

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 107 final

Brussels, 13 March 1979

PROPOSAL FROM COMMISSION TO THE COUNCIL  
CONCERNING FOOD AID REGULATIONS FOR 1979

(presented by the Commission to the Council)

COM(79) 107 final

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 107 final/2

Brussels, 5<sup>th</sup> April 1979

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PROPOSAL FROM COMMISSION TO THE COUNCIL

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This communication contains the Commission's proposals for the allocation of food aid in 1979 and the Regulations necessary to execute the actions.

In accordance with the decision on the 1979 budget these proposals concern the allocation of 720.500 tonnes of cereals, 150.000 tonnes of skimmed milk powder and 45.000 tonnes of butteroil.

### CEREALS

At the first reading of the 1979 budget proposals on 18 July 1978, the Council decided to base the budget on a figure of 720.500 tonnes as in the previous year. It also decided to draw the financial conclusions from participation in a new Food Aid Convention to be signed in 1979.

The Parliament regretted the Council's decision not to accept a Commission proposal based on a quantity of 1.135.000 tonnes.

The negotiations on a new Food Aid Convention, which formed part of the negotiations on a new international cereals agreement to replace the International Wheat Agreement 1971, have been suspended sine die. It is envisaged that the negotiations will resume when conditions for success are more favourable and that, meanwhile, the existing Convention will be extended unchanged for a further period. Since the obligations therein are fixed in terms of a minimum quantity, this does not deter the Community from shipping a larger tonnage, and the Commission intend to make a separate proposal to the Council on this question.

The most important factor governing the allocation of cereals food aid by the Community is the increasing deficit <sup>(1)</sup> in the most needy countries without any countervailing increase in the quantities available. In 1978 this was reflected by a considerable decrease in the reserve for emergencies. In 1979 it will be reflected by a more strict application of the criteria agreed with the Council in 1977.

Crop failures in two major importing countries, Pakistan and Vietnam, have put an additional strain on the programme while other major importing countries e.g. Bangladesh and Egypt still have similar or greater needs than in previous years. At the same time there is a consensus in international fora that more aid should be channelled through multilateral organisations and that the International Emergency Reserve should be increased.

(1) According to FAO statistics the cereals import requirements of most seriously affected (MSA) and food priority (FP) countries increased by 14 %. This appears to be part of a long term trend (cf. FAO Commodity Projections 1985 : Cereals-supply, demand and trade - July 1978)

To add to the difficulties of allocation there is a net reduction in quantities to deliver in 1979. The 1978 programme made use of a carry-over from the 1977 reserve of 48.000 tonnes. This year there remains only 8.050 tonnes in the 1978 reserve implying a net reduction of 40.000 tonnes. Moreover, the Commission has this year delivered or is in the process of delivering all outstanding allocations from previous years and has almost completed the execution of the allocation for 1978 (2). Consequently, the possibility of increasing effective aid by deliveries from previous years' allocations is not open to the Commission in 1979.

Fifty two (52) requests were received from Governments and eight (8) from international organisations. The total quantity requested was 3.226,520 tonnes wheat equivalent (3).

The objectives of Community food aid agreed by the Council in March 1977 are - to raise the standard of nutrition of the recipients,  
- to help in emergencies,  
- to contribute towards the economic development of the recipient countries.

In the case of cereals aid it is particularly difficult to separate the objectives. Since the Community's aid is concentrated on the poorest countries, and cereals aid is their most critical food aid need, in most cases more than one of these objectives is met.

The criteria agreed by the Council in March 1977 are the following :

- i. Basic food needs
- ii. Per capita income below \$ 300 per annum.
- iii. Adverse balance of payments.

Needs have been assessed on the basis of the cereals import requirements for the 1978/1979 crop year. The figures are derived mainly from FAO published figures and are expressed in the form of wheat equivalent. While there are some countries with a large need e.g. Bangladesh, Egypt, Pakistan and Vietnam, which demand a like response from the Community, efforts have been made to ensure that the needs of very small countries, e.g. Sao Tome & Principe, are not neglected.

(2) Total quantity delivered or in the course of delivery before December 31, 1978 was 935,267 tonnes.

(3) Last year the figures were (33), (6) and 2.650.000 tonnes respectively

As regards income per head, the cut-off for allocations has been placed in theory at \$ 295, which corresponds to the category of the poorest countries, as defined by the World Bank and in line with the Council's Decision of 22 March 1977.

The proposed allocations, listed in the annexed tables, take account of the various possible combinations of the above criteria.

It is however indispensable to apply a certain amount of flexibility so as to allow the correction in appropriate cases of the results of an over-strict application of the above criteria. This arises especially with countries facing particular difficulties, such as hostilities, influx of refugees, resettlement problems or natural disasters. For example, strict application of the criteria would exclude Jordan, Syria and Lebanon from benefitting from food aid but each has refugee or resettlement problems. Djibouti, Somalia and Zambia, who do qualify, would be seriously hindered from continuing assistance to resettlement programmes by strict application of the criteria. The Peoples Republic of the Congo, Chad and the two Guineas are suffering from an abnormal shortage following severe drought and it is proposed to make an exceptional allocation in these cases. Bangladesh, Cape Verde and Comores are all countries specially dependent on international aid, particularly food aid. Honduras is undertaking a long term rural development programme which would be disrupted by stopping Community aid.

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It is proposed to continue the same allocations as in previous years to the Institutions with the exception of UNICEF whose regular feeding programmes will be taken over by the United Nations' World Food Programme, wherever possible. The allocation to the World Food Programme is consequently increased. It is proposed that 5.000 tonnes of this quantity should be donated to the International Emergency Food Reserve.

As a result of the Commission's analysis the following countries would receive an increased allocation in 1979 : Ethiopia, Lesotho, Mozambique, Pakistan, Vietnam, Zambia and Madagascar. All are abnormal food shortage countries except Lesotho and Zambia. All other countries have been reduced.

For the major beneficiaries, Bangladesh and Egypt, the possibility of finding alternative supplies is particularly difficult. The Commission believes that the needs of these countries should be regularly reviewed throughout the year.

#### Dairy products

In dairy products there is room for greater flexibility than in the case of cereals. This arises for several reasons but most particularly from the nature of the products themselves. Skimmed milk powder must be used under strictly defined conditions, butteroil is not acceptable to all countries (although the demand is increasing), and not all countries have a sufficient absorption capacity. With dairy products it is also easier to identify individual objectives.

The Council decided to provide in the budget for 150,000 tonnes of skimmed milk powder and 45,000 tonnes of butteroil. This was a reduction of 10,000 tonnes in the quantity of butteroil requested by the Commission. The Commission believes that the original estimate for butteroil was a minimum for this increasingly popular programme and has proposed an increase in parallel with the agriculture price proposals.

As with cereals increased deliveries of dairy products in 1978<sup>(4)</sup> have done much to reduce backlogs and there is little flexibility to be found through the delivery of previous years quantities. This is particularly so for butteroil. The tables show that where previous years deliveries are still outstanding in many cases no allocation has been made for 1979 or a p.m. has been inserted.

The criteria used in making the allocation are the same as those used in the cereals allocation. Nevertheless the Commission's experience of the use made of previous deliveries of dairy products, particularly, skimmed milk powder, and consideration of the specific objectives to be achieved have been given relatively greater weight.

From the requests received the objectives can be identified as follows :

	<u>Skimmed Milk powder</u>	<u>Butteroil</u>
- Help for exceptional cases of distress	6 %	12 %
- Raising of nutritional standards	58 %	43 %
- Economic development	35 %	45 %

Of the total quantities available including the grants to institutions the Commission's proposed allocation would result in the following :

	<u>Skimmed Milk powder</u>	<u>Butteroil</u>
- Help for exceptional cases of distress	10 %	22 %
- Raising of nutritional standards	57 %	34 %
- Economic development	30 %	44 %

(4) Total quantities delivered or in course of delivery before December 31, 1978 were : -skimmed milk powder 140,713 tonnes, butteroil 63,566 tonnes.

The economic development figures are heavily weighted by the quantities allocated to India for Operation Flood II.

Two comments need to be made. In the case of skimmed milk powder experience has shown that many countries do not have adequate means of distributing to final consumers under the conditions laid down in agreement with the Commission. This is largely due to the difficulties inherent in daily supervision. On the other hand the non-governmental organizations have demonstrated that their distribution networks are suitable for this kind of work and the Commission proposes to increase their participation in the milk powder programme

As with cereals, the World Food Programme allocation is increased to take account of their participation in the old UNICEF programmes.

For butteroil the large increase in demand has led to a restriction on the level of offers. Wherever appropriate continuation of previous programmes has been given priority in the Commission's allocation. The importance of butteroil for the reconstitution of liquid milk in dairy industry development projects together with the need to continue such programmes weights the butteroil allocation heavily in favour of the objective of economic development.

The tables setting out the allocations of dairy products are arranged alphabetically. To make them more easily comparable with the cereals allocations, the category used for cereals distribution is printed in the second column of the tables. For more ready comparison the relative distribution is as follows :

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Cereals Category	Skimmed Milk Powder		Butteroil	
	Quantity	%	Quantity	%
Group I	20.950	13,97	6.500	14,45
Group II	34.270	22,85	13.605	30,23
Group III	6.860	4,57	3.300	7,33
Group IV	3.500	2,33	600	1,33
Group V	700	0,47	200	0,45
Group VI	67.800	45,20	13.200	29,33
Group VII	8.845	5,90	6.815	15,14
Group VIII	2.300	1,53	300	0,67
Group IX	0	0	0	0
Reserve	4.775	3,18	480	1,07

Transport costs

The food aid programme has been criticised for lack of transparency in the expenditure on transport both from an accountancy point of view and from the point of view of the criteria used in deciding which costs should be borne.

To some extent the accounting transparency is part of a larger exercise in rationalising the food aid budget presentation. The Commission's proposal to achieve this rationalisation forms part of its proposal on the management of food aid (5).

As far as criteria are concerned the Commission at the request of the Council is continuing discussions on possible criteria which will be used in future programmes. It is already clear however that these discussions will not be finished before the 1979 programme should be adopted. The Commission therefore proposes that the same procedures applied in previous years should be adopted for 1979.

Since payment of transport costs is a direct contribution to balance of payments and therefore an economic aid the Commission considers that it should be restricted to the poorest countries. However the payment of transport costs need not necessarily follow mechanically the attribution of food. In particular it seems appropriate to pay particular attention to those countries who would receive a considerable cut back in aid this year, for example the countries of Africa.

Using such criteria the Commission proposes that transport costs should be paid for all countries having a G.N.P. of \$ 150 or less and in general for African countries with a G.N.P. of \$ 270 or less. Exceptions to these rules are made for countries receiving considerably increased quantities. The total costs will remain as in past year less than 10 % of the estimated cost of the products at Community prices.

The attached annexes contain the draft Regulations necessary for implementing the 1979 food aid programme together with the allocations proposed by the Commission. The Council is invited to approve these proposals for the implementation of the 1979 food aid programme.

## CEREALS PROGRAMME 1979

1 Country	2 Quantity requested (tonnes)	3 Use V = sale DG = free distrib.	4 Year or Period	5 Income per head	6 External payment ratio	7 Import requirements (tonnes)	8 1978 (tonnes)	9 Proposal 1979 (tonnes)	10 Observations
GROUP I - Countries with an income per head < \$ 295 and external payments ratio worse than - 10 %									
ETHIOPIE	50.000	200.000	1979	110	-18	400.000	10.000	15.000	Abnormal food shortage country, unfavourable crop conditions.
GAMBIA	10.000	500.000	10/78-9/79	200	-22	66.600	3.000	2.500	
LESOTHO	3.000	V	7/78-8/79	230	-1.930	147.000	1.500	3.000	
MAURITANIA	not quantif. but say 16.000		11/78-10/79	270	-67	160.000	7.000	6.000	
MOZAMBIQUE	355.000	V	1979	170	n.a.	440.000	10.000 (+1.180)	16.500	Abnormal food shortage country - unfavourable crop conditions.
PAKISTAN	not quantif. but say 220.000	V	5/78-4/79	190	-50	2.250.000	30.000	50.000	To be reviewed in light of 1979 harvest
SAO TOME & PRINCIPLE	2.500	V	1979	230		10.000	1.800	1.000	minimum quantité
SIERRA LEONE	12.000	D.G. 156.000	7/78-6/79	200	-33	57.000	0	2.000	
UPPER VOLTA	20.000	V	11/78-10/79	110	-183	130.000	8.500	5.000	
VIETNAM	300.000	D.G.	7/78-6/79	150		2.300.000	80.000 (+5.000)	86.000	Abnormal food shortage country - unfavourable crop conditions.
TOTAL GROUP I	988.500					5.960.600	151.800 (+6.180)	187.000	

1 Country	2 Quantity requested (tonnes)	3 Use V = sale DG = free distrib.	4 Year or Period	5 Income per head	6 External payment ratio	7 Import requirements (tonnes)	8 1978 (tonnes)	9 Proposal 1979 (tonnes)	10 Observations
<b>GROUP II - Countries with an income &lt; \$ 295 and external payments ratio better than - 10 %</b>									
AFGHANISTAN	40.000	V	7/78-6/79	190	0	150.000	5.000	3.000	
BENIN	5.000	V	7/78-6/79 rice year 79	200		90.000	0	2.500	
CENT. AFR. REP.	3.020	V	1979	250	+ 5,1	5.400	0	0	Abnormal food shortage country.
MADAGASCAR	62.500	V	1979 (wheat) 7/78-6/79 (rice)	210	- 5	710.000	0	14.000	
MALI	60.000	V	11/78-10/79	110	+ 2	40.000	0 (+5.000)	1.000	
NIGER	45.000	V	10/78-9/79	160	+ 5	90.000	4.000	2.000	
RWANDA	2.500	V	1979	130	+ 16	16.000	2.000	1.000	
SRI LANKA	45.000	V	1979	200	+ 8	815.000	27.000 (+1.510)	16.000	Good harvest conditions.
TANZANIA	65.000	V	6/78-5/79	200	- 2	196.000	5.000	4.000	
ZAIRE	40.000	V	1979	130	+ 38	417.000	10.000	8.000	
<b>TOTAL GROUP II</b>	<b>368.020</b>					<b>2.529.400</b>	<b>53.000 (+6.510)</b>	<b>51.500</b>	

<b>GROUP III - Countries with an income \$ 296 - \$ 420 external payments ratio worse than - 10 %:</b>									
EGYPT	250.000	V	7/78-6/79	310	- 18	5.000.000	67.000 +48.000	90.000	48.000 T. of 1977 reserve allocated in 1978.
SENEGAL	53.000	D.C.	11/78-10/79	420	- 12	510.000	18.000	9.000	
SUDAN	50.000	V	7/78-6/79	300	- 9	210.000	7.000	4.000	
<b>TOTAL GROUP III</b>	<b>353.000</b>					<b>5.720.000</b>	<b>92.000 +48.000</b>	<b>103.000</b>	

Country	Quantity requested (tonnes)	Year or Period	Income per head	External payment ratio	Import requirements (tonnes)	1978 (tonnes)	Proposal 1979 (tonnes)	
<u>GROUP IV (a) - Other countries with an income \$ 296 - 420</u>								
INDONESIA	90,000	V 4/78-3/79 rice year '79	300	0	4,125,000	0	0	Oil exporter accumulating reserves.
YEMEN EDP	10,000	V 1979	320	-8	170,000	4,500	p.m.	1978 to be delivered / exploratory mission necessary.
YEMEN A.R.	10,000	V 7/78-6/79 rice year '79	390	+ 260	580,000	7,000	5,800	

GROUP IV (b) - Countries with an income \$ 421 - 580 and external payment ratio worse than -10 % which have special food needs

GUYANA	4,300	V 1979	560	-36	65,000	0	1,000	Minimum quantity
PHILIPPINES	7,600	V 7/78-6/79 rice year '79	450	-20	1,000,000	0	3,000	Restriction to prevent imbalance with poorer countries.
TOTAL GROUP IV	121,900				5,940,000	11,500	9,800	

GROUP V - Countries with an income \$ 421 - 580 and external payment ratio better than -10 %

BOLIVIA	13,500	V 1979	540	-24	265,000	2,000	1,500	1978 high to cover drought needs.
GHANA	270,000	V 8/78-7/79	530	-4	448,000	12,500	2,000	minimum quantity needs almost covered.
LIBERIA	6,000	V 1979	430	-4	56,000	0	0	
EL SALVADOR	3,800	D.G. 7/78-6/79	570	0	150,000	0	1,000	
SEYCHELLES	12,000	V 3/79-2/80	580	-109	8,000	0	0	
TOTAL GROUP V	305,300				927,000	14,500	4,500	

1	2	3	4	5	6	7	8	9	10
Country or agency	Quantity requested (tonnes)	Use V = sale DG = free distrib.	Year or Period	Income per head	External payment ratio	Import requirements (tonnes)	1978 (tonnes)	Proposal 1979 (tonnes)	Observations
<u>GROUP VI</u>									
<u>Institutions</u>									
W.F.P.	not quantified but 140,000 max.						55,000	65,000	Extra allocation to replace regular UNICEF programmes 20,000 IEFR and 45,000 normal programmes
CRS	38,700						15,000	16,000	15,000 Haiti
CICR	15,000						15,000	15,000	
LICROSS	5,000						1,500	1,500	
UNRWA	50,000						40,000 (+1,460)	40,000	
UNHCR	162,500						0 (+2,500) Laos	2,500	For countries in Southern Africa
<u>TOTAL GROUP VI</u>	<u>411,200</u>						<u>126,500</u> <u>(+3,960)</u>	<u>140,000</u>	

1	2	3	4	5	6	7	8	9	10
Country agency	Quantity reported (tonnes)	Use V = sale LG = free distrib.	Year or period	Income per head	Neternal Payment ratio	Import requirements (tonnes)	1978 (tonnes)	Proposal 1979 (tonnes)	Observations
<b>GROUP VII - Special cases</b>									
ANGOLA	25,000	V + D.G.	1979	330	-51	160,000	0	p.m.	5,5 % of requirements awaiting study of delivery and storage problems.
BANGLADESH	200,000	V	7/78-6/79	90		1,810,000	115,000	100,000	
CAPE VERDE	15,000	V	9/79-12/79	260		57,000	7,000 (+2,000)	p.m.	
CHAD	12,900	V + D.G. 50,000	11/78-10/79	130	-20	35,000	3,500	2,000	after effects of 1978 drought.
COMORES	12,500	V	1979	130	-20	40,800	5,000	2,500	6 % of requirements
CONGO	16,000	V	8/78-7/79	500	-60	50,000	0	1,500	drought
DJIBOUTI	7,000	V	1979	250		28,000	0 (+3,500)	3,500	refugees and displaced people.
GUINEE BISSAU	16,000	V	7/78-6/79	160		70,000	7,500	3,500	few alternative aid sources 1978 drought year.
GUINEE CONAKRY	27,500	V	7/78-6/79 rice year 79	230	+24	105,000	5,000 (+1,000)	3,000	1978 drought year.
HONDURAS	14,000	V	7/78-6/79	450	-25	154,000	7,000	3,500	Well planned aid programme for target groups.
JORDAN	45,000	D.G. (250,000 Palestine refugees)		710			17,000	10,000	Special feeding programme.
LEBANON	not quantified but sev 130,000	D.G. (750,000 displaced persons)			-140		20,000	10,000	Abnormal food shortage and war disruption justify inclusion
PEROU	15,000	V	7/78 - 6/79 1979	830	-43	1,300,000	7,500	3,500	Crops down (+ 26 %) (exceptional drought) displaced people resettlement programme.
SOMALIA	95,000	V + D.G. (332,000 persons)		110	-42	178,000	0 (+13,500)	13,500	
SYRIA	11,000			900			0 (+3,500)	2,000	displaced people in border areas.

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1	2	3	4	5	6	7	8	9	10
Country or agency	Quantity requested (tonnes)	Use V = sale DG = free distribut.	Year or Period	Income per head	External payment ratio	Import requirements (tonnes)	1978 (tonnes)	Proposal 1979 (tonnes)	Observations
<u>GROUP VII - Special cases (continuation)</u>									
ZAMBIA	25,000	V + D.G. (refugees)	7/78-6/79	450	-21	230,000	6,000	10,000	increasing influx of refugees, poor harvest forecast.
TOTAL GROUP VII	566,900					4,217,000	200,500 (+23,500)	168,500	
<u>Other countries</u>									
JAMAICA	6,700			1,150	.	.	1,000	0	
MALTA	5,000			1,390	.	.	0	0	
TOTAL GROUP VIII	11,700				.	.		0	
<u>GROUP IX</u>									
<u>Countries/agencies not requesting for 1979</u>									
MAURITIUS	-						3,500	-	
TOGO	-						3,000	-	
UNICEF	-						15,000	-	
RESERVE	3,226,520						21,500	-	
TOTAL							(8,050)	56,200	1978 reserve initially 48,200 t. Priority proposed for LAOS 1979 reserve when application received.

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Figures in brackets are allocations from the 1978 reserve.

PROPOSAL FOR A COUNCIL DECISION

on the Community financing of certain expenditure relating to food aid supplied under the 1979 Programme

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) Nr. 1703/72 of 3 August 1972 amending Regulation (EEC) Nr. 2052/69 on the Community financing of expenditure arising from the implementation of the Food Aid Convention of 1967, and laying down rules for the Community financing of expenditure arising from the implementation of the Food Aid Convention of 1971 (1), and in particular Articles 8(1) and 10(1) thereof.

Having regard to the proposal from the Commission,

Whereas certain countries and organizations in receipt of food aid in the form of cereals under the 1979 Programme would have difficulty, given their economic and financial situation, in covering forwarding costs from the port of loading ; whereas such costs should consequently be borne by the Community,

HAS DECIDED AS FOLLOWS :

Sole Article

For Community food aid actions under the 1979 cereals Programme, Community financing shall cover expenditure incurred on forwarding beyond delivery at port of loading, and costs of distribution, under the following arrangements :

- for Bangladesh, Comores, Djibouti, Ethiopia, Gambia, Guinea, Guinea-Bissau, Mauritania, Mozambique, Sao Tome/Principe, Somalia, Tanzania, Vietnam, Zaïre : financing shall cover expenditure incurred between port of loading and port of unloading ;
- for Chad, Lesotho, Mali, Rwanda, Upper Volta, Zambia : financing shall cover expenditure incurred between port of loading and destination ;
- for World Food Programme, United Nations Relief and Works Agency for Palestine Refugees, Catholic Relief Services, International Committee of the Red Cross, League of Red Cross Societies, United Nations High Commissioner for Refugees : financing shall cover expenditure incurred between port of loading and destination, and costs of distribution where provided for in the conditions established with the recipient ;
- for actions taken from the reserve : financing may cover expenditure incurred between port of loading and destination, and costs of distribution where aid is supplied through an international agency ;
- financing may be carried out wholly or partly in the form of a cash contribution where provided for in the conditions established with the recipient.

Done at .....

For the Council,

The President.

(1) O.J. L 180, 8-8-1972, p. 1

## Cereals food aid programme for 1979

Recipient Countries and Institutions	Cereals allocated (in tonnes)	Arrangements for financing
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Countries

Afghanistan	3 000	EMB
Angola	P.M.	P.M.
Bangladesh	100 000	DEB
Benin	2 500	EMB
Bolivia	1 500	EMB
Cape Verde	P.M.	P.M.
Chad	2 000	RD
Comoros	2 500	DEB
Congo	1 500	EMB
Djibouti	3 500	DEB
Egypt	90 000	EMB
Ethiopia	15 000	DEB
Gambia	2 500	DEB
Ghana	2 000	EMB
Guinea	3 000	DEB
Guinea-Bissau	3 500	DEB
Guyana	1 000	EMB
Honduras	3 500	EMB
Jordan	10 000	EMB
Lebanon	10 000	EMB
Lesotho	3 000	RD
Madagascar	14 000	EMB
Mali	1 000	RD
Mauritania	6 000	DEB
Mozambique	16 500	DEB
Niger	2 000	RD
Pakistan	50 000	EMB
Peru	3 500	EMB
Philippines	3 000	EMB
Rwanda	1 000	RD
El Salvador	1 000	EMB
Sao Tome / Principe	1 000	DEB
Senegal	9 000	EMB
Sierra Leone	2 000	EMB
Somalia	13 500	DEB
Sri Lanka	16 000	EMB
Sudan	4 000	EMB
Syria	2 000	EMB
Tanzania	4 000	DEB
Upper Volta	5 000	RD
Vietnam	86 000	DEB
Yemen RA	5 800	EMB
Yemen RDP	P.M.	P.M.
Zaire	8 000	DEB
Zambia	10 000	RD

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 524 000
Institutions

CICR	15 000	RD
CRS	16 000	RD
LICROSS	1 500	RD
UNHCR	2 500	RD
UNRWA	40 000	RD
WFP	65 000	RD

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 140 000

RESERVE

56 200

RD

TOTAL

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 720 500

MILK PROGRAMME 1979

SDI : Sale dairy industry  
 SFC : Sale final consumer  
 Groupes as categories of cereals programme.

Country or institution	Gr.	Quantity requested	Use V = Sale DG = Free distr.	Income per head	External payment ratio	Needs (T.)	Direct aids 1978 (T)	Proposal 1979 (T.)	Observations
Afghanistan	II	400	DG : 35/40.000 students/workmen	190	0	± 400	330	300	-
Antigua	IX	-	-	.	.	.	600	-	-
Angola	VII	10.000	D.G.	330	.	.	-	P.m.	Further informat. awaiting.
Bangladesh	VII	10.000	.	90	- 51	.	9.000	-	1978 to be deliv. NGO progr.200 T.
Burma	I	12.000	649.000 bénéf. schools,hospitals	140	- 36	11.875	-	1.000	First experience in direct aid (1978 : 850 T. via UNICEF)
Burundi	IX	-	-	.	.	.	90	-	-
Cape Verde	VII	800	DG : 55.000 bén. SFC	260	.	4.290	325	300	-
Comores	VII	1.200	DG : 215.000 children,women	180	- 20	1.550	1.000	-	800 T. to be delivered NGO progr.50 T.
Congo	VII	100	SDI : 120 T.	500	- 60	.	50	-	50 T. to be delivered NGO progr.100 T.
Djibouti	VII	685	DG : 33.060 nomades	250	.	485	-	350	-
Cent.-Afr. Emp.	II	644	DG : 39.500 bén.	250	+ 5	611	170	170	-
El Salvador	V	1.390	DG : 76.000 children and mothers	570	0	1.387	700	700	same progr.as 78

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Equateur	VIII	3.000	DG : 45.000 children	640	- 21	486	-	400	not taking into account request for sale at reduced prices.
Ethiopia	I	8.500	DG : 750.000 drought victims	110	- 18	8.100	3.000	0	78 quantities to be delivered NGO progr. 800 T.
Ghana	V	7.500	SDI : 7.820 T.	530	- 4	7.820	3.500	p.m.	SDI/private; UMR question (4.000 T.)
Guinée Bissau	I	610	SDI : 900 T.	160	-	600	610	600	information utilisation milk 78 awaited.
Guinée Conakry	II	1.500	DG : 65.500	230	+ 24	707	250	p.m.	
Guyana	IV	500	SDI : 1.650 T.	560	- 36	.	500	500	same programme as 78.
Upper Volta	I	2.000	DG : 44.500 children, mothers	110	- 183	2.000	2.000	2.000	
Honduras	IV	3.000	DG : 517.074 schools, hospitals	450	- 25	2.690	3.075	3.000	
India	II	31.000	S.D.I.	150	- 3	.	31.000	31.000	Operation Flood II + 500 T. reserve 78 (floods)
Indonesia	IV	3.000	SDI : 59.200 T.	300	0	19.500	2.000	1.500	
Jamaica	VIII	5.000	DG : 857.185 bén.	1.150	- 3	4.870	1.000	1.000	
Jordan	VII	1.500	DG : 250.000 Palestine refug.	710	0	1.500	1.500	1.500	same programme as 78.
Laos (HCR)	VI	2.000	DG : 105.000 pers.	90	-	2.000	450	1.000	400 T. UNICEF reserve 78
Lesotho	I	100	DG : 169.050 pers.	230	- 1.930	2.073	-	100	
Libanon	VII	n.d.	DG : 750/1.000.000 pers.	n.a.	- 140	14.400	350	350	
Madagascar	II	1.500	SDI : 1.636 T.	210	- 5	726	-	500	

Mali	II	3.000	SDI : 600 T.	110	+ 2	300	-	300	Only for dairy industry; free distr. not clearly structured.
Malta	VIII	400	DG : 54.000 children	1.390	+ 8	257	-	200	same progr. as 78 600 T. to be delivered.
Mauritius	VIII	1.750	DG : 280.000 pers.	760	.	1.275	1.275	700	same quantities as 78 for D.G. and partially sale at reduced prices.
Mauritania	I	5.000	DG : 400.000 bén.	270	- 67	1.968	800	800	NGO progr. 200 T.
Mozambique	I	1.000	S : 2.500 T.	170	.	2.500	350	1.000	1.500 T. (78) to be delivered
Ouganda	II	200	DG	294	.	200	-	0	NGO progr. 175 T.
Pakistan	IX			.	.	.	500	-	
Perou	VII	4.000	S.D.I.	830	- 43	4.000	1.500	0	
Philippines	IV	5.000	S.F.C.	450	- 20	5.000	-	500	
R.A.Egypt	III	10.000	SFC reduced prices	310	- 18	20.000	5.000	5.000	
Rwanda	II	1.500	DG : 89.780 bénéf. schools, social cent.	130	+ 16	1.030	500	0	500 T. (78) to be delivered
Sao Tomé	IV	50	DG : 27.880 bénéf. schools, hospitals	490	.	130	150	50	annulation 100 T 78 at the request of Sao Tomé.
Sénégal	III	3.000	DG : 800.000 drought victims (2.500 T.)	420	- 12	4.000	1.860	1.860	
Seychelles	IX		SFC : 500 T.	.	.	.	335	-	
Sierra Leone	I	1.412	DG : 156.344 bénéf. schools, hospitals	200	- 33	1.411	1.100	1.000	

Somalia	VII	3.000	DG : 250.000 bénéf.	110	- 2	3.000	-	0	2.750 T. (77) to be delivered
Soudan	III	4.000	DG : 2.244 T., 165.380 bénéf. SFC : 1.756 T.	300	- 9	.	2.325	0	6.325 T. to be delivered NGO progr. 680 T.
Sri Lanka	II	4.000	DG : 1.000 T. SDI : 2.670 T.	200	+ 8	3.670	1.375	0	not yet deliv. because request sale instead of free distribution to purchase condensed milk.
Syria	VIII	445	DG : 19.000 bénéf. SDI : 900 T.	900	- 11	DG 157 T. SDI 600 T.	-	445	
Tanzania	II	3.000	DG 48.000 bénéf. SDI 3.450 T.	200	- 2	4.200	2.000	2.000	
Tchad	I	1.250	DG 278.560 bénéf. schools, hospitals	130	- 20	1.250	475	800	quantities 78 to be delivered.
Uruguay	VIII	284	DG 136.000 bénéf.	1.450	- 19	1.468	250	15.000	78 not included quantities of previous progr. allocated in 78 (23.584 T.)
Vietnam	I	40.000	DG 3.000.000 bén.	150	.	43.200	416		
Yemen RA	IV	2.000	DG 200/300.000 schools	390	+ 260	2.340	-	1.000	
Yemen RD	IV	5.000		320	- 8	.	3.000	-	77 + 78 to be delivered NGO progr. 650 T.
Zaire	II	2.000	SFC	130	+ 38	1.700	-	-	
Zambie	V	5.200	SDI	450	- 21	3.900	1.500	1.500	
TOTAL		221.740					85.861	78.425	

CRS	VI	-	DG 220.000 bén.	120	- 17	7.600	3.800	3.800	same progr.as 78 for Chile
CARITAS	VI	-	DG				500		
CICR	VI	2.500	DG				2.500	2.500	
LICROSS	VI	2.000	DG				1.000	2.000	
UNHCR	VI	-	DG				-	2.800	Burma, Zaire, Viet- nam and emergency reserve.
ONG	VI	25.000	DG				20.000	25.000	
UNRWA	VI	700	DG				700	700	
PAM	VI	40.000	DG				20.000	30.000	
UNICEF	VI	-	DG				10.600	-	
TOTAL							59.100	66.800	
TOTAL GENERAL		292.940						145.225	
RESERVE							5.039	4.775	Balance reserve 78 : 3.369 T.

## I

*(Acts whose publication is obligatory)*

## COUNCIL REGULATION (EEC)

laying down general rules for the supply of skimmed-milk powder as food aid to certain developing countries and specialized bodies under the 1979 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<sup>(1)</sup>, as last amended by Regulation (EEC) No 1761/78<sup>(2)</sup>, and in particular Article 7 (4) thereof,

Having regard to the proposal from the Commission,  
Having regard to the opinion of the European Parliament<sup>(3)</sup>,

Whereas certain developing countries and specialized bodies 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 150,000 tonnes of skimmed-milk powder to be supplied under the 1979 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 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*

150,000 tonnes of skimmed-milk powder shall be made available to certain developing countries and specialized bodies as food aid under the 1979 programme.

*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.

<sup>(1)</sup> OJ No L 148, 28. 6. 1968, p. 13.

<sup>(2)</sup> OJ No L 304, 28. 7. 78.

<sup>(3)</sup> OJ No C 36, 15. 2. 1978, p. 54.

*Article 3*

For the purposes of Article 1:

- (a) the cost of the skimmed-milk powder, 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 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 a specialized body.

*Article 4*

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

*Article 5*

For delivery of skimmed-milk powder to the port of shipment or a corresponding stage, and, where rele-

vant, 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.

*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 bodies 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*.

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

Done at \_\_\_\_\_ 197 .

*For the Council*

*The President*

**COUNCIL REGULATION (EEC)**

**on the supply of skimmed-milk powder as food aid to certain developing countries and specialized bodies under the 1979 programme**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No [blank] laying down general rules for the supply of skimmed-milk powder as food aid to certain developing countries and specialized bodies under the 1979 programme<sup>(1)</sup>, and in particular Articles 3 and 7 thereof,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EEC) No [blank] provides for the supply of 150,000 tonnes of skimmed-milk powder; whereas this quantity should be allocated among the various countries and bodies from which applications have been accepted and arrangements for financing should be specified; whereas

tonnes 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 150,000 tonnes of skimmed-milk powder to be supplied to certain developing countries and specialized bodies as food aid under the 1979 programme in accordance with Regulation (EEC) No [blank] are set out 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 [blank] 1979

*For the Council*  
*The President*

<sup>(1)</sup> See page 1 of this Official Journal.

## Skimmed milk powder food aid programme 1979

Recipient countries and bodies	Quantities allocated (in tons)	Delivery arrangements
<u>Countries</u>		
Afghanistan	300	port of shipment
Angola	p.m.	port of shipment
Burma	1.000	port of unloading
Cape Verde	300	port of unloading
Djibouti	350	port of unloading
Centr.Afr.Emp.	170	free at destination
El Salvador	700	port of shipment
Equator	400	port of shipment
Ghana	p.m.	port of shipment
Guinea Bissau	600	port of unloading
Guinea Conakry	p.m.	port of unloading
Guyana	500	port of shipment
Upper Volta	2.000	free at destination
Honduras	3.000	port of shipment
India	31.000	port of unloading
Indonesia	1.500	port of shipment
Jamaica	1.000	port of shipment
Jordan	1.500	port of shipment
Laos (HCR)	1.000	port of unloading
Lesotho	100	free at destination
Liban	350	port of shipment
Madagascar	500	port of shipment
Mali	300	free at destination
Malte	200	port of shipment
Mauritius	700	port of shipment
Mauritania	800	port of unloading
Mozambique	1.000	port of unloading
Perou	p.m.	port of shipment
Philippines	500	port of shipment
R.A.Egypt	5.000	port of shipment
Sao Tomé	50	port of unloading
Senegal	1.860	port of shipment
Sierra Leone	1.000	port of unloading
Syria	445	port of shipment
Tanzania	2.000	port of unloading
Chad	800	free at destination
Vietnam	15.000	port of unloading
Yemen RA	1.000	port of shipment
Zambia	1.500	port of shipment
<u>Bodies</u>		
C.R.S.	3.800	free at destination
C.I.C.R.	2.500	free at destination
LICROSS	2.000	free at destination
UNHCR	2.800	free at destination
NGO	25.000	free at destination
UNRWA	700	free at destination
WFP	30.000	free at destination
RESERVE	4.775	(1)
TOTAL	150.000	
	=====	

(1) Emergency schemes may include financing to cover the cost of transport between the port of shipment and the place of destination and the cost of distribution where aid is channelled via a specialized body. Such financing may be wholly or partly in the form of a lump sum contribution.

BUTTEROIL PROGRAMME 1979

SDI : Sale dairy industry  
SFC : Sale final consumer  
Groups as categories of cereal programme

Country or institution	Gr.	Quantity requested	Use DG free distr.	Income p/head	External progr. ratio	Needs	Direct aids 1978	Proposal 79	Observations
Afghanistan	II	2.000	S.F.C.	190	0	.	-	-	
Bangladesh	I	12.000	SFC 10.000 T. SDI 2.000 T.	90	- 51	12.000	3.000	3.000	
Burundi	IX						50	-	
Cape Verde	I	450	DG 225 T. 55.000 bénéf. SFC 225 T.	260	.	DG 595 SFC 450	200	250	
Comores	I	100	S.F.C.	180	- 20	325	-	-	80 T. of reserve 1978
Congo	V	1.000	S.F.C.	500	- 60	.	50	-	quantities 78 to be delivered
Centr.afr. Emp.	II	150	DG 30.000 Bén. schools, hospitals	250	+ 5	362	-	-	nutritional programme since 76*
El Salvador	V	835	DG 76.000 children	570	0	832	-	-	quantities 78 to be delivered *
Ethiopia	I	1.500	DG 700.000 pers.	110	- 18	2.925	1.500	-	Sale Dairy Indus
Ghana	V	10.000	SDI 2.350 T.	530	- 4	2.350	200	200	
Guinée Bissau	I	175	SDI 360 T.	160	.	360	175	175	
Guinée Conakry	II	500	DG 65.500 bénéf.	230	+ 24	530	185	p.m.	waiting for info about use of 78 quantities

\* p.m. in case of supplement possibilities.

Guyana	IV	165	SDI 170 T.	560	- 36	170	100	100	Local preference for vegetable oils
Upper Volta	I	750	DG 100.000 bénéf. hospitals, social centres	110	- 183	660	750	250	
Honduras	IV	2.000	SFC 526.645 bénéf.	450	- 25	1.500	515	515	Operation Flood
India	II	12.700	S.D.I.	150	- 148	20.000	12.700	12.700	150 T. of 78 to be delivered
Jamaica	VIII	300	DG 184.488 bénéf.	1.150	- 3	462	250	200	pluriannual progr. for palestine ref.
Jordan	VII	1.125	DG 250.000 bénéf.	710	0	1.125	1.125	1.125	
Lesotho	I	100	DG 24.150 bénéf. schools, hospitals	230	.	100	60	100	
Lebanon	VII	1.500	DG 750/1.000.000 pers.	n.d.	- 140	10.800	650	650	
Madagascar	II	1.000	S.F.C.	210	- 5	.	-	-	for recombining in Bamako dairy ind.
Mali	II	105	SDI 105	110	+ 2	105	50	105	same progr.as 78
Mauritius	VIII	125	DG 280.000 bénéf.	760	- 20	125	100	100	
Mauritania	I	5.000	DG 173.000 bénéf.	270	- 67	1.868	900	500	
Mozambique	I	920	SFC 800 T.	170	.	800	100	250	
Ouganda	II	400	S.F.C.	294	.	.	-	-	quantities 78 to be delivered in april
Pakistan	I	10.000	S.F.C.	190	- 50	10.000	2.000	1.000	p.m. in case of milk allocation
Pérou	VII	2.000	SDI 19.580 T.	830	- 43	11.000	-	-	for 78 include 1.960 T. reserve 77
R.A.Egypt	III	15.000	SDI for sale at reduced prices.	310	- 18	7.000	800	2.800	
Rwanda	II	1.500	DG 89.780 bénéf. schools, hospitals	130	+ 16	530	-	200	
Sao Tomé	IV	200	DG 27.880 bénéf. for 100 T. SFC 100 T.	490	.	300	200	200	same progr.as 78

Sénégal	III	600	DG 800.000 bénéf.	420	- 12	.	-	-	-	Vegetable oil producing country
Sierra Leone	I	471	DG 156.000 bénéf.	200	- 33	471	200	200	200	programme 78 :
Somalia	VII	6.000	DG 250.000 bénéf. for 2.000 T. SFC 4.000 T.	110	- 2	4.500	-	300	300	500 T. reserve
Soudan	III	1.000	SDI 300 SFC 700	300	- 9	.	-	500	500	1.000 T. progr.77 in delivery
Sri Lanka	II	450	DG 200 T. SFC 250 T.	200	+ 8	450	200	200	200	
Syria	VIII	4.000	SFC 8.500 T.	900	- 11	8.500	-	200	200	PAM project for dairy development contribution
Tanzania	II	800	SDI 3.450 T.	200	- 2	1.035	-	400	400	315 T. butteroil same progr.as 78
Tchad	I	320	DG 278.560 bénéf. children,mothers	130	- 20	320	100	100	100	
Vietnam	I	25.000	DG 3.000.000 children,sick people	150	.	32.400	4.000	4.000	4.000	
Yemen RA	IV	4.000	DG 200/300.000 pupils	390	+ 260	1.755		500	500	former quantities to be delivered.
Yemen PDR	IX							550		NGO progr. + 120 I UNHCR + 300 I.Caritas
Zafre	II	1.000	S.F.C.	130	+ 38	.	150	-	-	
Zambie	V	1.040	S.D.I.	450	- 21	1.170	-	500	500	
TOTAL		132.781					30.860	31.320	31.320	

CRS	VI	2.600	DG 200.000 bénéf.	120	- 17	2.000	2.000	Continuation progr Chile 78
CARITAS	VI	-	DG			100	-	
CICR	VI	1.000	DG			200	1.000	
LICROSS	VI	500	DG			200	500	
UNICEF	VI	-	DG			2.000	-	
UNHCR	VI	3.500	DG			-	1.500	for Vietnam, Laos and reserve 78 40 T.
UNRWA	VI	3.200	DG			3.200	3.200	
NGO	VI	2.759	DG			-	-	900 T. to be decided of reserves 77+78.
WFP	VI	5.000	DG			5.000	5.000	
TOTAL		15.959				13.150	13.200	
RESERVE						1.440	480	saldo reserve 77 : 500 T. saldo reserve 78 : 480 T.
TOTAL GENERAL		148.740				45.000	45.000	

COUNCIL REGULATION (EEC)

laying down general rules for the supply of milk fats to certain developing countries and specialized bodies under the 1979 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 1761/78, and in particular Article 6 (6) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (2),

Whereas certain developing countries and specialized bodies 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 45.000 tonnes 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 butter fats 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 butter fats 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;

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 45.000 tonnes of butteroil shall be made available to certain developing countries and specialized bodies under the 1979 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 for in Article 1 cannot be carried out in accordance with paragraph 1, then the supply shall be ensured by using butter or butter fats 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 a specialized body.

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

(2) OJ No L 304, 28. 7. 78

(3) OJ No C 36, 13. 2. 1978, p. 54.

*Article 4*

The costs referred to in Article 3 (b) shall, where the arrangements agreed with the recipient country or body so provide, be paid wholly or in part as a lump sum contribution to the recipient country or body by the intervention agency responsible for the operation.

*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 port of shipment or a 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 bodies 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

197

*For the Council*

*The President*

## COUNCIL REGULATION (EEC)

on the supply of milk fats to certain developing countries and specialized bodies  
under the 1979 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  
1979 laying down general rules for  
the supply of milk fats as food aid to certain deve-  
loping countries and specialized bodies under the  
1979 food-aid programme<sup>(1)</sup>, and in particular Arti-  
cles 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 cor-  
responding to 45 000 tonnes of butteroil to certain deve-  
loping countries and specialized bodies; whereas this  
quantity should be allocated among the various coun-  
tries and organizations from which applications have

been accepted and arrangements for financing should  
be specified; whereas 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 a quantity of milk fats corresponding to 45 000  
tonnes of butteroil under the 1979 food-aid  
programme, as provided for in Regulation (EEC) No  
are set out 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*

<sup>(1)</sup> See page 6 of this Official Journal.

## Butteroil food aid programme 1979

Recipient countries and bodies	Quantities allocated (in tons)	Delivery arrangements
<u>Countries</u>		
Bangladesh	3.000	port of unloading
Cape Verde	250	port of unloading
Ghana	200	port of shipment
Guinea Bissau	175	port of unloading
Guinea Conakry	p.m.	port of unloading
Guyana	100	port of shipment
Upper-Volta	250	free at destination
Honduras	515	port of shipment
India	12.700	port of unloading
Jamaica	200	port of shipment
Jordan	1.125	port of shipment
Lesotho	100	free at destination
Lebanon	650	port of shipment
Mali	105	free at destination
Mauritius	100	port of shipment
Mauritania	500	port of unloading
Mozambique	250	port of unloading
Pakistan	1.000	port of shipment
Perou	p.m.	port of shipment
Egypt A.R.	2.800	port of shipment
Rwanda	200	free at destination
Sao Tomé	200	port of unloading
Sierra Leone	200	port of unloading
Somalia	300	port of unloading
Soudan	500	port of shipment
Sri Lanka	200	port of unloading
Syria	200	port of shipment
Tanzania	400	port of unloading
Chad	100	free at destination
Vietnam	4.000	port of unloading
Yemen R.A.	500	port of shipment
Zambia	500	port of shipment
<u>Bodies</u>		
C.R.S.	2.000	free at destination
C.I.C.R.	1.000	free at destination
LICROSS	500	free at destination
UNHCR	1.500	free at destination
UNRWA	3.200	free at destination
WFP	5.000	free at destination
RESERVE	480	(1)
TOTAL	45.000	
	=====	

(1) Emergency schemes may include financing to cover the cost of transport between the port of destination and the cost of distribution where aid is channelled via a specialized body. Such financing may be wholly or partly in the form of a lump sum contribution.

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FINANCIAL PAPER



2. Title 6

a) Item 6001 : Wheat :  
 620 500 t x 65 Ua/t = 40 333 000  
 + effect of dual exchange rate : 6.267.000  
 Total 46.600.000 EUA

b) Item 6101 : Rice :  
 50 000 t x 132 Ua/t = 6.600 000  
 + effect of dual exchange rate : 600 000  
 Total 7.200 000 EUA

Total cost of the operation (excluding transport costs) is therefore :

70 724 000 EUA (title 9 : "World price")  
 + 46 600 000 EUA (title 6 : "Cereals restitutions")  
 + 7 200 000 EUA (title 6 : "Rice restitutions")

i.e. at internal 124 524 000 EUA  
 Community prices :

II. 1979 SKIMMED MILK POWDER PROGRAMME

1. Budget headings concerned :

- Title 9, chapter 92, item 9211 for "World price"
- Title 6, chapter 62, item 6201 for "restitutions"

2. Title of budget headings :

- Title 9, "Food aid in milk products : 1979 skimmed milk powder programme"
- Title 6 : "Restitutions for Community actions under food programmes in skimmed milk powder for the period".

3. Legal basis :

Article 43 of the EEC Treaty and regulation 804/68 of 27 June 1968 setting up a common organization of the market in the milk and milk products sector.

4. Description of the operation :

The aim of the operation is to supply during 1979 150 000 t of skimmed milk powder to certain developing countries and international agencies.

5. Type of expenditure :

The expenditure is intended to cover the costs of procurement of skimmed milk powder, the addition of vitamins (A and D), packaging, and carriage up to port of loading (FOB stage).

This expenditure is partly charged to title 9 of the budget ("world price" of the goods + vitaminization + packaging + delivery FOB) and to title 6 of the budget ("export restitutions"). Any transport costs beyond the FOB stage are not included in this section of the financial paper.

6. Method of calculation :

1. Title 9

Item 9211 :

150 000 t skimmed milk powder : cost calculated at world price as follows :

- Quantity for delivery x world price (1)

120 000 t (vitaminised) x 357,8 Ua/t (2)	42 936 000
30 000 t (not vitaminised) x 227,8 Ua/t	8 334 000
	<hr/>
	51 270 000

- Effect of dual exchange rate :

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12 167 000

Total 63 437 000 EUA

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(1) This price corresponds to the intervention price for skimmed milk powder fixed for the 1978/79 crop year (957,8 Ua/t), plus the cost of FOB delivery (10 Ua/t), less the restitution (690 Ua/t) :  $957,8 + 10 = 967,8 - 690 = 277,8$  Ua/t.

(2) Price as defined under (1), plus the cost of vitaminization (80 Ua/t) :  $277,8 + 80 = 357,8$  Ua/t.

2. Title 6

Item 6201 :

150 000 t x 690 Ua/t =

103 500 000

+ effect of dual exchange rate :

21.500 000

Total

125 000 000 EUA

Total cost of the operation at internal Community prices (excluding transport costs) is therefore :

63 437 000 EUA (title 9 : "world price")  
+ 125 000 000 EUA (title 6 : "restitutions").

188 437 000 EUA

III. 1979 BUTTEROIL PROGRAMME

1. Budget headings concerned :

- Title 9, chapter 92, item 9213 for "World price"
- Title 6, chapter 62, item 6202 for "restitutions"

2. Title of budget headings :

- Title 9, "Food aid in milk products : 1979 butteroil programme"
- Title 6 : "Restitutions for Community actions under food programmes in butteroil for the period".

3. Legal basis :

Article 43 of the EEC Treaty and regulation 804/68 of 27 June 1968 setting up a common organization of the market in the milk and milk products sector.

4. Description of the operation :

The aim of the operation is to supply during 1979 45 000 t of butteroil to certain developing countries and international agencies.

5. Type of expenditure :

The expenditure is intended to cover the costs of procurement of butteroil, packaging, and carriage up to port of loading (FOB stage).

This expenditure is partly charged to title 9 of the budget ("world price" of the goods + packaging + delivery FOB) and to title 6 of the budget ("export restitutions"). Any transport costs beyond the FOB stage are not included in this section of the financial paper.

6. Method of calculation :

1. Title 9

Item 9213 :

45 000 t of butteroil : cost calculated at world price as follows :

- Quantity for delivery x world price (1)

45.000 T. x 981,8 uc/T.

44 181 000

- Effect of dual exchange rate :

9 915 000

Total

54 096 000 EUA

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(1) This price corresponds to the intervention price for butter fixed for the 1978/79 crop year (2 357,2 Ua/t), multiplied by the butter/butteroil conversion rate (1,22) plus the cost of processing butter into butteroil (196 Ua/t) plus FOB delivery cost (10 Ua/t) less restitution (2 100 Ua/t) :

$$2\ 357,2 \times 1,22 = 2\ 875,8 + 196 + 10 = 3\ 081,8 - 2\ 100 = 981,8\ Ua/t.$$

2. Title 6

Item 6202 :

45 000 t x 2 100 Ua/t = 94 500 000

+ effect of dual exchange rate :

19 600 000

Total 114 000 000 EUA

Total cost of the operation at internal Community prices (excluding transport costs) is therefore :

54 096 000 EUA (title 9 : "world price")  
+ 114 100 000 EUA (title 6 : "restitutions").

168 196 000 EUA

FINANCIAL PAPER - TRANSPORT

I. 1979 CEREALS PROGRAMME : TRANSPORT1. Budget heading concerned :

Title 9, chapter 92, item 9201

2. Title of budget heading :

"Cereals food aid : 1979 program"

3. Legal basis :

Cf. Cereals financial paper

4. Description of operation :

The purpose of the operation is to transport during 1979 468 700 t cereals beyond FOB stage.

5. Type of expenditure :

The expenditure is intended to cover the costs of sea transport of certain quantities of cereals up to port of unloading and in certain cases cost of transport delivery and distribution beyond the CAF stage (delivered to destination) ; and also to cover costs of insurance and other costs linked to the transport of the goods for delivery.

6. Method of calculation :

1. <u>Quantities transported up to port of unloading</u>		
265 000 t x 40 EUA (1)	=	10.600.000 EUA
2. <u>Quantities transported up to destination point</u> (2)		
164 000 t x 73 EUA (1)	=	11.972.000 EUA
3. <u>Reserve</u>		
56.200 t x 50 EUA (1)		2.810.000 EUA
	Total	<u><u>25.382.000 EUA</u></u>

(1) Effect of dual exchange rate included.

(2) Including quantities allocated to Institutions.

II. 1979 MILK PROGRAMME : TRANSPORT AND DISTRIBUTION COSTS

1. Budget heading concerned :

Title 9, chapter 92, item 9211

2. Title of budget heading :

"Milk products food aid : 1979 Programme for skimmed milk powder"

3. Legal basis :

Cf. Milk powder financial paper

4. Description of operation :

The purpose of the operation is to transport during 1979 129 045 t skimmed milk powder beyond FOB stage.

5. Type of expenditure :

The expenditure is intended to cover the costs of sea transport of certain quantities of milk powder up to port of unloading and in certain cases cost of transport, delivery and distribution beyond the CAF stage (delivered to destination) ; and also to cover costs of insurance and other costs linked to the transport of the goods for delivery.

6. Method of calculation :

1. Quantities transported up to port of unloading

54 100 t x 146 EUA (1) = 7 899 000 EUA

2. Quantities transported up to destination point (2)

70 170 t x 222,5 EUA (1) = 15 613 000 EUA

3. Reserve

4 775 t x 205 EUA (1) = 979 000 EUA

Total 24 491 000 EUA

(1) Effect of dual exchange rate included.

(2) Including quantities allocated to Institutions.

III. 1979 BUTTEROIL PROGRAMME : TRANSPORT AND DISTRIBUTION COSTS

1. Budget heading concerned :

Title 9, chapter 92, item 9213

2. Title of budget heading :

"Milk products food aid : 1979 Programme for butteroil"

3. Legal basis :

Cf. Butteroil financial paper

4. Description of operation :

The purpose of the operation is to transport during 1979 36 610 t of butteroil.

5. Type of expenditure :

The expenditure is intended to cover the costs of sea transport of certain quantities of butteroil up to port of unloading and in certain cases cost of transport, delivery and distribution beyond the CAF stage (delivered to destination) ; and also to cover costs of insurance and other costs linked to the transport of the goods for delivery.

6. Method of calculation :

1. Quantities transported up to port of unloading

22 175 t x 200 EUA (1) = 4 435 000 EUA

2. Quantities transported up to destination point (2)

13 955 t x 258 EUA (1) = 3 600 000 EUA

3. Reserve

480 t x 220 EUA (1) = 106 000 EUA

Total 8 141 000 EUA

(1) Effect of dual exchange rate included.

(2) Including quantities allocated to Institutions.