, to effectively, sustainably strengthen the competitiveness and development of Polish agriculture and rural development, taking into account aspects of the transition to a green and digital economy.

The SP CAP will implement 9 specific objectives of the CAP and the cross-cutting objective of modernizing the sector by supporting and sharing knowledge, innovation and digitization in agriculture and rural areas and encouraging their use.

In the long term, this support will improve the resilience of the food system, strengthen supply chains and optimize input use.

The interventions in the SP CAP 2023-2027 have been designed in a way that does not limit the production capacity of Polish farmers.

3. What measures, if any, has your Government taken to address rising corporate power and profits in the food and agriculture sector, in terms of redistribution and avoiding excessive market concentration?

Poland has an antimonopoly office for the protection of competition and consumers - the Office of Competition and Consumer Protection. Its tasks include:

* combating anti-competitive practices used by entrepreneurs - prohibited agreements and abuse of dominant position
* controlling the concentration of entrepreneurs, which is aimed at preventing excessive consolidation of entrepreneurs, leading to a significant restriction of competition in the market, in particular by obtaining or strengthening a dominant position.
* monitoring of state aid granted by the state
* eliminating practices that unfairly exploit contractual advantages
* counteracting payment blockages - excessive delay in the fulfillment of monetary benefits in commercial transactions.

The Polish legal system includes the Act of August 23, 2007 on counteracting unfair market practices, which regulates the scope of permissible market practices and indicates prohibited practices. In case of violations of the Act, it is possible to turn to the Office of Competition and Consumer Protection.

As of December 23, 2021, a new law on counteracting unfair exploitation of contractual advantages in the trade of agricultural and food products is in force, which is intended to eliminate unfair practices in the supply chain. The law's provisions provide suppliers of agricultural and food products with greater certainty in the market and give farmers the opportunity to sell their products on partnership terms. They strengthen the position of the agricultural producer as an equal market participant vis-à-vis large economic players. Proceedings on unfair practices are conducted by the President of the Office of Competition and Consumer Protection.

4. Please provide information about any steps which have been taken in support of local small food producers to ensure stronger links between local producers and consumers and improved access to healthy nutritious diets.

* **The National Recovery and Resilience Plan** (Krajowy Plan Odbudowy i Zwiększania Odporności - KPO) defines goals related to the reconstruction and creation of Poland's socio-economic resilience after the crisis caused by the COVID-19 pandemic, as well as reforms and investments to achieve them.

As part of the KPO, the Minister of Agriculture and Rural Development is responsible for the implementation of investment A1.4.1 *Investments for diversification and shortening of the product supply chain agricultural and food industries and the construction of entities participating in the chain*.

Under the KPO, support is planned for diversification and shortening of the supply chain of agricultural and food products through support for investment in the development and modernization of enterprises for processing and marketing/disposal of agricultural, fishery and aquaculture and food products. Assistance will be directed to: a) farmers and fishermen in conducting such types of activities as agricultural retail trade (RHD), marginal local and limited activities (MOL), agricultural slaughterhouses or various forms of direct sales direct sales, and to b) existing and newly established micro, small and medium-sized enterprises (SMEs) in agri-food processing.

In addition to the above calls for proposals, it is also planned to carry out calls for proposals aimed at the creation of storage and distribution centers and support for organizations responsible (or acting in the field of) redistribution of food for social purposes.

* **The Rural Development Program** support for the development of short supply chains for agri-food products, including local processing and food production on family farms. Under the 2014-2020 Rural Development Program, the "Cooperation" and "Support for investment in the processing, marketing or development of agricultural products" measures were implemented. Under "Support for investment in the processing, marketing or development of agricultural products," support was provided for, among other things, for micro, small or medium-sized enterprises (SMEs) affecting the diversification of the rural chain and agricultural retail trade, which enabled the possibility of processing food produced in whole or in part from one's own cultivation, rearing or breeding, and selling it independently to the final consumer.
* **The Strategic Plan for the CAP**: Getting more food, produced in quality systems, to market and sold than before requires breaking down a number of barriers. It is necessary to support the creation of producer groups within food quality systems and horizontal relationships between producers, groups and their environment. At the same time, at the producer level, in the value chain, it is necessary to support and disseminate quality systems to encourage farmers to production methods carried out under quality systems. The Strategic Plan has designed interventions that will, on the one hand, encourage farmers to participate in quality systems and, on the other hand, enable the improvement of the organization of the marketing of products produced under quality systems through the joint implementation of information, promotion and marketing activities.

In addition, in order to improve the sustainability of quality systems, it is necessary to strengthen the position of producers in the market - as it has been diagnosed the small scale of production and insufficient marketing knowledge in producers of quality systems and a weak level of integration. Under this intervention, it will be possible to support groups of agricultural producers set up in the category of organic farming or for agricultural products registered with the European Commission as a Protected Geographic Indication, Protected Designation of Origin or Traditional Specialty Guaranteed.

It is also important to inform consumers about the quality qualities of products produced under quality systems and to promote quality products. These activities are intended to contribute to the spread of knowledge about the above-standard qualities of products produced under quality systems, thereby increasing the demand for these products on the market. Their goal is to raise consumer awareness of the quality and taste qualities of products produced in these production sectors.

Measures in this regard have been proposed for implementation in the CAP SP.

* **Local markets in rural and urban municipalities:** the October 29, 2021 Law on facilitation of trading on Fridays and Saturdays by farmers and their homemakers introduced the possibility of establishing local markets in rural and urban municipalities. The municipal council designates a place for trading on Fridays and Saturdays by farmers and their household members. Currently, 1,458 of Poland's 2,489 municipalities have taken advantage of this opportunity. The Ministry is running a campaign to encourage more to open. The goal of the law is to spread direct sales mainly in cities, by having municipal authorities introduce Friday and Saturday as a direct sales day for farmers selling their products.

The law's provisions also provide for Friday and Saturday market fee exemption for farmers and their household members trading in agricultural and food products and handicrafts. Such a solution contributes to increasing farm income, and also promotes the dissemination of local products, shortening and diversifying distribution channels.

5. Please also describe any initiatives which have been undertaken to enhance local governments’ capacity to fulfil the right to food.

As mentioned above, in scope of the National Recovery and Resilience Plan, the Minister of Agriculture and Rural Development is responsible for the implementation of investment A1.4.1 *Investments to diversify and shorten the supply chain of agricultural and food products and to build entities participating in the chain*.

In the period from October 17, 2022 to November 18, 2022, a call for applications was carried out in the field of support for the processing or marketing of agricultural and food products as well as fisheries or aquaculture undertaken by farmers and fishermen.

The applications’ scope included:

1. creating or upgrading:

a. places intended for the processing, storage or preparation for sale of agricultural, fishery or aquaculture products, together with the equipment of stationary and mobile production lines, the purchase of new machinery and equipment for processing or storage of these products and the construction (including extension) of infrastructure facilities used for the purpose of processing these products;

b. places intended for selling and marketing of agricultural, food, fishery or aquaculture products to the final consumer, including those located on a farm, at marketplaces and in highway rest stops referred to in the provisions on public roads,

2. purchase of specialized means of transport used for the transport and marketing of agricultural, food, fishery or aquaculture products or products made from these produces being a result of processing activity.

The level of support was limited to max, PLN 500,000 per final recipient of support, with the minimum support for one project was PLN 20,000.

6. Currently many countries have developed national food pathways. How, if at all, does this national food pathway of your country meet right to food obligations? This includes issues such as the following:

(a) International cooperation and solidarity;

(b) Improving food production and conservation by enhancing cultural and biological diversity in food systems;

(c) Supporting a holistic connection between traditional and indigenous local knowledge and scientific knowledge focused on agroecology;

(d) Reforming food systems to ensure that food is available and accessible in equitable terms and that labour rights are enforced;

(e) Ensuring that trade is equitable as a matter of food sovereignty and labour rights, thereby establishing fair and stable markets.

The Polish "National Pathway," i.e. the document outlining activities for national food system transformation, was published on September 10, 2021. The activities identified in the Polish National Food Systems Transformation Pathway are being implemented through the development and implementation of the strategic and program documents identified as milestones.

Poland as the European Union member has access to the EU single market, which ensures the free flow of goods, services and capital within the EU. Poland is largely self-sufficient in key agricultural products. Due to good natural conditions for agricultural production Poland is able to produce more food than it needs for its own consumption. This makes it possible to allocate some products for export. Currently, Poland is the 7th largest exporter of agri-food products in the entire EU.

Food supply is also not at risk at the EU level. The EU has large surpluses of agricultural and food products, a result of the efficiency of EU agriculture and the effectiveness of the Common Agricultural Policy.

Poland has a Government Strategic Reserves Program. According to the Law of December 17, 2020 on strategic reserves, strategic reserves are established in case of a threat to state security and defense, security, public order and health, and the occurrence of a natural disaster or emergency. Strategic food reserves are maintained in assortment groups, such as cereals and grain products, meat and meat products, vegetable and animal fats, dairy products and others (e.g., drinking mineral water, sugar).

Strategic reserves, which are included in the field of national security, are created and maintained by the Government Strategic Reserve Agency. However, information on the status of reserves is classified information.

Poland is involved in efforts to counter the deterioration of global food security due to the war in Ukraine. Poland is participating in efforts to ensure global food security by providing transit “solidarity lanes” for Ukrainian grain exports by land. Their establishment was aimed at ensuring food security in grain-deficit regions of the world, as Russia's aggression against Ukraine has resulted in the disruption of existing trade routes through Ukrainian ports on the Black Sea. It is worth noting that this also generates costs for Poland, including by putting a strain on storage and transportation infrastructure, and generates social unrest among farmers, especially in the region of southeastern Poland.

On November 17, 2021 the Parliament passed a new law on counteracting unfair use of contractual advantage in the trade of agricultural and food products. The law defines 16 unfair trade practices, including 10 that are absolutely prohibited, which include paying more than 30 days for perishable products and 60 days for other products, and cancelling an order for perishable products less than 30 days before the expected delivery date. The catalog of prohibited unfair practices is open, allowing the President of the Office of Competition and Consumer Protection to intervene if other unfair practices emerge that are contrary to good morals and threaten the vital interest of the other party. With these solutions, participants in the food supply chain are guaranteed legal protection against unfair exploitation of advantages by entities with greater economic power.

7. Has your Government taken or plans to take any steps towards a just transition to agroecology?

The Strategic Plan for the CAP implements the environmental and climate objectives of the European Green Deal, including support for the development of organic farming.

Based on the analysis of the possibilities for the development of the organic farming sector in Poland in terms of various available sources of support, it is assumed that the sustainable and comprehensive development of the organic farming sector, including the impact on the increase in the area of organic farming, will be implemented through activities based both on the interventions and financial resources of the Strategic Plan for the CAP for 2023-2027, as well as on solutions outside the Strategic Plan. However, these activities include support for the various stages of the organic food chain from farm to fork. It starts with support for agricultural production of raw materials and processing, follows through activities supporting investment and market potential, including of small organic farms, through shortening supply chains, by activities shaping consumer demand and confidence in organic production, and finally by support for integration of the industry, national farm extension services system, i.e. knowledge of farmers and advisors.

With the above in mind, it is assumed that the sustainable and comprehensive development of the organic farming sector planned for the various stages of the food chain, makes it possible to anticipate an increase in interest in the organic farming system. The development results in the impact on the increase in the area of organic farming, through the above-mentioned activities based both on the interventions and financial measures of the Strategic Plan for the CAP for 2023-2027, as well as on solutions outside the Strategic Plan. The presumed outcome should be a gradual increase in the area of farmland under the organic farming system leading to a level of 7% in 2030, i.e. more than one million hectares of farmland under the organic farming system.

In addition, the further development of the organic farming sector, including the increase in the area of farmland covered by the organic farming system, is also influenced by activities outside the CAP SP, and resulting from, among other things, the implementation under the KPO of Investment A1.4.1. *Investments to diversify and shorten the supply chain of agricultural and food products and to build entities participating in the chain*. In addition, non- SP CAP activities include: implementation of scientific research for the development of organic farming, digitization of information and data on organic production within the framework of the "Window for the Farmer," publication of research results, organic production methodologies and a starter package that are a compendium of knowledge for farmers and advisors, operation of a center for practical processing, including by organic methods, information-promotional-educational activities implemented both from the administration and by organic producers, the inclusion of additional professional skills in organic farming in the curriculum of agricultural schools, support for the use of organic certified and basic seed, and the introduction of organic products into the Program for schools as part of school classes. Measures are also being implemented to help increase the share of organic products in green procurement.

8. Please provide information on any recent agrarian reforms or other policies which your Government has initiated with the aim of protecting tenure rights and access to land for peasants, farmers and agricultural workers. This also includes programs that ensure Indigenous peoples’ free, prior and informed consent is sought for any action that would affect their lands, territories or rights.

In Poland, the legislation, one of whose goals was to ensure food security for citizens by providing farmers with better access to agricultural land, went into effect in 2016. The most important change was the introduction of the principle that only individual farmers can be buyers of agricultural real estate. Other entities can purchase agricultural real estate only when there is no interest in the purchase on the part of individual farmers, while obtaining permission (in the form of a decision) from the Director General of the National Center for Agricultural Support.

9. Please share any other general challenges and lessons learnt from the pandemic that can inform long-term solutions for tackling national and international food insecurity.

The Covid-19 pandemic highlighted the importance of strategic food security planning at the local, national, regional (European Union) and international levels. From the point of view of national policy, an extremely important parameter for ensuring population security is the self-sufficiency of agriculture. Cultivation and production should be maintained at least at a level that ensures food security for the country's population.

In the event of emerging emergency threats, it is necessary to maintain the operation of food production. The processing production of staple foods is crucial to food security. It is essential that plants do not close and logistics chains maintain the delivery of food to consumers.

Ensuring food security requires coordinated and thoughtful action to ensure the proper functioning of food markets and the continuity of the food supply chain, not just at the regional or national level. In a globalized economy, a single country, even the strongest economically, will not be able to achieve a state of sustainable food security, and certainly food safety - because the global food trade means that to every consumer in every corner of the world today, food produced under different technological regimes, different sanitary and veterinary conditions, and with varying degrees of adulteration, is delivered.

Open markets and free movement, have a positive impact on food security. This is important both at the level of organizations, such as the European Union, and internationally. Food surpluses can be transported to crisis-affected countries with food supply difficulties.

An element that is important in ensuring food security is international cooperation to respond quickly to crises.

The time of COVID-19 pandemic weakened the investment activity of food chain actors, in particular SMEs, thus strengthening the long-term tendency to strongly differentiate the market power between the links of this chain. It posed a threat to its competitive functioning, and thus the role of the market mechanism in the optimal allocation of resources and for long-term resistance to subsequent crisis phenomena. The weakening of investment activity affected many participants in the food chain (SMEs and agricultural producers - including farmers, entities engaged in direct sales, marginal, local and limited production - MOL, agricultural retail - RHD and food processing SMEs), who due to the difficult and unpredictable economic situation refrained from making investment decisions or lost their financial capacity to invest.

The data indicate a strong and intensifying concentration of trade, including retail trade, and a systematic increase in the market share of large and very large processing entities with the weakening market position of fragmented agriculture and SMEs in the agricultural product processing sector. A similar structural effect (with consequences for the growing contractual advantage between entities) is the effect of the implementation of green transformation, as the costs of necessary adjustments present a relatively greater challenge for smaller business entities (SMEs).

At the same time, rapid changes in consumers’ and import recipients’ expectations in terms of the methods of food production and distribution, its quality, origin and environmental (and climate) footprint, including access to local food, became a challenge and, at the same time, a development opportunity.

In order to address these challenges holistically and comprehensively, the National Recovery and Resilience Plan (KPO) proposed parallel legislative and institutional adjustments supported by investment instruments.

The aim of the mechanisms proposed in the KPO is to strengthen the producer's position in the food supply chain by increasing the effectiveness of solutions aiming at counteracting the unfair use of contractual advantage in trade of agricultural and food products and at increasing market transparency and resilience of supply chain entities.

The key element of the reform is to strengthen the effectiveness of legal and institutional framework of competition protection in the agri-food chain, including counteracting the use of contractual advantage and improving the effectiveness of control in the field of mandatory contracts for the supply of agricultural products.

The introduced legal and institutional framework will strengthen the producer's position in the agri-food supply chain, and thus have a positive impact on the functioning of the entire chain, as well as on the level of the investment chain, the competitiveness of the economy and entrepreneurship (including the micro- and SME’s sector). Suppliers who produce and sell agricultural and food products will gain greater certainty of functioning on the domestic and EU market, based on equal contracts concluded with entities purchasing agricultural and food products. This will enable all entities in the agri-food supply chain to better plan production and offer their employees permanent employment. It will also be the basis for undertaking pro-development activities, including investment and innovation activities.

The above mentioned reform will provide an effective legal and institutional framework and will be complementary to investments affecting the structure of the market chain, e.g. by increasing the investment activity of the processing sector (SME), diversifying market channels, and increasing the share of short chains in turnover.