

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 24 final

Brussels, 10 February 1977

Proposal for a  
COUNCIL DECISION

on the allocation to the EDF (1975 of an  
amount of 7 438 500 units of account pursuant  
of the Internal Agreement  
on the financing and ad-  
ministration of Community  
aid

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(submitted to the Council by the Commission)

COM(77) 24 final



EXPLANATORY MEMORANDUM :

- I. Negotiations between the Community and  
Sao Tomé and Principe  
Cape Verde  
Papua New Guinea

for their accession to the ACP-EEC Lomé Convention took place in Brussels in accordance with the Council Directives of 14 July 1976

- on 16 July 1976 with Sao Tomé and Principe and Cape Verde
- on 29 October 1976 with Papua New Guinea

Following these negotiations, the Commission presented two communications(1) to the Council with a view to undertaking the procedure for signing and concluding an accession agreement with each of these three applicant States.

- II.1. At a meeting of the Council of Ministers on 17 January 1977, it was decided that an additional amount of 22.5 million units of account would be allocated to aid for the ACP States under the fourth EDF.

The 22.5 million units of account will be financed as follows :

(1) by the allocation of the amount referred to in the first indent of Article 30(4) of the Council Decision of 29 June 1976 (2) on the association of the overseas countries and territories with the European Economic Community, of 13 million u.a.

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(1) See COM(76)450 final of 8 September 1976 for Sao Tomé and Principe and Cape Verde and COM(76)634 final/A of 25 November 1976 for Papua New Guinea.

(2) Decision 76/568/EEC - OJ N° L 176/8, 1.7.1976, page 15.

(2) by new contributions from the Member States totalling 9.5 million u.a.

2. On the basis of the scale for the fourth EDF, this amount of 9.5 million u.a. is broken down as follows :

Belgium	593 750	units of account		
Denmark	228 000	"	"	
Germany	2 465 250	"	"	
France	2 465 250	"	"	
Ireland	57 000	"	"	
Italy	1 140 000	"	"	
Luxembourg	19 000	"	"	
Netherlands	755 250	"	"	
United Kingdom	1 776 500	"	"	

3. The contributions from each Member State will be covered as follows :

(1) by additional payments of the following amounts by Denmark, Ireland and the United Kingdom :

Denmark	228 000	units of account		
Ireland	57 000	"	"	
United Kingdom	1 776 500	"	"	

(2) by the allocation of the payments, proceeds and income referred to in Article 10(1) of the 1975 Internal Agreement on the financing and administration of Community aid and which accrue from operations financed from the resources of the second and third EDFs up to the following amounts in respect of Belgium, Germany, France, Italy, Luxembourg and the Netherlands :

Belgium	593 750	units of account		
Germany	2 465 250	"	"	
France	2 465 250	"	"	
Italy	1 140 000	"	"	
Luxembourg	19 000	"	"	
Netherlands	755 250	"	"	

.../...

4. Since the contributions from each Member State will have to be covered fully by the end of 1980 at the latest, this means that because of the different scales established for the second and third EDFs and the different percentages for each Member State, certain Member States will fulfill their obligations before other Member States, though this anomaly will be eliminated before the end of 1980. This difference in timing will in any case in no way affect the financing of the EDF because, owing to the general long time lag between commitments and disbursements, the final contributions to the Fund will not have to be called up until several years after the end of 1980.

III. So that the amounts indicated in (3) above may be allocated to cover the contributions of each Member State in order to take into account the accession of the Democratic Republic of Sao Tomé and Príncipe, the Republic of Cape Verde and Papua New Guinea to the ACP-EEC Lomé Convention, the Commission is forwarding to the Council the annexed proposal for a decision on the use of the amounts of the payments referred to in Article 10(1) of the Internal Agreement (1975).

Proposal for a Council Decision on the allocation to the EDF (1975) of the sum of 7 438 500 units of account pursuant to Article 10(1) of the Internal Agreement on the financing and administration of Community aid of 11 July 1975.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Internal Agreement 76/165/EEC on the financing and administration of Community aid (1) signed in Brussels on 11 July 1975, and in particular Article 10(1) thereof,

Having regard to the proposal from the Commission,

Whereas the Democratic Republic of Sao Tomé and Príncipe, the Republic of Cape Verde and Papua New Guinea have signed Agreements of Accession to the ACP-EEC Convention of Lomé<sup>2</sup>, pursuant to Article 90 thereof, on

.....  
....., and  
..... respectively;

Whereas the possibilities under Article 10(1) of the said Internal Agreement should be used to cover the additional contributions to the EDF (1975) from the Member States listed in Article 1 below following the accession to the ACP-EEC Lomé Convention of the above-named three States,

HAS DECIDED AS FOLLOWS:

Article 1

The payments, proceeds and income referred to in Article 10(1) of the Internal Agreement on the financing and administration of Community aid which accrue from operations financed from the resources of the second and third EDFs, less any commission due to the Bank under that heading, shall be placed in reserve up to the following maximum amounts in respect of Belgium, Germany, France, Italy, Luxembourg and the Netherlands:

Belgium	593 750	units of account
Germany	2 465 250	" "
France	2 465 250	" "
Italy	1 140 000	" "

<sup>1</sup> J No L 25, 30.1.76, p. 1  
<sup>2</sup> J No L 25, 30.1.76, p. 168

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Luxembourg	19 000 units of account
Netherlands	755 250 " "

Article 2

These amounts shall be paid to the Commission, at its request, and used for covering the contributions of those Member States to take into account the accession of the Democratic Republic of Sao Tomé and Príncipe, the Republic of Cape Verde and Papua New Guinea to the ACP-EEC Convention of Lomé.

Done at .....

For the Council

The President

FINANCIAL RECORD  
for the 1977 Budget

A. PART 1: INTERVENTION APPROPRIATIONS

(for existing and new projects)

1. RELEVANT BUDGET HEADING CODE

Not applicable

2. TITLE OF BUDGET HEADING

Not applicable

3. LEGAL BASIS

- Article 238 of the EEC Treaty
- Article 10(1) of the Internal Agreement on the financing and administration of Community aid, signed on 11 July 1975.

4. DESCRIPTION, OBJECTIVE(S) AND JUSTIFICATION OF THE PROJECT

The purpose of this measure is to adjust the amounts allocated to the EDF, following the accession of Sao Tomé and Príncipe, Cape Verde and Papua New Guinea to the Lomé Convention. Neither the additional funds nor the overall EDF appropriation accrue from the Community budget.

5. APPROPRIATIONS (in u.a.)

Not applicable

6. TYPE OF CONTROL TO BE APPLIED

Type of control provided for in the context of the Lomé Convention and the EDF Financial Regulation.



B. PART 2: ADDITIONAL DATA TO BE PROVIDED  
FOR A NEW PROJECT<sup>1</sup>

7. OVERALL COST OF THE PROJECT (FOR THE WHOLE OF ITS EXPECTED DURATION)

Not applicable

8. INFORMATION REGARDING STAFFING AND THE APPROPRIATIONS FOR ADMINISTRATIVE  
EXPENDITURE NECESSARY FOR THE IMPLEMENTATION OF THE PROJECT

(For the current financial year, for the next three years, and (if possible)  
for the entire duration of the project)

Not applicable

9. PROJECT FINANCED FROM:

Contributions outside the Community budget from the Member States of the  
Community.

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<sup>1</sup>The Commission Decision of 28 November 1973 on new budget procedures mentions the need to draw up a "financial memorandum" for each new project, consisting of the two parts of this financial record.

