

COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 19 September 1991

COMMUNICATION FROM THE COMMISSION TO
THE ACP-EEC COUNCIL OF MINISTERS
STABEX - 1990 application year

Report prepared by the Commission in application of
Article 194 paragraph 4 of the Fourth ACP-EEC Convention

STABEX

1990 application year

Report prepared by the Commission in application
of Article 194 (4) of the
Fourth Lomé Convention

Article 194 (4) of the Convention provides that :

"If, after the reduction referred to in paragraph 2, the total amount of the transfers which may give rise to a payment exceeds the amount of the available resources, the Council of Ministers shall evaluate the situation on the basis of a Commission report on the probable development of the system and shall examine the steps to be taken to remedy the situation within the terms of the Convention".

This is the Commission report in reference.

1. FINANCIAL SITUATION

1.1 After the processing of requests and the completion of Consultation in application of Article 203, the total amount of transfer bases comes to an order of magnitude of 1,335 million ecus.

1.2 Application of Article 194 (2) reduces the final figure for transfer bases for 1990 to an amount very close to 1,200 million ecus.

1.3 The resources available for the 1990 application year are made up of the following elements (in ecus):

1.3.1.	1990 annual instalment	300,000,000
1.3.2.	advanced use of 25 % of 1991 allocation	75,000,000
1.3.3.	approximate amount, at 31.8.1991, of interest made available in application of Article 192	8,600,000
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		383,600,000

The difference between the amount mentioned at paragraph 1.2 and the total given at para. 1.3 is approx. 816.4 million ecus.

2. PROBABLE EVOLUTION OF THE SYSTEM

- 2.1 The pressures to which the Stabex system has been subject during the 1990 application year have once again been severe, in particular for two products (cocoa and coffee), and have resulted in a very substantial gap between the amount of eligible transfers and the resources available.
- 2.2 The present trend of unit values (prices) at world level, and what is known of both the present level and the evolution of stocks, leads one to think that the pressures on the system for 1991 will in all probability again be principally for the two products which have been mentioned.

3. STEPS TO BE TAKEN

- 3.1 At its session of 6 and 7 May 1991, the ACP-EEC Council of Ministers decided to delegate to the ACP-EEC Committee of Ambassadors the power to evaluate the situation and to take the appropriate decisions.
- 3.2 The Commission wishes, therefore, that the deliberations of the Committee of Ambassadors take place as quickly as possible, in order that the signature of the transfer agreements relating to the 1990 exercise should, in accordance with the objectives of the system, be signed as soon as possible. The Commission will not fail to play its part in arriving at this result.