

# COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 17 October 1990

## **COMMISSION REPORT TO THE ACP-EEC COMMITTEE OF AMBASSADORS**

*concerning the state of progress in the processing  
of the transfer requests presented for the  
1989 application year under the system for the  
stabilization of export earnings provided for in the  
Third ACP-EEC Convention.*

*(Report mentioned at Article 168 para. 4 of the Convention)*

1. The financial resources available to the system for the 1989 application year (the last year covered by the Third Lomé Convention), under Article 154 of the Convention, amount to approx. 141 million ecus. This sum is composed of 75 % of the 1989 annual instalment (reduced following an advance for the 1988 application year), and the amount of interest on the Stabex funds in application of Art. 153, para. 2, giving 138.75 and 2.25 million ecus respectively.

In addition to these normal resources, the ACP-EEC Committee of Ambassadors, by its decision of 13 July, 1990 added an amount of 70 million ecus coming from the remaining balances of the first two Lomé Conventions and funds allocated for Sysmin and EIB loan interest subsidies (cf. Annex 1).

The total financial resources of the system thus came to 211 million ecus.

2. For the 1989 application year the Commission received a total of 64 transfer requests from 31 ACP States. The processing of all these requests has been completed. Arising from this, 33 requests have had to be refused, while 31 others have led to transfers concerning 19 countries.

The latter were the subject of a Commission decision which immediately followed the meeting of the Committee of Ambassadors.

#### REFUSED TRANSFER REQUESTS

3. Five requests were refused because the dependence threshold specified at Article 161 of the Convention was not reached.

<u>ACP State</u>	<u>Product</u>
Guinea Bissau	Shrimps
"	Cotton seeds
Mauritius	Tea
Uganda	Tea
P.N.G.	Oil cakes

Twenty-five other requests were refused because the export earnings calculated according to the provisions of the Convention and, in particular, Article 165 para. 2 (b), and Article 160 paras. 3 and 4, did not give rise to losses :

<u>ACP State</u>	<u>Product</u>
Benin	Cotton
C.A.R.	Rough wood
Chad	Cotton
Gabon	Rough wood
Ghana	Cocoa
"	Cocoa butter

<i>Guinea Bissau</i>	<i>Groundnuts</i>
"	<i>Cotton</i>
"	<i>Palm oil</i>
"	<i>Palm nuts</i>
"	<i>Rough wood</i>
"	<i>Sawn wood</i>
"	<i>Cashew nuts</i>
"	<i>Prawns</i>
<i>Mali</i>	<i>Cotton</i>
<i>P.N.G.</i>	<i>Copra</i>
"	<i>Coconut oil</i>
<i>Sao Tome E</i>	<i>Cocoa</i>
<i>Principe</i>	
<i>Sudan</i>	<i>Groundnuts</i>
"	<i>Arabic gum</i>
<i>Tanzania</i>	<i>Coffee</i>
"	<i>Cotton</i>
"	<i>Tea</i>
"	<i>Cashew nuts</i>
"	<i>Sisal</i>
<i>Uganda</i>	<i>Coffee</i>
"	<i>Cotton</i>
<i>Vanuatu</i>	<i>Cocoa</i>
<i>Zimbabwe</i>	<i>Coffee</i>

*Finally, in three cases, the losses of earnings did not attain the threshold fixed at Article 162 of the Convention :*

<i>Côte d'Ivoire</i>	<i>Cocoa</i>
<i>Gambia</i>	<i>Oil cakes</i>
<i>Solomon IIs</i>	<i>Cocoa</i>

*The particularly high number of transfer requests refused is explained in part by the practice of certain ACP States of automatically submitting requests in respect of most or all of the Stabex products which they export.*

#### **CALCULATION OF THE TRANSFER BASES (cf. Annex 2)**

4. *The total amount of the transfer bases established from the calculations comes to 571,420,179 ecus.*
5. *In many cases, due to the evolution of marketed production and export trends for the products for which losses of earnings were recorded, Consultations were necessary between the Commission and the ACP States' representatives in application of Article 164 of the Convention. These Consultation led to the application of reductions to certain transfer bases.*

- *reduction due to a fall in the level of marketed production of the product :*

<u>ACP State</u>	<u>Product</u>	<u>Reduction</u>	
		<u>Amount</u>	<u>% of T. B.</u>
Tonga	Coconut oil	299,995	36.11
Vanuatu	Copra	<u>289,483</u>	15.86
		589,478	

- *reduction due to a drop in the proportion of marketed production exported (to all destinations) :*

<u>ACP State</u>	<u>Product</u>	<u>Reduction</u>	
		<u>Amount</u>	<u>% of T. B.</u>
Cameroon	Cocoa paste	496,772	16.97 <sup>(1)</sup>
"	Coffee	12,574,491	15.14
Côte d'Ivoire	Coffee	57,070,923	28.59
Rwanda	Coffee	<u>5,434,143</u>	12.35
		75,577,329	

The overall result of the Consultations was to take the transfer bases to 495,253,372 ecus.

**INSUFFICIENCY OF RESOURCES AND FIXING OF TRANSFER AMOUNTS (cf. Annex 3)**

6. *Due to the insufficiency of the financial resources of the system in relation to the transfer bases, it was necessary to reduce the latter in application of the provisions of Article 155 §§ 2 and 3 of the Convention. The result of the application of these provisions is as follows :*
- *the reduction was not applied to 14 transfer bases concerning least-developed ACP States which were less than 2 million ecus. The countries concerned for some or all of their requests were : Bénin, C.A.R (cotton & sawn wood), Comores, Ethiopia, Gambia, Grenada, Somalia, Tonga, Vanuatu.*
  - *the transfer basis for P.N.G. (Island State) for palm products was reduced to 1 million ecus.*
  - *In ten other cases, the reduction was calculated as a percentage of the reference level : 6 % for those ACP States not in the categories of least-developed, landlocked, or Islands (Cameroon, Côte d'Ivoire, and Kenya), 1.5 % for the other countries (Burundi, C.A.R (coffee), Dominica, Equatorial Guinea, Malawi, P.N.G. (cocoa), Rwanda and Togo).*

(1) 0.62 % of the globalised transfer basis for "cocoa products".

- *finally, the reduction applied to the P.N.G. coffee transfer was limited to 40 % of the transfer basis, in conformity with point (c) of Art. 155, para. 3.*

*The total amount of reductions under Art. 155 thus came to 81,839,259 ecus. This took the transfer bases to 413,414,113 ecus.*

7. *The total amount of the transfers is equal to the resources available, ie. 211 million ecus. The distribution of this amount between the individual transfers was carried out in proportion to the transfer bases after application of Article 155, paras. 2 and 3.*

STABEX - ANNEE D'APPLICATION 1989  
RESSOURCES ADDITIONNELLES

Au titre du 4ème FED

- Bonifications d'intérêts	1 041 901	
- Aides d'urgence	47 886	
	<hr/>	
	1 089 787	1 089 787

Au titre du 5ème FED

- Bonification d'intérêts	7 445 967	
- Aides d'urgence	1 816 015	
	<hr/>	
	9 261 982	9 261 982

Au titre du 6ème FED

- Bonification d'intérêts	5 000 000	
- SYSMIN	54 648 231	
	<hr/>	
	59 648 231	59 648 231
	Ecus	<hr/>
		70 000 000

## Bases de transfert et transferts Stabex année d'application 1989

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I	I	I	I	I	I	I	I	I
I Pays	I Produit	I Niveau de référence	I Recettes année d'application	I Perte de recettes	I Bases de transfert (B.T.)	I Réductions art.164 (consult.)	I B.T. après réductions art.164	I
I Bénin	I huile de palme	I 1.817.441	I 1.537.184	I 280.257	I 285.862	I	I 285.862	I
I Burundi	I café	I 105.881.109	I 67.336.212	I 38.544.897	I 39.315.794	I	I 39.315.794	I
I Cameroun	I prod.cacao	I 221.696.691	I 143.697.157	I 77.999.534	I 79.559.523	I 496.772	I 79.062.751	I
I	I café	I 191.600.540	I 110.174.302	I 81.426.238	I 83.054.761	I 12.574.491	I 70.480.270	I
I RCA	I café	I 25.499.011	I 19.555.437	I 5.943.574	I 6.062.445	I	I 6.062.445	I
I	I coton	I 11.821.436	I 11.153.180	I 668.256	I 681.621	I	I 681.621	I
I	I bois sciés	I 4.313.679	I 2.955.466	I 1.358.213	I 1.385.377	I	I 1.385.377	I
I Comores	I vanille	I 11.852.331	I 10.301.077	I 1.551.254	I 1.582.279	I	I 1.582.279	I
I	I girofle	I 3.048.194	I 1.789.326	I 1.258.868	I 1.284.045	I	I 1.284.045	I
I Côte d'Ivoire	I café	I 417.941.474	I 222.237.079	I 195.704.395	I 199.618.479	I 57.070.923	I 142.547.556	I
I	I bois	I 209.314.425	I 175.606.819	I 33.707.606	I 34.381.757	I	I 34.381.757	I
I Dominique	I bananes	I 25.054.669	I 22.364.979	I 2.689.691	I 2.743.485	I	I 2.743.485	I
I Ethiopie	I haricots	I 5.628.202	I 4.825.021	I 803.181	I 819.245	I	I 819.245	I
I Gambie	I arachides	I 879.435	I 19.376	I 860.059	I 877.260	I	I 877.260	I
I	I huile arachide	I 3.426.026	I 2.090.900	I 1.335.126	I 1.361.828	I	I 1.361.828	I
I Grenade	I cacao	I 3.362.882	I 1.981.200	I 1.381.682	I 1.409.316	I	I 1.409.316	I
I Guinée Eq.	I cacao	I 12.693.929	I 6.735.340	I 5.958.589	I 6.077.761	I	I 6.077.761	I
I	I café	I 1.223.778	I 782.105	I 441.673	I 450.506	I	I 450.506	I
I Kenya	I café	I 198.073.791	I 165.134.601	I 32.939.190	I 33.597.973	I	I 33.597.973	I
I Malawi	I arachides	I 3.745.020	I 1.416.596	I 2.328.424	I 2.374.992	I	I 2.374.992	I
I	I café	I 9.255.968	I 6.877.524	I 2.378.444	I 2.426.013	I	I 2.426.013	I
I PNG	I cacao	I 56.753.657	I 47.804.832	I 8.948.825	I 9.127.802	I	I 9.127.802	I
I	I café	I 150.729.220	I 146.448.831	I 4.280.389	I 4.365.997	I	I 4.365.997	I
I	I prod.palmier	I 43.252.267	I 42.249.485	I 1.002.782	I 1.022.837	I	I 1.022.837	I
I Rwanda	I café	I 108.745.918	I 65.599.586	I 43.146.332	I 44.009.258	I 5.435.143	I 38.574.115	I
I Somalie	I peaux brutes	I 4.048.624	I 3.004.982	I 1.043.642	I 1.064.515	I	I 1.064.515	I
I Togo	I cacao	I 10.494.558	I 7.049.341	I 3.445.217	I 3.514.121	I	I 3.514.121	I
I	I café	I 25.370.043	I 19.753.165	I 5.616.878	I 5.729.215	I	I 5.729.215	I
I Tonga	I huile coprah	I 1.383.039	I 568.548	I 814.491	I 830.781	I 299.995	I 530.786	I
I	I bananes	I 716.852	I 148.134	I 568.718	I 580.092	I	I 580.092	I
I Vanuatu	I coprah	I 7.233.510	I 5.444.060	I 1.789.450	I 1.825.239	I 289.483	I 1.535.756	I
I	I	I	I	I	I	I	I	I
I TOTAL	I	I 1.876.857.719	I 1.316.641.845	I 560.215.875	I 571.420.179	I 76.166.807	I 495.253.372	I
I	I	I	I	I	I	I	I	I

I		I	I	I	I	I	I	
I		I	I	I	I	I	I	
I	Produit/Groupe de produits	I	I	I	I	I	I	
I		I	I	I	I	I	I	
I		I	I	I	I	I	I	
I	Bénin	I	285.862	27.262	-	-	285.862	145.900
I	Burundi	I	39.315.794	1.588.217	1.588.217	4,04	37.727.577	19.255.556
I	Cameroun	I	79.062.751	13.301.801	13.301.801	16,82	65.760.950	33.563.345
I		I	70.480.270	11.496.032	11.496.032	16,31	58.984.238	30.104.618
I	RCA	I	6.062.445	382.485	382.485	6,31	5.679.960	2.898.962
I		I	681.621	177.322	-	-	681.621	347.888
I		I	1.385.377	64.705	-	-	1.385.377	707.074
I	Comores	I	1.582.279	177.785	-	-	1.582.279	807.570
I		I	1.284.045	45.723	-	-	1.284.045	655.356
I	Côte d'Ivoire	I	142.547.556	25.076.488	25.076.488	17,59	117.471.068	59.955.369
I		I	34.381.757	12.558.866	12.558.866	36,53	21.822.891	11.138.057
I	Dominique	I	2.743.485	375.820	375.820	13,70	2.367.665	1.208.418
I	Ethiopie	I	819.245	84.423	-	-	819.245	418.130
I	Gambie	I	877.260	13.192	-	-	877.260	447.739
I		I	1.361.828	51.390	-	-	1.361.828	695.055
I	Grenade	I	1.409.316	50.443	-	-	1.409.316	719.293
I	Guinée Eq.	I	6.077.761	190.409	190.409	3,13	5.887.352	3.004.810
I		I	450.506	18.357	-	-	450.506	229.932
I	Kenya	I	33.597.973	11.884.427	11.884.427	35,37	21.713.546	11.082.250
I	Malawi	I	2.374.992	56.175	56.175	2,37	2.318.817	1.183.487
I		I	2.426.013	138.840	138.840	5,72	2.287.173	1.167.337
I	PNG	I	9.127.802	851.305	851.305	9,33	8.276.497	4.224.193
I		I	4.365.997	2.260.938	1.746.399	40,00	2.619.598	1.337.001
I		I	1.022.837	648.784	22.837	2,23	1.000.000	510.383
I	Rwanda	I	38.574.115	1.631.189	1.631.189	4,23	36.942.926	18.855.083
I	Somalie	I	1.064.515	60.729	-	-	1.064.515	543.312
I	Toyo	I	3.514.121	157.418	157.418	4,48	3.356.703	1.713.208
I		I	5.729.215	380.551	380.551	6,64	5.348.664	2.729.873
I	Tonga	I	530.786	20.746	-	-	530.786	270.905
I		I	580.092	10.753	-	-	580.092	296.070
I	Vanuatu	I	1.535.756	108.503	-	-	1.535.756	783.826
I		I						
I	TOTAL	I	495.253.372	83.891.078	81.839.259	16,52	413.414.113	211.000.000
I		I						

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