

COMMISSION OF THE EUROPEAN COMMUNITIES

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THE 1977 SKIMMED-MILK POWDER AND BUTTEROIL FOOD AID PROGRAMMES

(submitted by the Commission to the Council)

COM(77) 161 final

PART ONE

GENERAL

The subject of this communication is the establishment of the skimmed-milk powder and butteroil food aid programmes for 1977. The quantities correspond to the appropriations adopted by the Council for the food aid budget (Chapter 92) for 1977 - 105 000 t of skimmed-milk powder (appropriation of 41.5 million u.a.) and 45 000 t of butteroil (appropriation of 47 million u.a.)¹.

1. In preparing both these programmes the Commission has followed the guidelines laid down in the document 'Fresco of Community Action Tomorrow' and concentrated aid on the poorest countries. Of the direct aid proposed, 88% of the milk powder and 93% of the butter will, therefore, go to countries whose per capita CNP is \$300 or less and to those facing emergency situations. The limited amount of butteroil available means that any country with a per capita of more than \$300 CNP and any whose external financial situation is not precarious (Malta, Mauritius and Liberia) have now been included in the list of recipients. However, the relatively larger supply of food aid in the form of skimmed-milk powder available means that the Community can at least partly meet the demands of the developing countries in this latter category. ^{These countries offer, moreover,} ^{better guarantees} as to health and hygiene and, in most cases, use the product for free distribution programmes for the most needy sections of the population.
2. When the 1976 skimmed-milk powder food aid programme (2nd instalment) was adopted, the Council agreed to extend the previously-used system of adding extra vitamins A and D to skimmed-milk powder provided as aid.

¹Bearing in mind, the transmission of separate communications for emergency schemes for India (3 000 t), the Catholic Relief Service in Chile (2 000 t) and (1 300 t) in the UNHCR (Cyprus), 38 700 t of butteroil are still be allocated (see implementing regulation)

It was decided that fortified milk powder should only be provided where it would help most, a matter to be decided in consultation with the WHO and the recipients themselves. In practice, the Community fortified milk powder that was intended for free distribution as part of social programmes in a WHO list of countries where people suffered from aritaminosis and asked recipient countries intending to sell the powder to local food or dairy industries to have the extra vitamins added during processing.

The Commission feels that the theory and practice outlined above should be maintained in the implementation of the milk powder programme for 1977.

In order to avoid the risk of the products being misused, the Council also specified the guarantees required of the recipients, on the understanding that they could be revised in the light of experience. Experience shows that certain recipients (WFP, NGO, ICRC) were unable to agree to the Council's guarantees and the Commission has, therefore, drawn up fresh proposals on the subject (see Annex III).

It also feels that another solution to this problem might be to supply solid enriched milk in bar or tablet form of a kind currently studied by the European Biscuit Federation. This would also meet the Commission's oft-expressed wish for a diversification of the products supplied as food aid and be in line with the Council's decisions in principle - which are likely to lead to implementation decisions in the near future in respect of the products of the second-stage processing of cereals. In order to reserve this possibility, no quantities in this programme are expressed as skimmed-milk powder equivalents¹.

¹A financial equivalent

3. In contrast to the situation in the case of the cereals programme, which has already been adopted, nutritional-type operations involving free distribution to the most vulnerable sections of the population account for a considerable proportion of the direct aid allocated : 46 % in the case of milk and 42 % in the case of butteroil. Since the dairy products market has a narrow base in the developing countries (in contrast to the cereals market), the free distribution method provides insurance against the possible anti-economic effects of food aid and also justifies a fairly large proportion being channelled through international organizations which are mainly engaged in this type of operation.

4. The quantity of butteroil indicated in point 1 corresponds to the amount proposed by the Commission for 1977 in the preliminary draft 1977 budget. The quantity of skimmed milk powder, however, represents only the first instalment (105 000 tonnes) of the total quantity proposed by the Commission (150 000 tonnes).
The appropriation for the second instalment (14 million u.a. for 45 000 tonnes), were entered by the Budget Authority in Chapter 100 and have to be transferred to Chapter 92 under the conditions laid down during the discussions at the second reading of the 1977 budget and following the discussions of the Council Development meeting of 22 March. The transfer procedure is set in train simultaneously. As agreed at the Council meeting (Budget, then Development), the Commission is presenting in Part V of this Communication its proposal for the allocation of the 45 000 tonnes referred to above. The points set out in Part V will have to be inserted in the texts relating to the first instalment (at the appropriate time).

PART TWO

THE 1977 SKIMMED MILK POWDER

FOOD AID PROGRAMME

I. Requests for skimmed milk powder received by the Community

Contrary to usual practice and in the interests of presenting as concise an explanatory memorandum as possible, the table of request has not been included here. It is set out in Annex I, which contains full details of the requests themselves and of the other aspects (numbers benefitting from free distribution, import requirements, proposed quantities etc.).

Annex I reveals that 42 requests for food aid have been submitted (the same figure as in 1976), involving some 187 500 t.

- (a) Requests have been received from the following for the first time: Ghana, Guinea Conakry, Liberia, Botswana, Burundi, C.A.E., Lesotho, Jamaica, Uganda, Portugal (WFP), Syria and Zambia.
- (b) 13 recipients under the 1976 programme have not submitted requests this year¹: Bangladesh, Upper Volta, Mali, Niger, Sao Tomé and Príncipe, Kenya, India, Haiti, Grenada, Zaire, UNRWA, NGO.

II. Analysis of requests

A. Requests from countries²

1. Requests for standard aid

These requests are for aid:

¹ Any requests from countries submitted after transmission of this document but before the adoption of the programme by the Council (or requests by the NGO meeting the conditions laid down on page 16 may be taken into consideration and supplied from the reserve quantities.

² Obviously, the applicants' situations may well change between submission of the request and receipt of the aid. However, the use to which aid is to be put will be specified when the implementation arrangements are established with the recipients.

- i to be sold to the local food or dairy industry (Egypt, Pakistan, Sri Lanka, Indonesia, Peru, the Philippines, Ghana, Guinea Conakry, Uganda, Syria, Tanzania, Sudan and Senegal for part of the amounts);
- ii to be distributed free of charge (other countries)¹

With a view to sharing the available quantities as fairly as possible between the applicants for standard aid, the usual criteria of need, per capita income and state of external finances have been applied.

First criterion: need

This was calculated as follows:

(a) Free distribution programmes

The Data on these requirements are based on the survey carried out by the FAO in 1976 with a view to fixing overall objectives for food aid (milk products) and from the responses to the Commission questionnaire distributed to the countries concerned. The following method has therefore been chosen:

- (1) the requirements of applicant countries covered by the FAO survey were calculated by multiplying the two basic items of information obtained by that survey - after any adjustment in the light of answers to the Commission questionnaire. These items were the number of people reached by the free distribution programmes and the annual ration (to a maximum of 15 kg);
- (2) the requirements of the other countries were calculated on the basis of information yielded by the Commission questionnaire on the number of people who would benefit and the annual ration (to a maximum of 15 kg);

¹ Certain requests for free distribution also involve the sale of skimmed milk powder on the local market without further processing. In view of the lack of guarantees against the health risks, only the FD part of these requests was approved.

Annex I shows that the countries needing the greatest amounts for free distribution are Egypt (25 000t), Sudan (9 800t), Honduras (5 200t), Uruguay (5 000t) and Yemen (3 500t).

(b) Sales to the food or dairy industry

These requirements correspond to:

- i the industry's import requirements assessed in conjunction with the FAO and the WFP in the light of their own information and details from the questionnaire, or, failing this:
- ii average milk powder imports in 1974 and 1975.

The countries whose requirements are greatest are:
Egypt (71 000 t),
The Philippines (56 000t), Peru (30 000t), Indonesia (25 000t),
Sri Lanka (9 000t), Ghana (7 000t), Tanzania (5 000t) and
Pakistan (5 000t).

Second criterion: per capita income

This, as indicated in Annex I, is the income for 1973, as published by the World Bank¹. Most countries requesting standard aid have a per capita income of \$300 or less, although this figure is considerably exceeded by Peru (\$620), Uruguay (\$950), Jamaica (\$990), Malta (\$1060) and Portugal (\$1410).

Third criterion - external financial situation (see Annex II)

The external financial situation of the applicant countries was primarily examined in the light of the balance of current payments in 1975, the last year for which figures are available.

¹ Or, in certain cases, assessed by the Commission.

² Other indicators of the external financial situation (overall balance of payments, external debt, servicing of the external debt) are set out in Annex II.

In order to provide a comparative picture, these figures were used as a basis for the calculation, for each country, of the relationship between the balance of current payments and the goods and services exported. This allowed applicants' to be divided into two categories:

- i countries whose external financial position is catastrophic or precarious (balance of current payments deficit at least 30% below the level of goods and services exported)¹;
- ii the other countries.

It emerges that the countries in greatest difficulty are: Sudan (balance of current payments deficit equal to 93% of goods and services exported), Peru (88%), Syria (81%), Pakistan (74%), Jamaica (70%), Egypt (52%), Tanzania (48%), Uruguay (40%), The Honduras (40%) and Portugal - whose balance of current payments deficit in 1975 represented 24% of goods and services exported, which, bearing in mind the almost total absence of capital from abroad, means that the balance of general payments was in a highly critical situation for that year.

2. Requests for emergency aid

The aim here is to feed (via free distribution programmes or, in exceptional cases, sales) populations who are victims of natural disaster or comparable circumstances in: Botswana, Burundi, Cape Verde, Jordan, Lesotho², Mauritania, Mozambique, Somalia, Vietnam and Zambia (see Annex I). These requests were assessed in the light of this aim bearing in mind the fact that the populations and countries concerned are in acute need of food and in exceedingly difficult economic and financial straights.

¹ This figure represents the median relationship between the balance of current payments and goods and services exports (for all 35 countries listed in Annex II).

² This country has recently announced that it is also presenting a request for normal aid.

B. Requests from organizations

The requests from the various organizations intended to cover:

WFP: development projects in the countries listed in Annex IV, emergency schemes;

UNICEF: normal and emergency programmes (see Annex V) aimed at meeting the food requirements of vulnerable sections of the population (children and expectant mothers);

ICRC: emergency schemes for the victims of armed conflict and regular ICRC programme of assistance, mainly for the victims of uprisings (see Annex VI);

LEAGUE RCS: emergency schemes, particularly following on natural disaster.

III. The Commission's proposals

In the light of the preceding considerations the Commission proposes that the 105 000t of skimmed milk powder be distributed as set out in Annex I and in the implementing regulation attached hereto. This regulation also covers the financing arrangements determined by reference to the available funds.

A. Direct aid

1. In the light of the experience gained from drawing up previous programmes and in accordance with the wishes of the Member States, the Commission has attempted to clarify the guidelines it follows when proposing the breakdown of aid - which takes account of needs, per capita income and the external financial situation.

Bearing in mind what was said in part one of this document and considering that, in any case, the quantity provided may not exceed the quantity applied for, the Commission has laid down the following guidelines for this programme.

(a) Standard aid:

Certain of the countries with an annual per capita GNP of US \$ 300 or less are facing a catastrophic or precarious situation in their external finances. This has therefore been taken into account in determining the quantity allocated. As a general rule, this quantity represents approximately 40 % of requirements, compared with 30 % for the other countries in this group.

As regards the countries with an annual per capita GNP of more than US \$ 300, the catastrophic or precarious external **finances** situation has also been taken into account in the allocation of the quantities. The countries facing such a situation have had 20 % of their requirements met.

However, where the requirements are very small (1000 tonnes or less), it has been possible to allocate a quantity representing 100 % of requirements in the case of the poorest countries (GNP less than \$ 300) and 50 % in the case of the other countries.

It goes without saying that the above percentages only constitute guidelines and the quantities proposed may be appreciably different in certain cases. In the case of Peru, the Philippines and Indonesia, for example, it seemed desirable to limit the quantity allocated to 5 % of those countries' requirements in order to maintain a balance with the other recipients which intended to sell the product.

b) Emergency aid

Generally speaking, allocations here corresponded to 50 % of requirements (100 % where requirements were minimal, 1 000 t or less), regardless of per capita income.

2. Standard direct aid and emergency aid totalled 49 310 t - 55% of all aid distributed (full amount less general reserve) It was concentrated on the poorest countries, which received 88%. Of these 49 310 t ,26 300 t (54%) are for sale to the food or dairy industry in the recipient countries and 10 650 t (46%) for free distribution¹. These free distribution programmes represent additional consumption and so the risk of direct aid having an unfavourable effect on local production and trade patterns is limited.

B. Indirect aid

This is aid sent via the WFP, UNICEF, the ICRC and the League of Red Cross Societies. It amounts to 41 000t, 45% of all aid distributed, which is, in relative terms, a considerable increase over the 1976 programme under which the same bodies received 36.5% of all aid distributed.

1. The WFP allocation

The 27 000t (29.8% of total aid distributed, as against 21.7% in 1976) was negotiated by the Commission and the WFP. The amount was fixed in the light of the direct aid requirements as communicated to the Community of WFP requirements and of the parallel negotiations on butteroil as aid.

The Commission requests the Council to decide on the Community programme and - at the same time - the allocation of the quantity allotted (see Annex IV).

¹ There are thus no plans to sell the unprocessed product to the consumer. However, such sales might be envisaged, depending on negotiations with the recipients, provided the guarantees as to health and hygiene mentioned in Annex III are provided.

The WFP has asked that the allocation procedure used hitherto (fixed regional amounts and a list of potential recipients for whom the Commission laid down quantities within the regional amounts) be altered, since, it says, the 'regional amounts' system introduces inflexibility into the management of aid. It therefore proposes an indicative breakdown by country of the quantities provided.

These regional amounts were introduced to ensure that direct aid from the Community and aid sent via the WFP were properly coordinated and to enable the standard contribution to be calculated according to the regional destination of the aid.

If the indicative breakdown by country is adopted (as it has already been by the other international organizations), it has been agreed with the WFP that coordination at the level of the countries and the projects will be effected when the programmes are drawn up, on the basis of the indicative list and during the year where the WFP asks for the original destination to be changed. This coordination will be much easier now that an overall assessemnt of requirements is carried out by the FAO (see section on the analysis of requirements). Furthermore, it has been agreed that the standard contribution will be calculated by a new, more objective method which takes account of the results (surplus or shortfall) of the standard contribution of the previous year.

The Commission therefore feels that the WFP's request should be granted and proposes that an indicative breakdown by country of the quantities allocated be drawn up and that the Commission be empowered to modify that breakdown. The inclusion of any new recipients will, however, have to be submitted to the Council for approval (except in emergencies).

Emergency schemes for countries not on the list given in Annex IV will be covered by the 27 000t¹. Those involving sudden and unforeseeable natural disasters will be implemented according to the procedures adopted by the Council (see document No. S/1158/75 COMER 337) and other emergency schemes will be implemented according to the procedure proposed above for direct Community schemes.

2. The UNICEF allocation (11 000t) and the ICRC (2 500t)

The Commission recommends the same arrangements as those adopted by one Council for the 1977 cereals programme:

- i an indicative breakdown by country (see Annexes V and VI) and Commission authorization to modify that breakdown;
- ii the establishment of a reserve for emergency schemes (and other schemes not originally provided for) to be decided by the Commission within the limit of 100t of skimmed-milk powder (unless, of course, the unforeseen schemes are for countries already on the list, in which case the limit does not apply).

UNICEF has also asked for a small part (some 25t) of the reserve to be delivered to a warehouse on Community territory so as to be immediately available in emergencies. UNICEF would pay the costs of storage and transport from the warehouse and ensure that the amounts in question are regularly rotated either with other milk powder aid it receives or with the Communities' other milk powder aid.

¹ to be delivered to the port of unloading.

² including delivery arrangements.

This formula would have the advantage of speed and the Commission therefore recommends that the request be granted, on the understanding that the Community would decide on the destination of this quantity in the usual way.

3. The League of Red Cross Societies allocation. The proposed amount is 500t. It represents a reserve for schemes to be decided later according to the usual procedure - i.e. Council decisions for schemes involving more than 100t and Commission decisions for schemes involving 100t or less¹. Like UNICEF, the League of Red Cross Societies has requested that small quantities (some 50t) of milk powder be stored in a warehouse on Community territory. The Commission therefore proposes, for the reasons given under 2 above, that the Council grant this request, on the same terms as for UNICEF allocation.

IV. The general reserve

A quantity of 14 690 t is provided here to meet emergency needs .

This reserve - together with the special reserves of the ICRC (350t), UNICEF (1560t) and the League of Red Cross Societies (500t) - amounts to 17 100 t in all and provide a contribution to the international reserve for emergency schemes (initially intended to involve cereals alone although, in practice, other donors supply other products). This contribution will have to be used in accordance with the consensus of opinion of the Committee on Policy and Programming at its last but one meeting.

This reserve would also be used to cover aid measures which the Commission proposes to take in respect of countries submitting their requests before the adoption of the programme by the Council and in respect of non-governmental organizations after the formal request has been submitted and an examination has been made of the results of the initial experiment with the NGOs (12 000 tonnes under the 1976 programme).

¹ including delivery arrangements

ANNEX I BASIC DETAILS OF THE PROGRAMME (SKIMMED MILK POWDER)							I
COUNTRIES OR ORGANIZATIONS (per capita GNP in US \$ 1973 given in brackets)	QUANTITIES REQUESTED	PROPOSED USE (FD=free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t)	VALUE (million u.a.) (at world prices)
I. STANDARD AID							
A. COUNTRIES WITH PER CAPITA GNP EQUAL OR BELOW US \$ 300							
1. with catastrophic or precarious external financial situations usual allocation = 40% of requirements and 100% where requirements 1000 t or less							
					TOTAL:	20 250	6.27
EGYPT (250)	30 000	sale to dairy industry		71 000 whereof 29 000 for public sector and 42 000 for private sector	6 000	10 000 (EMB)	3.30
GUINEA BISSAU (150) (estimate)	300	FD and sales to final consumer		FD = 100 Sales = rejected by the Commission	500	100	0.04
PAKISTAN (120)	no figures given but requirements estimated at 5000 t	sale to food and dairy industry	-	5 000	3 500	2 000 (EMB)	0.54

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COUNTRIES OR ORGANIZATIONS (per capita GNP in US \$ 1973 given in brackets)	QUANTITIES REQUESTED	PROPOSED USE (FD=free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
SUDAN (130)	<u>5 200</u>	FD (3 200 t) plus sales to dairy industry	700 000 (14 kg)	FD = 9 800. Sale = 3 200	170	4 000 (EMB)	1.27
TANZANIA (130)	<u>3 217</u>	sales to dairy industry (Dar Es Salam)	-	4 930 (average imports 1974-75)	1 350	2 000 (EMB)	0.54
YEMEN AR (100)	<u>2 500</u>	FD to 200/300 000 schoolchildren, students and invalids	350 000 (10 kg)	3 500	1 500	1 500 (EMB)	0.40
YEMEN PDR (110)	<u>2 600</u>	FD (1 300 t) to nursery schools, hospitals, schools and sale to final consumer (1 300 t)	108 000 (15 kg)	DG = 1 620 Sale = rejected by the Commission	-	650 (EMB)	0.18

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COUNTRIES OR ORGANIZATIONS (per capita GNP in US\$ 1973 given in brackets)	QUANTITIES REQUESTED	PROPOSED USE (FD = free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ ANNUAL RATION PROGRAMMES (source - FAO and Commission questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
2. Other countries (allocation generally 30% of requirements and 100% where request for 1000t or less)							
TOTAL: 10 550 ===== 3.17 =====							
AFGHANISTAN (90)	324	FD to 20 000 students and pupils	93 000 (15 kg)	1 400	300	300	0.9
C.A.E. (160)	200	FD	15 000 (10 kg)	150	-	150 (R.D.)	0.07
GHANA (300)	5 000	Sale to Dairy industry	-	6 800	-	2 000 (EMB)	0.54
GUINEA CONAKRY (110)	6 000	FD - to schools and hospitals Sale to Dairy industry Sale to Dairy industry	(estim.) 72 000 (15 kg)	1 080 (estimate) 1 000 (estimate)	-	300 (EMB)	0.08
INDONESIA (130)	no figures given	Dairy industry	-	24 675 (average imports: 1974 -75)	500	1 250 ¹ (EMB)	0.34

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COUNTRIES OR ORGANIZATIONS (per capita GNP in US\$ 1973 given in brackets)	QUANTITIES REQUESTED	PROPOSED USE (FD = free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission questionnaires)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
UGANDA (150)	<u>1 020</u>	Sale to Dairy industry	-	5 000	-	500 (EMB)	0.14
PHILIPPINES (280)	<u>5 000</u>	Sale to Dairy industry	-	55 769 (Average imports 1974-75)	3 500	2 750 ¹ (EMB)	0.74
RWANDA (70)	<u>1 000</u>	FD	90 100 (10.8 kg)	973	1 000	1 000 (R.D.)	0.51
SRI LANKA (120)	<u>2 000</u>	Sale to Dairy industry	-	8 787 (Average imports 1974-75)	1 300	2 000 (EMB)	0.54
SENEGAL (280)	<u>6 000</u>	FD (3 000) Sale to Dairy industry (3.000t)	72 000 (15 kg)	FD = 0 Sale = 0 (Absorption capacity nil since the 3 400 t for 1976 have yet to be delivered)	3 400		

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COUNTRIES OR ORGANIZATIONS (per capita GNP in US \$ 1973 given in brackets)	QUANTITIES REQUESTED (t)	PROPOSED USE (FD = free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
B. COUNTRIES WITH PER CAPITA GNP ABOVE US \$ 300							
1. with catastrophic or precarious external financial situations (allocation generally 20% of needs and 50% where requests for 1,000 t or less							
HONDURAS (320)	<u>1 000</u>	FD	518 000 (10 kg)	5 180	1 000	1 000 (EMB)	<u>1.42</u> 0.33
PERU (620)	<u>9 000</u>	Sale to dairy industry	-	29 518 (average imports)	4 500	1 500 (1)	0.40
PORTUGAL (<u>1410</u>)	<u>1 008</u>	FD to schoolchildren	140 000 (7.2 kg)	1 008	500	500 (EMB)	0.13
SYRIA (400)	<u>4 000</u>	Sale to dairy industry	-	5 136	700	1 000 (EMB)	0.27
URUGUAY (950)	<u>500</u>	FD to poor children, invalids and schoolchildren	335 661 (15 kg)	5 000	500	500 (EMB)	0.16
TOTAL:						<u>5 000</u>	

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COUNTRIES OR ORGANIZATIONS (per capita GNP in US \$ 1973 given in brackets)	QUANTITIES REQUESTED (t)	PROPOSED USE (FD = free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
JAMAICA (990)	<u>1 500</u>	FD to 496 000 school children and 118 000 pregnant and feeding mothers and under-nourished children	614 000 (15 kg)	2 000 (net requirement)		500 (EMB)	0.13
2. Other countries (allocation generally 10% of needs and 50% where requests for 1 000 t or less)							
EL SALVADOR (350)	<u>1 000</u>	FD to 83 682 school children (Focco programme)	122 000	1 830		200 (EMB)	0.07
LIBERIA	No figures given	FD and Food for work (FED project) for 139 000 people (children etc. + 2 000 workers and their family)	141 000	2 115	-	200 (EMB)	0.05
<u>TOTAL:</u>						<u>1 150</u>	<u>0.32</u>

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COUNTRIES OR ORGANIZATIONS (per capita GNP in US\$ 1973 given in brackets)	QUANTITIES REQUESTED (t)	PROPOSED USE (FD = free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission Questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED in 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
MALTA (1060)	<u>400</u>	FD 49 800 schoolchildren	49 800 (7.2 kg)	360	750	200 (EMB)	0.05
MAURITIUS (410)	<u>1 100</u>	FD 120 000 to school-children, invalids and old people	120 000 (9 kg)	1 100	1 000	550 (EMB)	0.15

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COUNTRIES OR ORGANIZATIONS (Per capita GNP in \$US 1973 given in brackets)	QUANTITIES REQUESTED (t)	PROPOSED USE (FD = free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION PROGRAMMES	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
II. EMERGENCY SCHEMES (Allocation= 50% of requirements)							
BOTSWANA (230)	No figure given; requirements estimated at 30t emergency scheme (political upheaval in S.Africa)	FD	2 700 refugees (15 kg)	30	-	30 (R.D.)	0.02
BURUNDI (80)	<u>250</u> drought	DG	51 185 victims of bad climatic conditions (15kg)	768	-	250 (R.D.)	0.13
CAPE VERDE Commission (120 = estimate)	<u>2 850</u> (shortfall request for FD + sales Drought & pol.sit. (refugees))	FD	49 026 brought victims, refugees, jobless, old people, invalids (15 kg)	684	450	650 (DEB)	0.28
JORDAN (340)	<u>1 800</u> pol.sit. (refugees)	FD	275 000 Palestinian Refugees (11 kg)	3 025	1 100	1 500 (EMB)	0.49
				TOTAL:	12 360	12 360	5.39

COUNTRIES OR ORGANIZATIONS (per capita GNP in US \$ 1973 given in brackets)	QUANTITIES REQUESTED (t)	PROPOSED USE (FD = free distribution)	NUMBERS REACHED AND ANNUAL RATION	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (**)	VALUE (million u.a.) (at world prices)
LESOTHO (100)	<u>30</u> Political situation (South Africa)	FD + Food for work	7 800 workers and their families, school-children (10.8 kg)	84	-	<u>30</u> (**) (R.D.)	0.02
MAURITANIA (200)	<u>3 000</u> Drought	FD	300 000 (12 kg)	3 600	1 200	<u>1 000</u> (2) (DEB)	0.43
MOZAMBIQUE (150/220 Commission est.)	<u>4 000</u> Political situation in South Africa and floods	FD	100 000 refugees and flood victims (10.8 kg)	1 080	1 050	<u>1 000</u> (DEB)	0.48
SOMALIA	<u>8 000</u> drought	FD (3 000 t) sales to final customer (5 000 t)	250 000 people moved to non-drought area (15 kg)	FD: 3 750 sale re-jected by Commission	3 000	<u>2 000</u> (DEB)	0.96
VIETNAM (160)	No figures given; require-ments est-imated at <u>18 750</u> Political situation and drought	FD	250 000 drought victims in 3 areas (15 kg)	18 750	2 500 + 4 137 UNICEF = 6 637	<u>5 000</u> (4) (DEB)	2.15
ZAMBIA (430)	<u>900</u> Political situation in S.Africa	FD	refugee families, schoolchildren and agricultural centres	900	450	<u>900</u> (DEB)	0.43

TOTAL COUNTRIES:

49 310

16.57

(**) Excluding the quantities for normal aid to be decided on later after receipt of the request.

MILK I

ORGANIZATIONS	QUANTITIES REQUESTED (t)	PROPOSED USE (FD=free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
III. ORGANIZATIONS							
C.R.S. (5)	<u>6 000</u>				500	-	<u>17.59</u>
I.C.R.C.	<u>3 000</u>				3 500	2 500 (RD)	1.27
LEAGUE RCS	<u>500</u>				2 000	500 (RD)	0.25
WFP	<u>27 000</u>				30 000	27 000 (6) (RD)	10.46
UNICEF	<u>14 508</u>				15 000	11 000 (RD)	5.61
TOTAL ORGANIZATIONS :						<u>41 000</u>	
26							
RESERVE : (7)						<u>14 690</u>	<u>6.06</u>
TOTAL :	<u>187 487</u>					<u>105 000</u>	<u>40.22</u>

(* EMB = delivered to port of shipment
DEB = delivered to port of unloading
RD = delivered to destination

- (1) The amount for this country represents 5% of average imports over 1974 and 1975.
- (2) 1000t recommended by the Commission Delegate in Mauritania.
- (3) Food to be provided over 6 months.
- (4) In view of the 5000t planned via UNICEF, the amounts allocated to Vietnam cover about 50% of that country's requirements.
- (5) This request will be the subject of a separate communication (set off against the 1976 reserve programme) and also taken into consideration as part of the second instalment of the 1977 programme (see: Part V, p. 77).
- (6) Delivered to port of shipment plus standard contribution, with the exception of the quantities involved in emergency schemes, which will be delivered to the port of shipment or to the ultimate destination.
- (7) Reserve set aside for emergency measures, for measures in favour of countries submitting their requests before the adoption of the programme by the Council and for a measure in favour of the NGOs after the formal request has been submitted and an examination has been made of the results of the initial experiment with those organizations.

ANNEX II

EXTERNAL FINANCIAL SITUATION OF APPLICANT COUNTRIES

Applicant countries	1973	1974	1975	DEBT 1974 (US \$ million)	
				Total	Service
BANGLADESH (US\$ million)					
1. Export goods & services	423	426.1	397.2	1 674	24
2. Balance of current payments	- 235.5	- 475	- 570.7		
3. Overall balance of payments	- 129.6	- 106.9	- 13.4		
4. % 2/1	- 56 %	- 111 %	- 144 %		
5. % 3/1	- 31.6 %	- 25 %	- 3 %		
BURUNDI (F Bu million)					
1. Export goods	2 377	2 324	2 148		
2. Trade balance	- 118	- 1 072	- 2 699		
3.					
4. % 2/1	- 5 %	- 46 %	- 125 %		
5.					
AFGHANISTAN (US \$ million)					
1. Export goods	143.2	209.8	211.2	1 596	39
2. Trade balance	- 39.8	- 66.2	- 20.5		
3.					
4. % 2/1	- 28 %	- 32 %	- 10 %		
5.					
CAE (Md. F. CFA)					
1. Export goods	11 622	10 112		72	6
2. Trade balance	- 532	- 1 502			
3.					
4. % 2/1	5 %	15 %			
5.					
EGYPT (US \$ million)					
1. Export. goods & services	1 421	2 379	2 645	3 119	307
2. Balance current payments	77	- 327	- 1 399		
3. Overall balance payments	117	- 150	- 1 305		
4. % 2/1	5 %	14 %	52 %		
5. % 3/1	8 %	6 %	49 %		
EL SALVADOR (US \$ million)					
1. Export. goods & services	402.4	418.6	577.1	309	25
2. Balance current payments	- 43.9	- 134.2	- 104.2		
3. Overall balance payments	- 13.2	- 12.4	- 31.2		
4. % 2/1	- 11 %	- 32 %	- 18 %		
5. % 3/1	- 3 %	- 3 %	- 5 %		

EXTERNAL FINANCIAL SITUATION OF APPLICANT COUNTRIES

Applicant countries	1973	1974	1975	DEBT 1974 (US \$ million)	
				Total	Service
<u>ETHIOPIA (US \$ million)</u>					
1. Export. goods & services	348.9	392.6	350.9	565	21
2. Balance current payments	75.3	55.4	- 44.8		
3. Overall balance payments	104.5	88.5	5.2		
4. % 2/1	22 %	14 %	- 13 %		
5. % 3/1	30 %	22 %	1.5 %		
<u>GHANA (US \$ million)</u>					
1. Export. goods & services	653.8	752.7	863.2	684	17
2. Balance current payments	126.7	- 189.9	- 41.2		
3. Overall balance payments	72.7	- 78.8	- 0.4		
4. % 2/1	19 %	- 25 %	- 5 %		
5. % 3/1	11 %	- 10 %	- 0.04		
<u>GUINEA (CONAKRY)(1)(SDR-million)</u>					
1. Export. goods	94	156	225		
2. Trade balance	- 35	2	55		
3.					
4. % 2/1	- 37 %	1 %	24 %		
5.					
<u>UPPER VOLTA (CFAF '000 million)</u>					
1. Export. goods	5.60	8.70	9.37		
2. Trade balance	- 16.30	- 25.96	- 23.02		
3.					
4. % 2/1	- 219 %	- 298 %	- 246 %		
5.					
<u>HONDURAS (US \$ million)</u>					
1. Export. goods & services	289.1	332.4	334	273	12
2. Trade balance	- 35.6	- 106.5	- 134.5		
3. Solde balance générale	6.1	17.1	53.4		
4. % 2/1	- 12 %	- 32 %	- 40 %		
5. % 3/1	2 %	5 %	16 %		
<u>MAURITIUS (US \$ million)</u>					
1. Export. goods & services	187	377.2	382.8	121	4
2. Balance current payments	0.4	54.5	17.6		
3. Overall balance payments	- 3.2	63.7	51.1		
4. % 2/1	0.2 %	14 %	5 %		
5. % 3/1	- 1.7 %	17 %	13 %		
(1) Government figures					

EXTERNAL FINANCIAL SITUATION OF APPLICANT COUNTRIES

Applicant countries	1973	1974	1975	DEBT: 1974 (US\$ million)	
				Total	Service
<u>INDIA</u> (Rs million)					
1. Export. goods	22 591	31 786	36 003	14207	731
2. Trade balance	- 2 294	- 9 086	- 15 340		
3.					
4. % 2/1	- 10 %	- 29 %	- 42 %		
5.					
<u>INDONESIA</u> (US \$ million)					
1. Export. goods & services	3 044	6.956	7 045	8695	336
2. Balance current payments	- 738	91	- 1 110		
3. Overall balance payments	340	688	- 860		
4. % 2/1	- 24 %	1.3 %	- 16 %		
5. % 3/1	11 %	10 %	- 12 %		
<u>JAMAICA</u> (1) (US \$ million)					
1. Export. goods & services	650	1.057.5	1 131.2	650	64
2. Balance current payments	- 247.6	- 91.9	- 253.2		
3. Overall balance payments	- 30	69.9	- 79.8		
4. % 2/1	- 38 %	- 9 %	- 22 %		
5. % 3/1	- 5 %	6 %	- 7 %		
<u>JORDAN</u> (US \$ million)					
1. Export. goods & services	236.8	356.5	514.9	545	16
2. Balance current payments	12.1	8.9	176		
3. Overall balance payments	29.6	21.6	166.7		
4. % 2/1	5 %	2.4 %	33 %		
5. % 3/1	12.5 %	6 %	32 %		
<u>LIBERIA</u> (Lib \$ million)					
1. Export. goods	324.0	400.3	394.4	211	21
2. Trade balance	120.5	111.9	63.17		
3.					
4. % 2/1	40 %	28 %	16 %		
5.					
<u>MALTA</u> (US \$ million)					
1. Export. goods & services	283.2	371	443.7	32	2
2. Balance current payments	35.9	13.1	63.9		
3. Overall balance payments	39.5	42.2	48.6		
4. % 2/1	13 %	3.5 %	14 %		
5. % 3/1	14 %	11 %	11 %		
<u>(1) Jamaica - June 1976</u>					
1. Exp. goods	249,266				
2. Trade balance	-176,5				
4. % 2/1	70,8 %				

EXTERNAL FINANCIAL SITUATION OF APPLICANT COUNTRIES

Applicant countries	1973	1974	1975	DEBT 1974 (US \$ million)	
				Total	Service
<u>MAURITANIA</u> (US \$ million)					
1. Export. goods & services	143	211.3	199.5	336	8
2. Balance current payments	15.1	47.3	- 37.5		
3. Overall balance payments	12.2	41.4	- 50.8		
4. % 2/1	11 %	22 %	- 19 %		
5. % 3/1	8 %	20 %	- 25 %		
<u>NIGER</u> (CFAF million)					
1. Export. goods	13 817	12 621		107	4
2. Trade balance	- 5 281	- 10 523			
3.					
4. % 2/1	- 38 %	- 83 %			
5.					
<u>UGANDA</u> (U Sh. million)					
1. Export. goods	2 043	2 250	1 912	248	11
2. Trade balance	905	728	442		
3.					
4. % 2/1	44 %	32 %	23 %		
5.					
<u>PAKISTAN</u> (US \$ million)					
1. Export. goods & services	1 127	1 268	1 387	6 230	189
2. Balance current payments	- 72	- 974	- 1 022		
3. Overall balance payments	190	- 146	- 211		
4. % 2/1	- 6 %	- 77 %	- 74 %		
5. % 3/1	17 %	- 11 %	- 15 %		
<u>PERU</u> (US \$ million)					
1. Export. goods & services	1 369	1 880	1 785	2 972	472
2. Balance current payments	- 261	- 725	- 1 569		
3. Overall balance payments	94	399	- 509		
4. % 2/1	- 19 %	- 39 %	- 88 %		
5. % 3/1	7 %	21 %	- 29 %		
<u>PHILIPPINES</u> (US \$ million)					
1. Export. goods & services	2 455	3 725	3 170	2 002	174
2. Balance current payments	474	- 207	- 923		
3. Overall balance payments	668	625	- 16		
4. % 2/1	19 %	- 5 %	- 29 %		
5. % 3/1	27 %	17 %	- 0.5 %		
<u>PORTUGAL</u> (US \$ million)					
1. Export. goods & services	3 090	3 656	2 996	753	84
2. Balance current payments	347	- 824	- 733		
3. Overall balance payments	340	- 569	- 713		
4. % 2/1	11 %	- 22.5 %	- 24 %		
5. % 3/1	11 %	- 15.5 %	- 23.5 %		

EXTERNAL FINANCIAL SITUATION OF APPLICANT COUNTRIES

Applicant countries	1973	1974	1975	DEBT 1974 (US \$ million)	
				Total	Service
<u>RWANDA</u> (US \$ million)					
1. Export. goods & services	55.5	59.4	66.9	57	0.4
2. Balance current payments	22.4	1	5.3		
3. Overall balance payments	7.6	- 2.9	15.5		
4. % 2/1	40 %	1.6 %	8 %		
5. % 3/1	14 %	5 %	23 %		
<u>SENEGAL</u> (CFAF '000 million)					
1. Export. goods	43.24	93.98	96.15	408	33
2. Trade balance	- 36.93	- 25.40	- 23.32		
3.					
4. % 2/1	- 85 %	- 27 %	- 24 %		
5.					
<u>SOMALIA</u> (So. Sh. million)					
1. Export. goods	294	390		377	11
2. Trade balance	- 394	- 424			
3.					
4. % 2/1	- 134 %	- 108 %			
5.					
<u>SUDAN</u> (US \$ million)					
1. Export. goods & services	482.9	446	512.8	1 051	52
2. Balance current payments	25	- 295.8	- 479.3		
3. Overall balance payments	23.6	- 39.4	- 346.8		
4. % 2/1	5 %	66 %	93 %		
5. % 3/1	5 %	9 %	68 %		
<u>SRI LANKA</u> (US \$ million)					
1. Export. goods & services	426.9	575.8	635.2	815	63
2. Balance current payments	- 25.2	- 135.9	- 109.4		
3. Overall balance payments	28.5	- 18.2	- 28		
4. % 2/1	- 6 %	- 24 %	- 17 %		
5. % 3/1	6 %	3 %	4 %		
<u>SYRIA</u> (LS million)					
1. Export. goods	1 341.3	2 914.0	3 440.7	769	52
2. Trade balance	- 1 000.7	- 1 657	- 2 795.2		
3.					
4. % 2/1	- 75 %	- 57 %	- 81 %		
5.					

EXTERNAL FINANCIAL SITUATION OF APPLICANT COUNTRIES

Applicant countries	1973	1974	1975	DEBT 1974 (US \$ million)	
				Total	Service
TANZANIA (US \$ million)					
1. Export. goods & services	455.8	488.3	494.4	1 096	20
2. Balance current payments	- 107.5	- 272.6	- 236.5		
3. Overall balance payments	34.7	- 155.1	- 18.1		
4. % 2/1	- 24 %	- 56 %	- 48 %		
5. % 3/1	8 %	- 32 %	- 4 %		
URUGUAY (US \$ million)					
1. Export. goods & services	415.5	480	501	615	103
2. Balance current payments	37.2	- 132.6	- 202.9		
3. Overall balance payments	36.6	- 52.1	- 88.4		
4. % 2/1	9 %	- 28 %	- 40 %		
5. % 3/1	9 %	- 11 %	- 18 %		
YEMEN AR (YRls million)					
1. Export. goods	36.008	60.823	49.736	1 291.634	
2. Trade balance	- 528.242	- 807.277	- 1 291.634		
3.					
4. % 2/1	- 1 467 %	- 1 327 %	- 2 597 %		
5.					
YEMEN PDR (US \$ million)					
1. Export. goods & services	134.1	286.9			
2. Balance current payments	- 51.1	- 99.4			
3. Overall balance payments	1.5	- 24.3			
4. % 2/1	- 38 %	- 35 %			
5. % 3/1	1 %	8 %			
ZAMBIA (US \$ million)					
1. Export. goods & services	1.203	1 480	882	1 154	76
2. Balance current payments	143	77	- 611		
3. Overall balance payments	- 13	10	- 217		
4. % 2/1	+ 11.8 %	+ 5.2 %	- 69 %		
5. % 3/1	- 1 %	+ 0.6 %	- 24.6%		

ANNEX III

Guarantees required of recipients
to ensure proper utilization
of the skimmed-milk powder

In order to minimize the lists involved in using skimmed-milk powder, the Commission proposes that the following solutions be adopted for both direct and indirect aid.

1. Direct aid

- (1) Countries wishing to sell the milk powder on the local market must do so
 - i) either to the food or dairy industry (reconstituted milk, food manufacture);
 - ii) or to hospitals, schools or other public establishments or bodies;
 - iii) or to the final consumer, provided the milk powder is sold after the Commission or the recipient countries have made it up into small packs clearly labelled with the instructions for proper use.
- (2) Countries wishing to distribute the product free of charge should do so
 - (a) in the form of liquid milk or mixed with other foods;
 - via schools, hospitals and other establishments or public bodies;
 - via specialized organizations (UNICEF, charities etc) which would give the guarantees listed;

- (b) unprocessed, but put into small packs by the Commission or the recipient countries, as mentioned under (a), or unprocessed, in the form of a family pack with, where necessary, instructions for proper use.

2. Indirect aid

Indirect aid channelled through organizations such as the WFP, UNICEF and the Red Cross should be distributed:

- (a) in the form of liquid milk or mixed with other foods:
 - to the final consumer;
 - via schools, hospitals or other establishments or public bodies;
- (b) unprocessed, to the final consumer a family pack with, where necessary, instructions for proper use.

The following pragmatic solution could be applied for implementation of these guarantees:

- (A) The provisions relating to the various measures outlined above would be included in the official texts which the Commission sends to the recipient organizations;
- (B) Where the recipient countries or organizations are unable to agree to one or other of the proposed guarantees, the Commission would inform the Member States through the telex notifying them of the various schemes.

ANNEX IV

Indicative breakdown by country
proposed for the WFP
(skimmed-milk powder)

	<u>per</u> (1)	<u>tonnes</u>
	<u>capita</u>	
BARBADOS	(1000)	30
BOLIVIA	(230)	170
BRAZIL	(760)	480
COLOMBIA	(440)	-
COSTA RICA	(710)	50
CUBA	(540)	4 500 (2)
ECUADOR	(380)	-
EL SALVADOR	(350)	-
GUATEMALA	(500)	10
HAITI	(130)	-
HONDURAS	(320)	110
JAMAICA	(990)	10
MEXICO	(890)	-
NICARAGUA	(540)	-
PARAGUAY	(410)	-
PERU	(620)	270
URUGUAY	(950)	-
EGYPT	(250)	2 450
JORDAN	(340)	230
LEBANON	(940)	450
MOROCCO	(320)	-
YEMEN PDR	(110)	500
SUDAN	(130)	2 110
SYRIA	(400)	1 900
TUNISIA	(460)	-
YEMEN AR	(100)	420
ANGOLA		-
BENIN	(110)	50
BURUNDI	(80)	60
CAMEROON	(250)	50

GAE	(160)	50
CAPE VERDE	(120)*	-
CHAD	(80)	100
CONGO	(340)	150
GUINEA (EQUATORIAL)	(260)	-
GABON	(1310)	-
GAMBIA	(130)	100
GHANA	(300)	240
GUINEA CONAKRY	(110)	70
GUINEA BISSAU	(150)*	-
IVORY COAST	(380)	-
LIBERIA	(310)	420
MALI	(70)	300
MAURITANIA	(200)	50
NIGER	(100)	-
NIGERIA	(210)	-
RWANDA	(70)	-
SAO TOME & PRINCIPE	(290)*	-
SENEGAL	(280)	190
SIERRA LEONE	(160)	-
TOGO	(180)	170
UPPER VOLTA	(70)	160
BOTSWANA	(230)	-
COMOROS	(170)	-
CYPRUS	(1460)	230
ETHIOPIA	(90)	-
LESOTHO	(100)	450
MADAGASCAR	(150)	-
MALAWI	(110)	200
MAURITIUS	(410)	-
PORTUGAL	(1410)	160
SOMALIA	(80)	750
SWAZILAND	(330)	150
TANZANIA	(130)	1 100
ZAMBIA	(430)	60

AFGHANISTAN	(90)	100
BANGLADESH	(80)	750
BHUTAN	(60)	-
FIJI	(650)	-
INDIA	(120)	6 000
INDONESIA	(130)	-
KOREA	(400)	-
MALDIVES	(90)	-
NEPAL	(90)	380
PAKISTAN	(120)	680
PHILIPPINES	(280)	-
VIETNAM	(160)	-
SRI LANKA	(120)	-
W. SAMOA	(250)	140

TOTAL 27 000

=====

(1) Figures for 1973 in US \$ - Source : World Bank.

(2) **Provided that, before the Council decision is taken, the World Food Programme confirms the formal assurances given on the occasion of a visit to the Commission as to the exclusive and supervised use of the whole quantity of 4 500 t in the context of the social project for which the aid is intended (Cuba 760), thus excluding any possibility of re-exportation.**

(*) Commission estimate.

ANNEX V

Indicative breakdown by country
and reserve proposed for UNICEF
(skimmed-milk powder)

	<u>GNP per</u> (1) <u>capita</u>	<u>tonnes</u>
ANGOLA		
BENIN	(110)	
BIRMA	(80)	720
BURUNDI	(80)	
CAPE VERDE	(120)*	
CENTRAL AFRICAN EMP.	(160)	
ETHIOPIA	(90)	
GHANA	(300)	
GUINEA BISSAU	(150)*	
LAOS	(60)	
LEBANON	(940)	
MOZAMBIQUE	(150/220)*	
PAKISTAN	(120)	
KHMER REPUBLIC	(70)	
SUDAN	(130)	3 000
TANZANIA	(130)	
CHAD	(80)	
TIMOR	(130)	
VIETNAM	(160)	5 000
YEMEN PDR	(110)	720
ZAMBIA	(430)	
RESERVE FOR EMERGENCY SCHEMES AND CONTINGENCIES		1 560
TOTAL		11 000
		=====

(1) Figures for 1973 in US \$ - Source; World Bank

(*) Commission estimate

ANNEX VI

Indicative breakdown by country
and reserve proposed for the ICRC
(skimmed-milk powder)

	<u>GNP per</u> <u>capita</u> (1)	<u>tonnes</u>
BOLIVIA	(230)	250
WEST BANK , GAZA , SINAI		300
ETHIOPIA (ERITREA)	(90)	100
JORDAN	(340)	200
MAURITANIA	(200)	100
PANAMA	(920)	400
PHILIPPINES	(280)	500
SOMALIA	(80)	50
THAILAND	(270)	150
YEMEN PDR	(110)	100
RESERVE for emergency schemes & contingencies		350
T O T A L		2 500
		=====

(1) Figures for 1973 in US \$ - Source : World Bank.

PROPOSAL FOR A
COUNCIL REGULATION (EEC) No

laying down general rules for the supply of skimmed-milk powder as food aid to certain developing countries and international organizations under the 1977 programme

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community and in particular Article 43 thereof,

Having regard to Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products⁽¹⁾, as last amended by Regulation (EEC) No 559/76⁽²⁾, and in particular Article 7 (4) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas certain developing countries and international organizations have indicated their requirements in high-protein milk products; whereas these high-protein products may be supplied in the form of skimmed-milk powder produced within the Community and meeting certain quality standards;

Whereas the supply of skimmed-milk powder must take into account the amounts of skimmed-milk powder available in the Community and the necessity of not disrupting market conditions;

Whereas the amounts available at present enable 105 000 metric tons of skimmed-milk powder to be supplied under the 1977 programme;

Whereas (✱) if the quantities of skimmed-milk powder in public stocks are insufficient for the delivery of the abovementioned amount, or if they do not have the characteristics necessary for their particular destination where this requires in particular other forms of packing or the addition of vitamins or other additives, supplies must be ensured by the buying-in of skimmed-milk powder on the Community market;

Whereas, in order to enable the aid to be used effectively, arrangements should be made to finance certain transport and distribution costs;

Whereas the supplies must be delivered at the cheapest possible price; whereas in order to achieve that aim, a tendering procedure must be provided for; whereas, however, it may be desirable in the interests

(1) OJ No L 148, 28. 6. 1968, p. 13.

(2) OJ No L 67, 15. 3. 1976, p. 9.

(✱) the needs in protein milk products of certain developing countries could be satisfied by the delivery of solid enriched milk in bar or tablet form;

of speed, in exceptional cases, to have recourse to private contracts;

Whereas it is desirable that the rules for the application of the measures laid down for buying in skimmed-milk powder on the market should be adopted in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68, as in the case of the rules to be applied where public stocks are used,

HAS ADOPTED THIS REGULATION:

Article 1

105000 metric tons of skimmed-milk powder shall be made available to certain developing countries and international organizations as food aid under the 1977 programme, it may be supplied partly as solid enriched milk in bar or tablet form.

Article 2

1. The skimmed-milk powder referred to in Article 1 shall be purchased in accordance with Article 7 (1) of Regulation (EEC) No 804/68.

2. If the amounts of skimmed-milk powder in public stocks are insufficient to supply the quantities provided for in Article 1 or if they do not have the characteristics necessary for their particular destination where this requires, in particular, other forms of packing or the addition of vitamins or other additives, supplies shall be ensured by the buying in of skimmed-milk powder on the Community market. Buying-in shall be done in such a way as not to disturb the normal development of prices on the market.

Article 3

For the purposes of Article 1:

(a) the cost of the skimmed-milk powder, delivered to the fob or a corresponding stage, shall be financed by the Community;

(b) in exceptional cases, the Community may also wholly or partially finance on the basis of a decision of the Council, in accordance with the procedure referred to in Article 7:

- shipment to the frontier of the country and, possibly, to the place(s) of destination, and
- distribution, where the goods are distributed by an international organization.

Article 4

Amounts corresponding to the costs referred to in Article 3 (b) shall, where the arrangements agreed with the recipient country or organization so provide, be paid as a whole or partial lump-sum contribution to the country or organization of destination by the intervention agency responsible for the operation.

Article 5

For delivery of skimmed-milk powder to the fob or a corresponding stage, and, where relevant, for its shipment from that stage and its purchase on the Community market, invitations to tender shall be issued, without prejudice to Article 4 save in exceptional cases, where private contracts are negotiated.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at

Article 6

The decision to apply Article 2 (2) shall be taken and the procedure for implementing this paragraph and Article 5 shall be adopted in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68.

Article 7

The countries and organizations for which this aid is destined, together with the quantity to be allocated to each, shall be determined by the Council acting by a qualified majority on a proposal from the Commission.

Article 8

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

For the Council

The President

PROPOSAL FOR A
COUNCIL REGULATION (EEC) No

on the supply of skimmed-milk powder as food aid to certain developing countries and international organizations under the 1977 programme

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No laying down general rules for the supply of skimmed-milk powder as food aid to certain developing countries and international organizations and in particular Articles 3 and 7 thereof,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EEC) No provides for the supply of 105 000 metric tonnes of skimmed-milk powder; whereas this quantity should be allocated among the various countries and organizations from which applications have been accepted and arrangements for financing should be specified;

whereas 14 690 metric tons should be kept in reserve for future allocation should the need arise,

HAS ADOPTED THIS REGULATION:

Article 1

The allocation and financing arrangements in respect of metric tons of skimmed-milk powder to be supplied to certain developing countries and international organizations as food aid under the 1977 programme in accordance with Regulation (EEC) No are stipulated in the Annex.

Article 2

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at

For the Council
The President

A N N E X

SKIMMED-MILK POWDER FOOD AID PROGRAMME

RECIPIENT COUNTRIES AND ORGANIZATIONS	QUANTITIES OF MILK POWDER OR MILK POWDER EQUIVALENT ALLOCATED (tonnes)	FINANCING ARRANGEMENTS (Port of shipment unless otherwise stated)
<u>COUNTRY</u>		
AFGHANISTAN	300	
BOTSWANA	30	free at destination
BURUNDI	250	free at destination
CAE VERDE	650	port of unloading
CAE	150	free at destination
EGYPT	10 000	
EL SALVADOR	200	
GHANA	2 000	
GUINEA BISSAU	100	port of unloading
GUINEA	300	
HONDURAS	1 000	
MAURITIUS	550	
INDONESIA	1 250	
JAMAICA	500	
JORDAN	1 500	
LESOTHO	30	free at destination
LIBERIA	200	
MALTA	200	
MAURITANIA	1 000	port of unloading
MOZAMBIQUE	1 000	port of unloading
UGANDA	500	
PAKISTAN	2 000	
PERU	1 500	
PHILIPPINES	2 750	
PORTUGAL (WFP)	500	
RWANDA	1 000	free at destination
SOMALIA	2 000	port of unloading
SUDAN	4 000	

RECIPIENT COUNTRIES AND ORGANIZATIONS	QUANTITIES OF MILK POWDER OR MILK POWDER EQUIVALENT ALLOCATED (tonnes)	FINANCING ARRANGEMENTS (Port of shipment unless otherwise states)
SRI LANKA	2 000	
SYRIA ^A	1 000	
TANZANIA ^A	2 000	
URUGUAY	500	
VIETNAM	5 000	port of unloading
YEMEN ^{AR}	1 500	
YEMEN PDR	650	
ZAMBIA	900	port of unloading
<u>ORGANIZATIONS</u>		
INTERNATIONAL COMMITTEE OF THE RED CROSS (ICRC)	2 500	free at destination
LEAGUE OF RED CROSS SOCIETIES (LRCS)	500	free at destination
WORLD FOOD PROGRAMME (WFP)	27 000	free at destination
UNICEF	11 000	free at destination
<u>RESERVE</u>	14 690	(1)
TOTAL	105 000	

(1) Emergency schemes may include financing for transport between port of shipment and ultimate destination and cost of distribution where aid is channelled via an international organization. It may be fully or partly covered by a lump-sum contribution.

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PART THREE

THE 1977 BUTTEROIL FOOD AID PROGRAMME

I. Requests for butteroil received by the Community

These requests are set out in Annex I. There are 41 of them, including one from India covered by a separate communication, and those from the UNHCR (Cyprus) and the Catholic Relief Service (Chile), which involve a total 159 000 t and will be dealt with separately.

(a) Requests have been received from 15 applicants who were not included in the 1976 programme - India, CAE, Senegal, Sudan, Yemen PDR, Ghana, Guinea Conakry, Uganda, Syria, Liberia, Malta, Botswana, Burundi, Lesotho and Vietnam.

(b) However, the beneficiaries of the 1976 programme have not applied this year - Haiti, Kenya, Upper Volta, Ethiopia, Mali, and Niger.

II. ANALYSIS OF REQUESTS

A. Requests from countries¹

1. Requests for standard aid

These are intended to be:

- (i) sold to the final consumer on the local market (Egypt, Bangladesh, Pakistan, Sudan, Yemen PDR, Afghanistan, Guinea Conakry, Guinea Bissau, Malta and Somalia for part of the quantities) or to the food or dairy industry (Tanzania, Sri-Lanka, Peru, Ghana, Uganda and Syria);
- (ii) or distributed free of charge (other countries).

In order to select the recipient countries, since only a relatively small amount is being provided, and to share what is available fairly, the usual criteria of need, per capita income and external financial situation have been used.

¹see footnote 1 on page 51 a.

First criterion: NEED

This was calculated as follows:

(a) Free distribution schemes

The data on these requirements are based on the survey carried out by the FAO, aimed at fixing overall objectives for food aid (milk products) and from the responses

¹Obviously, the applicants' situation may well change between submission of the request and receipt of the aid. However, when the implementation arrangements are established with the recipients, it will be made clear how the aid is to be used.

to the Commission questionnaire distributed to the countries concerned. The following method has therefore been chosen:

- (i) The requirements of applicant countries covered by the FAO survey were calculated by multiplying the two basic items of information obtained by that survey - after any adjustment in the light of answers to the Commission questionnaire. These items were the number of people reached by the free distribution programmes and the annual ration (10.8 kg per head - 30 gr. per day);
- (ii) The requirements of the other countries were calculated on the basis of the information yielded by the Commission questionnaire on the number of people who would benefit and the annual ration (to a maximum 10.8 kg.).

Annex I shows that the countries needing the greatest amounts are Egypt (18 000 t), Yemen AR (4 000), Honduras (6 000 t) and Mauritius (1300 t).

(b) Sales on the local market

These requirements represent average imports of butter/butteroil over 1974 and 1975. The countries with the greatest requirements are Pakistan (11 000 t), Peru (11 000 t), Syria (9 000 t), Sudan (5 000 t) and Yemen PDR (3 600 t). The Commission mission to Bangladesh in 1976 concluded that nothing was needed here, in view of current stocks and the outstanding amount (4 300 t) still to be delivered by the Community under the 1976 programme.

SECOND CRITERION : PER CAPITA INCOME

This, as Annex I shows, is the income for 1973, as published by the World Bank¹. Most countries requesting standard aid have per capita income of \$300 or less, although this figure is considerably exceeded by Syria (\$400), Mauritius (\$410), Peru (\$620)

¹or, in certain cases, assessed by the Commission

and Malta (\$1 060).

THIRD CRITERION : EXTERNAL FINANCIAL SITUATION

(see Annex II of the milk programme)

The external financial situation of the applicant countries was primarily examined in the light of the balance of current payments in 1975, the last year for which figures are available. In order to provide a comparative picture, these figures were used as a basis for the calculation, for each country, of the relationship between the balance of current payments and the goods and services exported. This allowed applicants to be divided into two categories:

- i) countries whose external financial position is catastrophic or precarious (balance of current payments deficit at least 30%² below the level of the goods and services exported);
- ii) the other countries.

It emerges that the countries in greatest difficulty are Bangladesh (balance of current payments deficit equal to 144% of goods and services exported), Sudan (93%), Peru (88%), Pakistan (74%), Syria (81%), Egypt (52%), Tanzania (48%) and Honduras (40%).

2. Requests for emergency aid

The aim here is to feed (via free distribution programmes or, in exceptional cases, sales) certain populations who are victims of natural disaster or comparable circumstances in: Botswana, Burundi, Cape Verde, Jordan, Lesotho,³ Mauritania, Mozambique, Somalia, Vietnam and Zambia (see Annex I). These requests were assessed in the light of this aim, bearing in mind that the populations and countries concerned are in acute need of food and in exceedingly difficult economic and financial straights.

¹Other indicators of the external financial situation (balance of general payments, external debt, servicing of the external debt) are set out in Annex II.

²This figure represents the median relationship between the balance of current payments and goods and services exported (for all 35 countries listed in Annex II of the milk powder programme).
presenting

³This country has recently announced that it is also / a request for normal food aid.

B. Requests from organizations

The requests from the various organizations are intended to cover:

- WFP - development projects in the countries listed in Annex II ; emergency schemes;
- UNICEF - normal and emergency programmes (see Annex III) aimed at meeting the food requirements of vulnerable sections of the population (children and expectant mothers);
- ICRC - emergency schemes for the victims of armed conflict and other unforeseen events;
- League RCS - emergency programmes, particularly following on natural disaster;
- UNCHR - food for 1150000 refugees and displaced persons in Angola;
- UNRWA - the food requirements of groups of Pakistanian refugees, as part of the basic food programme.

III. The Commission's proposals

In the light of the preceding considerations, the Commission proposed that the 45 000 t of butteroil be distributed as set out in Annex I and in the implementing regulation attached hereto. This regulation also covers the financing arrangements, determined by reference to available funds.

A. Direct aid

1. In the light of experience gained from drawing up previous programmes and in accordance with the wishes of the Member States, the Commission has attempted to clarify the guidelines it follows when proposing the breakdown of aid - which takes account of needs, per capital income and the external financial situation.

Bearing in mind what was said in part one of this document and considering that, in any case, the quantity provided may not exceed the quantity applied for, the Commission has laid down the following guidelines for this programme :

a) Standard aid

Certain of the countries with an annual per capital GNP of US \$ 300 or less are facing a catastrophic or precarious situation in their external finances. This has therefore been taken into account in determining the quantity allocated. As a general rule, this quantity represents approximately 20 % of requirements, compared with 10 % for the other countries in this group.

As regards the countries with an annual per capital GNP of more than US \$ 300, the catastrophic or precarious external finances situation has also been taken into account in the allocation of the quantities. The countries facing such a situation have had 5 % of their requirements met.

No allocation has been made for the other countries in this group.

These percentages should not be considered as absolute rules, however, since special circumstances may justify certain departures from them. It has in fact been necessary, given the total quantities available, to fix the maximum allocation at 2 000/ 3 000 t. Moreover, the minimum quantity allocated is 200 t, except where the request is for a smaller quantity.

b) Emergency aid

Generally speaking, the allocation here corresponded to 50 % of requirements (the usual minimum was 200 t and the maximum 2 000/3 000 t) regardless of per capita income.

2. The full programme amounts to 45 000 t, including direct aid of 19 990 t or 47.5 % of total aid distributed (full amount less general reserve). It was concentrated on the poorest countries, which receive 93 %. Of these 19 990 t, 11 140 t are for sale on the local markets and 8 440 t for free distribution schemes.

B. Indirect aid

This is aid sent via the WFP, UNICEF, the ICRC, the League of Red Cross Societies, the Catholic Relief Service, the UNHCR and the UNRWA. The total amount is 22 000 t, 52 % of all aid distributed, the same percentage as under the 1976 programme.

1. The WFP allocation

The 10 000t (24% of total aid distributed, as against 37% in 1976) was negotiated by the Commission and the WFP. The amount was fixed in the light of the direct aid requirements as communicated to the Community, of WFP requirements and of the parallel negotiations on skimmed milk powder as aid.

The Commission requests that the Council decide on the Community programme and - at the same time - the allocation of the quantity allotted (see Annex II).

The WFP has asked that the allocation procedure used hitherto (fixed regional amounts and a list of potential recipients for whom the Commission laid down quantities within the regional amounts) be altered, since, it says, the 'regional amount' system introduces inflexibility into the management of aid. It therefore proposes an indicative breakdown by country of the quantities provided.

These regional amounts were introduced to ensure that direct aid from the Community and aid sent via the WFP were properly coordinated and to enable the standard contribution to be calculated according to the regional destination of the aid.

If the indicative breakdown by country is adopted (as it has already been by all other international organizations) it has been agreed with the WFP that coordination at the level of the countries and the projects will be effected when the programmes are drawn up, on the basis of the indicative list and during the year where the WFP asks for the original destination to be changed. This coordination will be much easier now that an overall assessment of requirements is carried out by the FAO (see section on the analysis of requirements). Furthermore, it has been agreed that the standard contribution will be calculated by a new, more objective method which takes account of the results (surplus or shortfall) of the standard contribution of the previous year.

The Commission therefore feels that the WFP's request should be granted and it proposes that an indicative breakdown by country, of the quantities allocated, be drawn up and that the Commission be empowered to modify that breakdown. The inclusion of any new recipients will, however, have to be submitted to the Council for approval (except in emergencies).

The breakdown includes a reserve of 1115t (11% of the 10 000t) intended to cover emergencies or unforeseen situations where the quantities allocated to one or a number of countries need to be pushed up.

Emergency schemes arising from sudden and unforeseeable natural disaster will be supplied from this reserve¹ according to the procedures adopted by the Council (see document No. S/1158/75 COMER 337) and other emergency schemes supplied according to the procedure recently adopted by the Council.

2. The UNICEF allocation (2000t)

The Commission recommends the same arrangements as those adopted by the Council for the 1977 cereals programme:

- i an indicative breakdown by country (see AnnexIII) and Commission authorization to modify that breakdown;
- ii the establishment of a reserve for emergency schemes and other schemes not originally provided for to be decided by the Commission within the limit of 100t of butteroil² (unless, of course, the unforeseen schemes are for countries already on the list, in which case the limit does not apply.)

UNICEF has also asked for a small part (some 25t) of the reserve to be delivered to a warehouse on Community territory so as to be immediately available in emergencies. UNICEF would pay the costs of storage and transport from the warehouse and ensure regular rotation of the amount in question with more of its own or the Commission's butteroil aid.

¹ to be delivered to the port of unloading

² including delivery arrangements

This formula would have the advantage of speed and the Commission therefore recommends that the request be granted, on the understanding that the Community would decide on the destination of this quantity in the usual way.

3. The League of Red Cross Societies and the ICRC allocations.

The proposed amount is 500t for each society. It represents a reserve for schemes to be decided later according to the usual procedure - i.e. Council decisions for schemes involving more than 100t and Commission decisions for schemes involving 100t or less¹. Like UNICEF, the League has requested that small quantities (some 25t) of butteroil to be stored in a warehouse on Community territory. The Commission therefore proposes, for the reasons given under 2. above, that the Council grant this request, on the same terms as the UNICEF allocation.

IV. The general reserve

A quantity of 3 010 t is provided here to meet emergency needs².

This reserve - together with the special reserves of the WFP (1115t), the ICRC (500t), UNICEF (211t) and the League of Red Cross Societies (500t) - amounts to 5 336 t in all and provides a contribution to the international reserve for emergency schemes (initially intended to involve cereals alone, although, in practice, other donors supply other products). This contribution will have to be used in accordance with the consensus of opinion of the Committee on Policy and Planning at its last but one meeting.

¹ Including delivery arrangements

² This reserve would also cover any schemes the Commission proposes to run for countries submitting their requests before Council adoption of the programme.

BASIC DETAILS OF THE PROGRAMME (BUTTEROIL) ANNEX I

COUNTRIES OR ORGANIZATIONS (per capita GNP in US \$ 1973 given in brackets)	QUANTITIES REQUESTED	PROPOSED USE (FD-free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
<u>I. STANDARD AID</u>							
<u>A. COUNTRIES WITH PER CAPITA GNP BELOW OR EQUAL TO US \$ 300</u>							
1. with catastrophic or precarious financial situations (usual allocation, 20% or requirements)							
BANGLADESH (80)	15 000	sales to final consumer	-	0	4 300	TOTAL: 7 300 0	6.60 0
EGYPT	15 000	sales to final consumer		30 000	2 000	2 500 EMB	2.25
GUINEA BISSAU (150 estim)	350	sales to final consumer		225	350	200 DEB	0.21
PAKISTAN (120)	15/20 000	sales to final consumer		11 000 ¹	3 500	2 000 EMB	1.80
SUDAN (130)	5 000	sales to final consumer		5 000	-	1 000 EMB	0.90
Tanzania (130)	432	sales to dairy industry		772	500	200 EMB	0.18
Yemen (100)	4 000	FD to 200/300,000 pupils, students and invalids	350 000	3 780	700	700 EMB	0.63
Yemen, (110) PDR	6 400 (shortfall)	Sale to final consumer		3 575	-	700 EMB	0.63

BUTTEROIL

COUNTRIES OR ORGANIZATIONS (per capita GNP IN US \$ 1973 given in brackets)	QUANTITIES REQUESTED	PROPOSED USE (FD=free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
2. other countries (general allocation - 1 % of requirements)							
AFGHANISTAN (90)	1 500	sale to final consumer		TOTAL: 350	250	1 350 200 EMB	1.25 0.18
CAE (160)	150	FD	15 000 (10.8 kg)	162	-	150 RD	0.17
Ghana (300)	2 400	sale to dairy industry		1 950	-	200 EMB	0.18
GUINEA C (110)	3 000	sale to final consumer		315	-	200 EMB	0.18
UGANDA (150)	420	sale to dairy industry		778	-	200 EMB	0.18
SENEGAL (280)	2 000	FD	72 000 (10.8 kg)	415	160	150 EMB	0.18
SRI LANKA (120)	300	sale to dairy industry		13 284	-	5050 EMB	
SRI LANKA (120)	50	FD	1 230 000 (10.8 kg)				
B. Countries with per capita GNP of more than US \$ 300					TOTAL: 1 300		1.17
1. countries with catastrophic or precarious external financial situations (5% allocation in general)							
HONDURAS (320)	1 000	FD	518 000 (10.8 kg)	5 594	1 000	300 EMB	0.27
PERU (620)	500	sale to dairy industry		10 590	500	500 EMB	0.45
SYRIA (400)	2 000	"		8 739	500	500 EMB	0.45
						(emergency scheme)	

BUTTEROIL

COUNTRIES OR ORGANIZATIONS (per capita GNP in \$US 1973 given in brackets)	QUANTITIES REQUESTED (t)	PROPOSED USE (FD = free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission Questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
2. Other countries (no allocation)							
LIBERIA (310)	n.p.				-	0	0
MAURITIUS (410)	100	FD for schoolchildren invalids and old people	120 000 (10.8 KG)	1 296 t	200	0	0
MALTA (1060)	300	Sale to final consumer		238	-	0	0
<u>TOTAL:</u>							

BUTTEROIL

COUNTRIES OR ORGANIZATIONS (per capita GNP in US\$ 1973 given in brackets)	QUANTITIES REQUESTED	PROPOSED USE (FD = free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS and FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
II. Emergency Schemes							
(Attribution 50% besoin)							
BOTSWANA (230)	No figures given: requirements estimated at 20t. emergency scheme (pol.sit.in S. Africa)	FD	2 700 refugees (10.8 kg)	29	-	10 040	9.95
BURUNDI (80)	1000 drought	FD	51 185 (10.8 kg) victims of bad climate	553	-	300 (R.D.)	0.33
CAPE VERDE (120 = Commission Estimate)	2000 FD and Sale (drought + refugees)	FD	49 026 victims drought, refugees, jobless, old people and invalids	529	100	250 (DEB)	0.26
INDIA (2) (120)	10 000 drop in oil seed production due to climate	Sale	-	6309	-	3000 (EMB)	2.70
JORDAN (340)	2000 Political situation refugees	FD	275 000 (7.2 kg) Palestinian refugees	1980	1000	1000 (EMB)	0.90

BUTTEROIL

COUNTRIES OR ORGANIZATIONS (per capita GNP in US\$ 1973 given in brackets)	QUANTITIES REQUESTED	PROPOSED USE (FD = free distribution)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (t) (*)	VALUE (million u.a.) (at world prices)
LESOTHO (100)	20 Pol.sit.in S.Africa	FD + Food for work	5000 Workers and their families, school-children (10.8kg)	54	-	20 (R.D.) (*)	0.02
MAURITANIA (200)	3 000 Drought	FD	300 000 (10.8 kg.)	3240	350	1 000 (3) (DEB)	1.05
MOZAMBIQUE (150/220)	10 000 Pol.sit.in S.Africa and floods	DG	100 000 refugees and flood victims	1 080	200	550 (DEB)	0.59
SOMALIA (80)	9500 Drought.	FD 4500 + Sale 5000	250 000(10.8 kg moved to non-drought area	FD 2 700	1 100	1 350 (DEB)	1.45
VIETNAM (160)	No figure given: requirements estimated at 13 500	FD	2 500 000 (4) drought victims in 3 areas (10.8 kg)	13 500	1980 (UNICEF, UNHCR)	2 000 (DEB)	2.04
ZAMBIA (430)	750 Political sit. in S. Africa	FD	Refugee families, pupils and ag. centres	1 080	300	550 (DEB)	0.59
<u>TOTAL COUNTRIES</u>						<u>19 990</u>	<u>18.97</u>

(*) Excluding the quantities for normal food aid to be decided on later after receipt of the request.

BUTTEROIL

ORGANIZATIONS	QUANTITIES REQUESTED (t)	PROPOSED USE (FD = free distribution) (S = sale)	NUMBERS REACHED BY FREE DISTRIBUTION/ANNUAL RATION PROGRAMMES (source - FAO and Commission questionnaire)	REQUIREMENTS (t)	QUANTITY ALLOCATED IN 1976 (t)	PROPOSALS AND FINANCING ARRANGEMENTS (*)	VALUE (million u.a.) (at world prices)
III. ORGANIZATIONS							
ICRC	1 000				TOTAL :	22 000 RD 500 RD	22.06 0.54
LEAGUE RCS	500				500	500 RD	0.54
WFP	10 000				16 000	10 000 RD negotiated amount	9.81
UNICEF	3 000				2 000	2 000 RD	2.16
UNWRA	3 800				3 000	3 000 RD	3.06
UNHCR	5 400		700 000 pers/6 months 300 000 pers/3 months 150 000 pers/9 months	3 780 540 1 215	-	2 500 DEB	2.55
			TOTAL (10.8 kg)	5 535			
UNHCR (5) (Cyprus)	1 380		205 000 pers/9 months (10.8 kg)	1 660	650	1 300 DEB	1.33
C.R.S.(6)	4 000		432 900 pers/12 months (9 kg)	3 896	400	2 000 DEB 3 010	2.07 3.35
					TOTAL :	45 000	44.38

1. Average calculated on the basis of imports over 1973, 1974 and 1975.
2. This request is covered by a separate proposal.
3. Quantity recommended by the Commission Delegate.
4. Over a six month period.
5. This request is covered by a separate proposal.
6. For needy populations of Chile (request covered by a separate proposal).

(*) EMB-delivered to port of shipment

DEB-delivered to port of unloading

RD - delivered to destination

ANNEX II

Indicative breakdown by country and reserve proposed for the WFP (Butteroil

	<u>Per capita GNP (1)</u>	<u>Tonnes</u>
Barbados	(1000)	-
Bolivia	(230)	110
Brazil	(760)	-
Costa Rica	(710)	- (2)
Cuba	(540)	1500
Ecuador	(380)	-
Haiti	(130)	-
Honduras	(320)	-
Jamaica	(990)	-
Peru	(620)	-
Uruguay	(950)	-
Egypt	(250)	-
Jordan	(340)	-
Lebanon	(940)	80
Yemen PDR	(110)	-
Sudan	(130)	-
Syria	(400)	175
Yemen AR	(100)	-
Angola		-
Benin	(110)	-
Burundi	(80)	-
Cameroon	(250)	-
CEA	(160)	-
Cape Verde	(120)*	-
Chad	(80)	-
Equatorial Guinea	(260)	-
Gambia	(130)	-
Ghana	(300)	-
Guinea	(110)	-
Guinea-Bissau	(150)	-
Mali	(70)	35
Mauritania	(200)	20
Niger	(100)	-
Nigeria	(210)	-
Rwanda	(70)	-
Sao Tomé & Principe	(290)*	-
Senegal	(280)	-
Sierra Leone	(160)	-
Togo	(180)	-
Upper Volta	(70)	40
Botswana	(230)	-
Comoros	(170)	-
Cyprus	(1460)	55
Ethiopia	(90)	-
Lesotho	(100)	-
Madagascar	(150)	-
Malawi	(110)	-
Somalia	(80)	300
Swaziland	(330)	-
Tanzania	(130)	165
Zambia	(430)	-

		<u>Tonnes</u>
Afghanistan	(90)	-
Bangladesh	(80)	-
Bhutan	(60)	-
India	(120)	6 000
Indonesia	(130)	25
Maldives	(90)	-
Nepal	(90)	90
Pakistan	(120)	290
Philippines	(280)	-
Vietnam	(160)	-
Sri Lanka	(120)	-
West.Samoa	(250)	-
Reserve		1 115
		<hr/>
Total		10 000

(1) Figures for 1973 in US \$ - Source : World Bank.

(2) Provided that, before the Council decision is taken, the World Food Programme confirms the formal assurances given on the occasion of a visit to the Commission as to the exclusive and supervised use of the whole quantity of 1 500 tonnes in the context of the social project for which the aid is intended (Cuba 760), thus excluding any possibility of re-exportation.

(*) Commission estimate.

ANNEX III

	<u>(Butteroil)</u> <u>GNP per capita (1)</u>	<u>tonnes</u>
ANGOLA		
BENIN	(110)	
BIRMA	(80)	319
BURUNDI	(80)	
CAPÉ VERDE	(120)*	
CENTRAL AFRICAN EMPIRE	(160)	
ETHIOPIA	(90)	
GHANA	(300)	
GUINEA BISSAU	(150)*	
LAOS	(60)	
LEBANON	(940)	
MOZAMBIQUE	(150/220)*	
PAKISTAN	(120)	
KHMER REPUBLIC	(70)	
SUDAN	(130)	
TANZANIA	(130)	
TIMOR	(130)	
VIETNAM	(160)	1250
YEMEN PDR	(110)	220
ZAMBIA	(430)	
Reserve for emergency schemes and contingencies		211
TOTAL		<hr/> 2000

(1) Figures for 1973 in US \$ - Source: World Bank.

(*) Commission estimate.

ANNEX IV

PROPOSAL FOR A
COUNCIL REGULATION (EEC) No

laying down general rules for the supply of milk fats to certain developing countries and international organizations under the 1977 food-aid programme

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof,

Having regard to Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products⁽¹⁾, as last amended by Regulation (EEC) No 559/76⁽²⁾, and in particular Article 6 (6) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas certain developing countries and international organizations have indicated their requirements in milk fats; whereas these fats may be supplied in the form of butter or butteroil produced within the Community and meeting certain quality standards;

Whereas the amounts available at present in the Community enable a quantity corresponding to 38 700 metric tons of butteroil to be supplied as food aid in butter and butteroil; whereas the apportionment of supplies between public and private stocks will vary depending on market trends and seasonal requirements;

Whereas in view of the situation on the Community market in butter and other butterfats as well as the need to make certain emergency deliveries and ensure regular supplies under the most favourable economic conditions provision should be made for these supplies to be made either by taking butter or other butterfats from stocks held by intervention agencies or by buying-in butter or butteroil on the Community market;

Whereas, in order to enable the aid to be used effectively, arrangements should be made to finance certain transport and distribution costs;

Whereas the supplies must be delivered at the cheapest possible price; whereas in order to achieve that aim, provision should be made for a tendering procedure; whereas, however, in the interests of speed it may be desirable in exceptional cases to use private contracts;

⁽¹⁾ OJ No L 148, 28. 6. 1968, p. 13.

⁽²⁾ OJ No L 67, 15. 3. 1976, p. 9.

Whereas delivery of small quantities may be facilitated by a simplified procedure;

Whereas it is desirable that the rules for implementing the measures laid down for buying-in butter or butteroil on the market should be adopted in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68, as in the case of the rules to be applied where public stocks are used,

HAS ADOPTED THIS REGULATION:

Article 1

A quantity of butter or butteroil corresponding to 38 700 metric tons of butteroil shall be made available to certain developing countries and international organizations under the 1977 food-aid programme.

Article 2

1. The butter referred to in Article 1 shall be purchased in accordance with Article 6(1) of Regulation (EEC) No 804/68. The butteroil referred to in Article 1 shall be processed from this butter.

2. If the market situation is such that delivery as provided in Article 1 cannot be carried out in accordance with paragraph 1, then the supply shall be ensured by using butter or butterfats available on the Community market. Buying-in shall be done in such a way as not to disturb the normal development of prices on the market.

Article 3

For the purposes of Article 1:

(a) the cost of the butter or butteroil, delivered to the port of shipment or a corresponding stage, shall be financed by the Community;

(b) in exceptional cases, the Community may also wholly or partially finance on a decision of the Council adopted in accordance with the procedure referred to in Article 8:

— forwarding to the frontier of the country and, possibly, to the places of destination, and

— distribution, where the goods are distributed by an international organization.

Article 4

The costs referred to in Article 3(b) shall, where the arrangements agreed with the recipient country or organization so provide, be paid wholly or in part as a lump-sum contribution to the recipient country or organization by the Commission.

Article 5

Without prejudice to Article 4, invitations to tender shall be issued for delivery of the product, including packing, labelling and forwarding to the (*) corresponding stage, and, where relevant, for its forwarding beyond that stage, save in exceptional cases where private contracts may be negotiated.

Article 6

The sums to be paid to the undertaking selected shall be due only if:

- (a) the undertaking satisfies the conditions laid down in the invitation to tender or the private contract; and
- (b) the quality and packing of the delivered product are found on inspection to comply with the relevant Community provisions.

Provision may be made for part of such sums to be paid in advance.

Article 7

The decision to apply Article 2(2) shall be taken and the resulting procedure for implementing that paragraph and Article 5 shall be adopted in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68.

Article 8

The countries and organizations for which this aid is destined, together with the quantity to be allocated to each, shall be determined by the Council acting by a qualified majority on a proposal from the Commission.

Article 9

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at

For the Council
The President

(*) port of shipment or a

ANNEX IV

PROPOSAL FOR A
COUNCIL REGULATION (EEC) No

on the supply of milk fats to certain developing countries and international organizations under the 1977 food-aid programme

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No [] laying down general rules for the supply of milk fats to certain developing countries and international organizations under the 1977 food-aid programme⁽¹⁾, and in particular Articles 3 and 8 thereof,

Having regard to the proposal from the Commission,

Whereas Regulation (EEC) No [] provides for the supply of a quantity of butter or butteroil corresponding to 38 700 metric tons of butteroil to certain developing countries and international organizations; whereas this quantity should be allocated among the various countries and organizations from which appli-

cations have been accepted and arrangements for financing should be specified; whereas 3 010 metric tons should be kept as a contingency reserve for future allocation,

HAS ADOPTED THIS REGULATION:

Article 1

The allocation and financing arrangements in respect of a quantity of milk fats corresponding to 38 700 metric tons of butteroil under the 1977 food-aid programme, as provided for in Regulation (EEC) No [] are stipulated in the Annex hereto.

Article 2

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at

For the Council

The President

⁽¹⁾ See page [] of this Official Journal.

ANNEX

THE 1977 BUTTEROIL FOOD AID PROGRAMME

Recipient countries & organizations	Quantities of butteroil allocated (tonnes)	Financing arrangements
PAYS		
- Afghanistan	200	port of shipment
- Botswana	20	free at destination
- Burundi	300	" " "
- Cape Verde	250	port of unloading
- CAE	150	free at destination
- Egypt	2500	port of shipment
- Ghana	200	port of shipment
- Guinea Bissau	200	port of unloading
- Guinea Conakry	200	port of shipment
- Honduras	300	" "
- Jordan	1000	" "
- Lesotho	20	free at destination
- Mauritania	1000	port of unloading
- Mozambique	550	" "
- Uganda	200	port of shipment
- Pakistan	2000	" "
- Peru	500	" "
- Senegal	200	" "
- Somalia	1350	port of unloading
- Sudan	1000	port of shipment
- Sri Lanka	200	" "
- Syria	500	" "
- Tanzania	200	" "
- Vietnam	2000	port of unloading
- Yemen (AR)	700	port of shipment
- Yemen (PDR)	700	" "
- Zambia	550	port of unloading
ORGANIZATIONS		
- ICRC	500	free at destination
- League RCS	500	" destination
- WFP	10000	" "
UNICEF	2000	" "
- UNHCR	2500	port of unloading
- UNRWA	3200	free at destination
Reserve	3010	(1)
Total	38700	

(1) Emergency schemes may include financing for transport between port of shipment and ultimate destination and cost of distribution where aid is channelled via an international organization. It may be fully or partly covered by a lump-sum contribution.

PART FOUR

FINANCIAL DETAILS

FINANCIAL DETAILS

1. BUDGET HEADING CONCERNED

Article 921 - Items 9211 and 9219 of the 1977 budget (appropriation = 88.5 million u.a.)

2. TITLE OF BUDGET HEADING

Food aid (milk products)
 - 1977 skimmed-milk powder programme
 - 1977 butter/butteroil programme

3. LEGAL BASIS

Articles 43 and 113 of the Treaty and Regulation No 804/68 of 27 June 1968.

4. DESCRIPTION, AIM AND JUSTIFICATION OF AID

Allocation of 105 000 t of skimmed-milk powder and 45 000 t of butteroil to certain developing countries and international organizations.

5. APPROPRIATIONS - Method of calculation

<u>SKIMMED-MILK POWDER</u>				<u>million u.a.</u>
- <u>Raw material</u>	105 000 t	x	269.6 u.a. per t	28.30
- <u>Transport & Distribution</u>				
Cape Verde/Guinea Bissau/ Mauritania	1 750 t	x	100 u.a. per t	0.17
Burundi/CAE/Rwanda	1 400 t	x	180 u.a. per t	0.25
Botswana/lesotho	60 t	x	200 u.a. per t	0.01
Mozambique/ Somalia/Zambia	3 900 t	x	180 u.a. per t	0.70
Vietnam	5 000 t	x	130 u.a. per t	0.65
ICRC/LRCS/UNICEF	14 000 t	x	160 u.a. per t	2.24
WFP	27 000 t	x	80 u.a. per t	2.16
Reserve	14 690	x	125 u.a. per t	1.84
				<hr/>
				8.02
- <u>Vitamin enrichment</u> ¹	65 000 t	x	60 u.a. per t	3.90
				<hr/>
			TOTAL	40.22
				<hr/> <hr/>

BUTTEROIL

- Raw material 45 000 t x 901.58 u.a. per t 40.57

- Transport & Distribution

Cape Verde/Guinea Bissau/
Mauritania/Angola (UNCHR)

3 950 t x 120 u.a. per t 0.47

Burundi/CAE 450 t x 200 u.a. per t 0.09

Botswana/Lesotho 40 t x 220 u.a. per t 0.01

Somalia/Mozambique/
Zambia (CIF Tanzania) 2 450 t x 170 u.a. per t 0.42

Vietnam 2 000 t x 120 u.a. per t 0.24

ICRC/LRCS/UNICEF 3 000 t x 180 u.a. per t 0.54

WFP 10 000 t x 79 u.a. per t 0.79

UNRWA 3 200 t x 120 u.a. per t 0.38

CRS² 2 000 t x 135 u.a. per t 0.27

UNCHR (Cyprus)² 1 300 t x 120 u.a. per t 0.15

Reserve 3 010 t x 150 u.a. per t 0.45

3.81

TOTAL : 44.38

GRAND TOTAL 84.60

6. FINANCING

- Article 921 = 88.5 million u.a.

In view of the expenditure outlined above (84.60 million u.a.), there is a balance of 3.90 million u.a.

=====

¹ Amount corresponding to the quantities proposed (directly or via organizations) to the countries which intend the aid for free distribution and where there is serious vitamin A deficiency.

² These schemes are the subject of separate communications.

PART FIVE

THE 1977 SKIMMED-MILK POWDER

FOOD AID PROGRAMME

(second instalment)

COUNTRIES OR INSTITUTIONS (per capita GNP) in US\$ 1973	QUANTITY REQUESTED (t)	REQUIREMENTS (see Annex I) (t)	TOTAL ALLOCATION and FINANCING ARRANGEMENTS (t) (*)	ALLOCATION DECIDED from 1st INSTALMENT (105 000t) (t)	ALLOCATION FROM 2nd INSTALMENT (45 000t) (t) and financing arrangements (*)	VALUE million u.a. 2nd INSTALMENT (at world prices)	QUANTITY ALLOCATED IN 1976 (t)
I. STANDARD AID							
A. COUNTRIES WITH PER CAPITA GNP BELOW OR EQUAL TO US \$ 300.							
1. with catastrophic or precarious external financial situations: total allocation 60% of needs (as a general rule but 100% where requests for minimal amounts)							
EGYPT (250)	30 000	TOTAL: 71 000 Sale to dairy industry 100 FD	29 400 15 000 (EMB) 100 (DEB)	20 250 10 000 100	9 150 5 000 (EMB)	2.82 1.65	6 000
GUINEA-BISSAU (150 est.)	300						500
PAKISTAN (120)	No figures given: estimated at 5 000	5 000 sale to dairy industry	3 000 (EMB)	2 000	1 000 (EMB)	0.27	3 500
SUDAN (130)	5 200	13 000 (9 800 FD) (3 200 sale dairy industry)	5 200 (EMB)	3 200 FD sales	1 200 (EMB)	0.38	170
TANZANIA (130)	3 217	4 930 (av. imp, 74-75)	3 000 (EMB)	2 000	1 000 (EMB)	0.27	1 350
YEMEN A.R. (100)	2 500	3 500 FD	2 100 (EMB)	1 500	600 (EMB)	0.16	1 500
YEMEN PDR (110)	2 600	1 620 FD	1 000 (EMB)	650	350 (EMB)	0.09	-

MILK II

COUNTRIES OR INSTITUTIONS (per capita GNP in US\$ 1973)	QUANTITY REQUESTED (t)	REQUIREMENTS (see Annex I) (t)	TOTAL ALLOCATION and FINANCING ARRANGEMENTS (t) (*)	ALLOCATION DECIDED from 1st INSTALMENT (105 000t) (t)	ALLOCATION from 2nd INSTALMENT (45 000t) (t) (*) and financing arrangements	VALUE Million u.a. 2nd INSTALMENT (at world prices)	QUANTITY ALLOCATED IN 1976 (t)
2. Other countries: total allocation 50% of requirements as a general rule but 100 % where requests for minimal amounts							
TOTAL:		12 350	10 550	1 800	0.51		
AFGHANISTAN (90)	324	1 400 FD	300 (EMB)	300	-	-	300
C.A.E. (160)	200	150 FD	150 (RD)	150	-	-	-
GHANA (300)	5 000	6 800 sale to dairy industry	3 400 (EMB)	2 000	1 400 (EMB)	0.38	-
GUINEA Conakry (110)	6 000	1 080 FD :schools and hospitals	1 000 (EMB)	600	400 (EMB)	0.13	-
INDONESIA (130)	no figures given	Sale: 1 000 to dairy industry 24 675 (av.imp.74-75) sale dairy industry	1 250 (EMB)	1 250	-	-	500
PHILIPPINES (280)	5 000	55 769 (av.imp.74-75) sale dairy industry	2 750 (EMB)	2 750	-	-	3 500
UGANDA (150)	1 020	5 000 sale dairy industry	500 (EMB)	500	-	-	-
RWANDA (70)	1 000	973 FD	1 000 (RD)	1 000	-	-	1 000

MILK II

COUNTRIES OR INSTITUTIONS (per capita GNP in US\$ 1973)	QUANTITY REQUESTED (t)	REQUIREMENTS (see Annex I) (t)	TOTAL ALLOCATION AND FINANCING ARRANGEMENTS (t) (*)	ALLOCATION DECIDED FROM 1st INSTALMENT (105 000t) (t)	ALLOCATION FROM 2nd INSTALMENT (45 000t) and financing arrangements (*)	VALUE million u.a. 2nd INSTALMENT (at world prices)	QUANTITY ALLOCATED IN 1976 (t)
SENEGAL (280)	6 000	0 FD + Sale to Dairy industry	0	0	0	-	3 400
SRI LANKA (120)	2 000	8 787 (av.imp. 74-75) Sale dairy industry	2 000 (EMB)	2 000	-	-	1 300
B. COUNTRIES WITH Per Capita GNP							
1. with catastrophic or precarious external financial situations; total allocation 40% of requirements as a general rule but 50 % where requests for minimal amounts.							
HONDURAS (320)	1 000	5 180 FD	7 800 1 000 (EMB)	5 000 1 000	2 800 -	0.75 -	1 000
PERU (620)	9 000	29 518 (av.imp. 74-75) sale dairy industry	3 000 (EMB)	1 500	1 500 (EMB)	0.40	4 500
PORTUGAL (WFP) (1410)	1 008	1 008 FD	500 (EMB)	500	-	-	500 emergency scheme for Angolan refugees in Portugal
SYRIA (400)	4 000	5 136 sale dairy industry	2 000 (EMB)	1 000	1 000 (EMB)	0.27	700 emergency scheme for refugees

MILK II

COUNTRIES OR INSTITUTIONS (per capita GNP in US\$ 1973)	QUANTITY REQUESTED (t)	REQUIREMENTS (See Annex I) (t)	TOTAL ALLOCATION & FINANCING ARRANGEMENTS (t) (*)	ALLOCATION DECIDED FROM 1st INSTALMENT (105 000t) (t)	ALLOCATION FROM 2nd INSTALMENT (45 000t) and financing arrangements (t) (t) (#)	VALUE million u.a. 2nd INSTALMENT (at world prices)	QUANTITY ALLOCATED IN 1976 (t)
URUGUAY (950)	500	5 000 FD	500 (EMB)	500	-	-	500
JAMAICA (990)	1 500	2 000 net requirements FD	800 (EMB)	500	300 (EMB)	0.08	-
2. Other countries: total attribution 30% of requirements as a general rule but 50% where requests for minimal amounts							
TOTAL:			1 500	1 150	350	0.12	700
EL SALVADOR (350)	1 000	1 830 FD	550 (EMB)	200	350 (EMB)	0.12	-
LIBERIA (310)	No figure given: estimated at 2 000	2 115 FD and Food for Work	200 (EMB)	200	-	-	-
MALTA (1060)	400	360 FD	200 (EMB)	200 (EMB)	-	-	750
MAURITIUS (410)	1 100	1 100 FD	550 (EMB)	550 (EMB)	-	-	1 000

COUNTRIES OR INSTITUTIONS (per capita GNP in US\$ in 1973)	QUANTITY REQUESTED (t)	REQUIREMENTS (see Annex I) (t)	TOTAL ALLOCATION AND FINANCING ARRANGEMENTS (t) (*)	ALLOCATION DECIDED from 1st INSTALMENT (105 000t) (t)	ALLOCATION from 2nd INSTALMENT (45 000 t) and financing arrangements (*)	VALUE million u.a. 2nd INSTALMENT (at world prices)	QUANTITY ALLOCATED IN 1976 (t)
II. EMERGENCY SCHEME							
Total allocation: 100% of requirements as a general rule							
		TOTAL:	23 410	12 360	11 050	4.81	
BOTSWANA (230)	30	30 FD	30 (RD)	30	-	-	-
BURUNDI (80)	250	768 FD	250 (RD)	250	-	-	-
CAPE VERDE (120 est.)	2 850 shortfall	684 FD	650 (DEB)	650	-	-	450
JORDAN (340)	1 800	3 025 FD	1 800 (EMB)	1 500	300 (EMB)	0.10	1 100
LESOTHO (100)	30	84 FD	30 (RD)	30	-	-	-
MAURITANIA (200)	3 000	3 600 FD	1 000 (DEB)	1 000	-	-	1 200
MOZAMBIQUE (150/220 est.)	4 000	1 080 FD	1 000 (DEB)	1 000	-	-	1 050
SOMALIA (80)	8 000 including 5 000 for sale	3 750 FD	3 750 (DEB)	2 000	1 750 (DEB)	0.84	3 000

MILK II

COUNTRIES OR INSTITUTIONS (per capita GNP IN US\$ 1973)	QUANTITY REQUESTED (t)	REQUIREMENTS (see Annex I) (t)	TOTAL ALLOCATION AND FINANCING ARRANGEMENTS (t) (*)	ALLOCATION DECIDED FROM 1st INSTALLMENT (105 000t) (t)	ALLOCATION FROM 2nd INSTALLMENT (45 000t) (t) (#) and financing arrangements	VALUE million u.a. 2nd INSTALLMENT (at world prices)	QUANTITY ALLOCATED IN 1976 (t)
VIETNAM (160)	No figures	18 750	14 000 (DEB)	5 000	9 000 (DEB)	3.87	6 637
ZAMBIA (430)	900	900	900 (DEB)	900	-	-	450
<u>TOTAL COUNTRIES:</u>	18 750 est. requirement		24 460	49 310	25 150	9.01	
<u>III. ORGANIZATIONS</u>	(1)		51 000	41 000	10 000	4.51	
I.C.R.C.	3 000	-	3 000 (RD)	2 500	500 (RD)	0.24	3 500
LEAGUE RCS	500	-	500 (RD)	500	-	-	2 000
WFP	27 000	-	30 000 (RD)	27 000	3 000 (RD)	1.23	30 000
UNICEF	14 508	-	14 500 (RD)	11 000	3 500 (RD)	1.71	15 000
C.R.S. (Chile)	6 000	-	3 000 (DEB)	-	3 000 (DEB)	1.33	500

MILK II

COUNTRIES OR INSTITUTIONS (Per capita GNP in US\$ 1973)	QUANTITY REQUESTED (t)	REQUIREMENTS (see Annex I) (t)	TOTAL ALLOCATION AND FINANCING ARRANGEMENTS (t) (*)	ALLOCATION DECIDED FROM 1st INSTALMENT (105 000t) (t)	ALLOCATION FROM 2nd INSTALMENT (45 000t) (t) and financing arrangements (*)	VALUE million u.a. 2nd INSTALMENT (at world prices)	QUANTITY ALLOCATED IN 1976 (t)
<u>RESERVE:</u>			24 540	14 690	9 850	3.99	21 830
<u>GRAND TOTAL:</u>	187 487	-	150 000	105 000	45 000	17.51 ²	150 000

¹ The breakdown by beneficiary country proposed for the organizations will be determined during discussions within the competent authorities.

² Amount to be paid from the 14 million u.a. included in Chapter 100 to be transferred to Chapter 92, and the 3.90 million u.a. surplus from the butteroil programme and the first instalment of the milk powder programme (see part four 'Financial details').

³ Reserve set aside for emergency measures, for measures in favour of countries submitting their requests before the adoption of the programme by the Council and for a measure in favour of the NGOs after the formal request has been submitted and an examination has been made of the results of the initial experience with those organizations.

(*) EMB = delivered to port of shipment

DEB = delivered to port of unloading

RD = delivered to destination

FINANCIAL DETAILS

1. BUDGET HEADING CONCERNED

Article 921 - Item 9211 of the 1977 budget (14 million u.a. appropriation entered in Chapter 100 and for which a transfer has been requested).

2. TITLE OF BUDGET HEADING

Food aid (milk products)

The 1977 skimmed-milk powder programme.

3. LEGAL BASIS

Articles 43 & 113 of the Treaty and Regulation 804/68 of 27 June 1968.

4. DESCRIPTION, AIM AND JUSTIFICATION OF AID

Allocation of 45 000 t of skimmed-milk powder to certain developing countries and international organizations.

5. APPROPRIATIONS - Method of calculation

				<u>million u.a.</u>
- <u>Raw material</u>	45 000 t	x	269.6 u.a. per t	12.13
- <u>Transport & Distribution</u>				
Somalia	1 750 t	x	180 u.a. per t	0.32
Vietnam	9 000 t	x	130 u.a. per t	1.17
ICRC/UNICEF	4 000 t	x	160 u.a. per t	0.64
CRS	3 000 t	x	125 u.a. per t	0.38
WFP	3 000 t	x	80 u.a. per t	0.24
Reserve	9 850 t	x	125 u.a. per t	1.13
				<u>3.88</u>
- <u>Vitamin enrichment</u>	25 000 t	x	60 u.a. per t	1.50
				<u>17.51</u>
			Total	=====

6. FINANCING

- 14 million u.a. entered in Chapter 100 and for which a transfer has been requested.

- 3.90 million u.a. surplus from Article 921 from the first instalment of the butteroil and milk powder programmes (see Financial Details in part four).

Proposal for
COUNCIL REGULATION (EEC) No
of
amending Regulation (EEC) No laying down general rules for the supply
of skimmed-milk powder as food aid to certain developing countries and inter-
national organizations under the 1977 programme

THE COUNCIL OF THE EUROPEAN
COMMUNITIES,

Having regard to the Treaty establishing the European
Economic Community, and in particular Article 43
thereof,

Having regard to Council Regulation (EEC) No
804/68 of 27 June 1968 on the common organization
of the market in milk and milk products⁽¹⁾, as last
amended by Regulation (EEC) No 559/76⁽²⁾, and in
particular Article 7 (4) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parlia-
ment,

Whereas Council Regulation (EEC) No of
laying down general rules for the supply of
skimmed-milk powder as food aid to certain deve-
loping countries and international organizations under
the 1977 programme fixes the amount of the aid at
105 000 tonnes;

Whereas a new assessment of the milk protein require-
ments of certain developing countries/international
organizations
indicates that this aid should be increased;

Whereas Community availabilities in the skimmed-
milk powder sector enable the volume of aid to be
increased to 150 000 tonnes,

HAS ADOPTED THIS REGULATION:

Article 1

Article 1 of Regulation (EEC) No shall be
replaced by the following:

Article 1

150 000 tonnes of skimmed-milk powder shall
be made available to certain developing
countries and international organizations as
food aid under the 1977 programme may be
supplied partly as solid enriched milk in
bar or tablet form.

Article 2

This Regulation shall enter into force on the third day
following its publication in the *Official Journal of
the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member
States.

Done at

For the Council
The President

⁽¹⁾ OJ No L 148, 28. 6. 1968, p. 13.

⁽²⁾ OJ No L 67, 15. 3. 1976, p. 9.

COUNCIL REGULATION (EEC) No
of
on the additional supply of skimmed-milk powder as food aid to certain developing countries, international organizations and non-governmental organizations under the 1977 programme

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No of laying down general rules for the supply of skimmed-milk powder as food aid to certain developing countries and international organizations under the 1977 programme ⁽¹⁾, as amended by Regulation (EEC) No ⁽²⁾, and in particular Articles and thereof,

Having regard to the proposal from the Commission,

Whereas Regulation (EEC) No provides for the supply of 150 000 tonnes of skimmed-milk powder as food aid to certain developing countries, international organizations and non-governmental organizations under the 1977 programme ;

Whereas Regulation (EEC) No ⁽³⁾ allocated part of this aid among certain of the various countries and international organizations, leaving a reserve of 14 690 tonnes ;

Whereas the additional quantity of 45 000 tonnes should be allocated among the various countries and organizations from which applications have been accepted and financing arrangements for the aid should be specified ; whereas, however, 9 850 tonnes should be kept as a contingency reserve for future allocation,

HAS ADOPTED THIS REGULATION :

Article 1

The allocation and financing arrangements in respect of 45 000 tonnes of skimmed-milk powder to be supplied as food aid under the 1977 programme in accordance with Regulation (EEC) No , the allocation of which was not provided for in Regulation (EEC) No , are stipulated in the Annex hereto.

Article 2

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at

For the Council

The President

⁽¹⁾ OJ No L
⁽²⁾ OJ No L
⁽³⁾ OJ No L

A N N E X E

THE SKIMMED MILK-POWDER FOOD AID PROGRAMME

(additional amounts)

RECIPIENT COUNTRIES AND ORGANIZATIONS	QUANTITIES OF SKIMMED-MILK POWDER OR MILK POWDER EQUIVALENT ALLOCATED (in tonnes)	FINANCING ARRANGEMENTS (port of shipment unless otherwise stated)
<u>COUNTRY</u> -----		
Egypt	5 000	
El Salvador	350	
Ghana	1 400	
Guinea	400	
Jamaica	300	
Jordan	300	
Pakistan	1 000	
Peru	1 500	
Somalia	1 750	port of unloading
Sudan	1 200	
Syria	1 000	
Tanzania	1 000	
Vietnam	9 000	port of unloading
Yemen AR	600	
Yemen DPR	350	
<u>ORGANIZATIONS</u>		
International Committee of the Red Cross (ICRC)	500	free at destination
World Food Programme (WFP)	3 000	free at destination
UNICEF	3 500	free at destination
C.R.S. (Chili)	3 000	port of unloading
RESERVE	9 850	(1)
TOTAL	45 000 =====	

(1) Emergency schemes may include financing for transport between port of shipment and ultimate destination and cost of distribution where aid is channelled via an international organization. It may be fully or partly covered by a lump-sum contribution.