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News Release - UK To Reveal Farm Subsidy Recipients

Disclosure Will Raise Pressure For Farm Policy Reforms in Europe and US

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(Washington, DC, Jan. 7) — Days after its new Freedom of Information law took effect, and spurred by a joint request from The Guardian newspaper of London and the Foreign Policy Centre (FPC) a London-based think tank on global issues, and a landmark 2004 report by international aid charity Oxfam, the United Kingdom will for the first time disclose the identity of recipients of some \$6.4 billion in annual farm subsidy payments.

That means the Queen of England and the rest of the royal family, along with other large and often titled land owners in Great Britain, will join the ranks of unlikely "farmers" on this side of the Atlantic whose receipt of farm subsidies has roiled the farm policy debate in recent years and built momentum for reforms. In the US, farmers receiving subsidies range from basketball star Scottie Pippen, to the John Hancock insurance company, to financial services magnate Charles Schwab.

The decision was announced on Wednesday by Lord Whitty, the UK's minister of agriculture, at an agriculture conference in Oxford, England.

"The United States has disclosed information about subsidy recipients for many years, and the information has increased pressure for reform of farm policy here," said Ken Cook, president of the Environmental Working Group (EWG). "We commend the UK for taking this step to make the public's subsidies public knowledge, and expect that the disclosures will spur new thinking and reform momentum in the UK. It will also pressure other European countries to disclose the beneficiaries of their farm subsidies, lending further support to reform on both sides of the Atlantic — a key to advancing conservation investments in water quality, wildlife habitat and farmland protection," Cook said.

Jack Thurston, Senior Research Associate at FPC, the London-based think tank that has coordinated the UK campaign said: "We have been calling for public disclosure of farm subsidies for several years so this is a major breakthrough. I have also made a formal request to the European Agriculture Commissioner that this kind of openness be extended across the European Union. With farm subsidy payments accounting for nearly half of the entire EU budget, European citizens have a right to know where and how their money is being spent. Openness and transparency will stimulate a constructive public debate over the priorities, performance and future direction of agriculture, food and rural policies."

Experts predict that most of the UK payments will be concentrated in the hands of a relative few very large agribusinesses, as they are in the United States, where EWG analyses have found 10 percent of the recipients collected 72 percent of the subsidies between 1995 and 2003. EWG maintains a massive, online database of US farm subsidy payments that has drawn hundreds of millions of searches since it was first published in late 2001 (http://www.ewg.org/farm/ [0]). The database is built from over 100

million US Department of Agriculture computer records and lists virtually every agricultural subsidy payment and who received it during the last nine years. The information on the EWG site was obtained through the US Freedom of Information Act (FOIA).

A pioneering 2004 study by Oxfam, Dumping on the World: How EU sugar policies hurt poor countries, estimated farm subsidies for some large U.K. sugar producers and concluded that payments were highly concentrated among major British agribusiness operations. The report found that the 27 largest sugarbeet farms in the UK received an average of \$387,000 annually. It is available here:

http://www.oxfam.org.uk/what_we_do/issues/trade/bp61_sugar_dumping.htm [1]

Another 2004 Oxfam report, "Cereal Injustice under the CAP in Britain", found that 2 percent of land holdings in the UK account for more than 25 percent of agricultural subsidies. This report estimates that Britain's richest man, the Duke of Westminster, receives \$608,000 in cereal subsidies annually. It is available at

http://www.oxfam.org.uk/what_we_do/issues/trade/bp55_subsidies.htm [2]

The UK decision to disclose farm subsidy recipients bears similarities to events that led to publication of subsidy payees in the United States under pressure from a public interest group and journalists. The Environmental Working Group began analyzing US farm subsidy recipients in the early 1990s, through a series of highly detailed Freedom of Information Act requests that identified payees by nine-digit zip code, but not by name. EWG's research, maintained in an in-house database that pre-dated general public access to the World Wide Web, formed the basis for hundreds of news stories leading up to the 1996 Farm Bill.

In 1996, and citing EWG's requests, a federal judge ruled in favor of The Washington Post in a lawsuit against the US Department of Agriculture that sought the names of cotton subsidy recipients (to read the ruling, go to http://www.ewg.org/farm/data/foia.php [2]). The government did not appeal the decision, and EWG used the precedent to obtain millions of names and payment data for farm subsidies, which the group made available to journalists beginning in 2001. In September 2001, a pioneering computer investigation by the Associated Press was published, reporting the results of its review of farm subsidy payments. In November of that year, EWG made its farm subsidy database public. It immediately generated tens of millions of searches and intense media coverage.

Over 18 million pages on the site have been searched just since Nov. 29, 2004, when EWG updated the database.

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Links:

- [1] http://www.oxfam.org.uk/what_we_do/issues/trade/bp61_sugar_dumping.htm
- [2] http://www.oxfam.org.uk/what_we_do/issues/trade/bp55_subsidies.htm

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David Hencke and Rob Evans

The Guardian, Wednesday 23 March 2005 11.55 EST

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The Queen and Prince Charles received a total of more than £1m in EU farm subsidies in the past two years, it was revealed yesterday.

The figure emerged as the government for the first time published the amount of subsidy each farmer in Britain receives, after a request from the Guardian under the Freedom of Information Act.

It showed that major landowners receive the largest subsidies from the taxpayer. Seventeen farmers and agricultural enterprises received more than £1m each last year in help from the taxpayer.

The figures also reveal that hundreds of millions of pounds go to subsidise the UK's agricultural exports, while many developing countries are unable to compete, adding to the huge debt facing Africa.

The largest export subsidy goes to Tate and Lyle, which over two years received £233m from the taxpayer to sell sugar overseas - way above the next company on the list.

Meadow Foods received £46m over two years, while Nestle UK received more than £21m during the same period.

A spokesman for Tate and Lyle said the company was put at a disadvantage by the EU's pricing structure on sugar.

"[The company's] only option is therefore to export sugar it is unable to sell in the European Union and these payments compensate the company for lower prices it can achieve in the world market."

Meat exporters have also benefited from taxpayers' support - notably Dungannon Meats in Northern Ireland which received £20m, and Bridgewater Beef which received £15m.

The scale of taxpayers' subsidies has reopened the arguments on why wealthy landowners and multinationals should receive such generous help.

Michael Wills, the former minister in charge of freedom of information, now running the Help Africa campaign, said yesterday: "The release of these figures only reveals what we long suspected - that taxpayers' money is going to people who don't really need it. It is time this was changed."

Ministers brushed aside objections from landowners to publish the figures, which have for years been a closely-guarded secret within Whitehall.

Phil Bloomer, a spokesman for Oxfam, which has been pressing for disclosure, said the figures showed that "east Anglian grain barons and the landed gentry enjoy a bumper cash harvest, while small British farmers struggle to get by".

The Queen's main farm at Sandringham in Norfolk has been paid £769,000 in subsidies in the past two years.

A spokesman for the Queen yesterday rejected any suggestion that she received too much money from the taxpayer. "The Queen is a landowner and a farmer. She receives subsidy, just as any other farmer would do."

A total of £168,000 was given to Prince Charles's organic farm at Highgrove in Gloucestershire during the past two years.

The Duchy's Home Farm is a key part of the Duchy of Cornwall, the prince's 141,000-acre estate which provides his income. Other parts of the Duchy of Cornwall estate received another £ 138,000 in subsidies.

It appears that the figures for the royal family are an underestimate, as they do not include farm subsidies in Scotland, where the list of payments remains a secret.

The figures also do not take into account the rental income Prince Charles can make from businesses and tenant farmers who get huge farm and training subsidies from the taxpayer.

The individual farmer who appears to receive the highest amount of subsidy is Sir Richard Sutton. Sir Richard, whose estates are in Berkshire and Lincolnshire, got £2.2m in the past two years.

Even his income is underestimated, because he owns a Scottish estate and has shareholder interests in farms in the Irish Republic.

One of the surprising disclosures among the top five individuals is a Swedish couple, Nils and Lillemor Persen, who took over the Compton Beauchamp estate on the Oxfordshire borders. They received £1.2m in subsidies over two years.

The Co-op is one of the top companies receiving the subsidies, but has been pressing for reforms of the payments.

Read the list of subsidy recipients (pdf, 1.1MB)

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