

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 613 final

Brussels, 29 September 1982

Proposal for a  
COUNCIL REGULATION (EEC)  
on the supply of skimmed milk powder as food aid for the  
Republic of Tunisia

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Proposal for a  
COUNCIL REGULATION (EEC)  
on the supply of butteroil as food aid for the  
Republic of Tunisia

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(submitted to the Council by the Commission)

COM(82) 613 final

## I. EXPLANATORY MEMORANDUM

### 1. Request

The Tunisian Government has presented the Commission with a request for multi-annual food aid amounting to 4 500 t of milk powder and 1 500 t of butteroil a year over five years (1982-86).

This aid would have a twofold objective, i.e. to increase milk supplies to cope with rising consumption, and to finance, by means of counterpart funds from food aid, stock-farming projects which in the long term will reduce Tunisia's dependence on other countries for supplies of milk products.

### 2. Situation on the market in milk products

Between 1966 and 1980 per capita milk consumption in Tunisia rose from 34 kg to 110 kg, a 223% increase.

Over the same period, the amount of milk produced for the market in Tunisia rose from 225 000 to 245 000 t, whereas consumption amounted to 580 000 t in 1980, resulting in a shortfall of 335 000 t.

In order to cover this shortfall, the Tunisian authorities are forced to import ever-increasing quantities of milk products in order to meet the growing demand, and this places a severe burden on the trade balance. In 1981, 66% of total requirements had to be met by imported products, amounting to 491 000 t milk equivalent.

It is estimated that the market in milk products will develop as follows during the period covered by the Sixth Plan (1982-86):

	<u>1981</u>	<u>1986</u>
Milk production	264 000 t	410 000 t
Consumption	755 000 t	880 000 t
Import requirements	491 000 t	470 000 t

These figures show that, under the Sixth Plan, dependence on other countries is to be reduced from 66% to 54%.

### 3. Methods to be used

In order to attain these objectives, the Tunisian authorities have drawn up a general programme for the development of stock-farming under the Sixth Plan and this will require investment of almost 360m ECU, of which 68% in the private sector.

This programme provides for the following operations to raise production of milk products and meat (see Annex I):

- i. importation of dairy cows;
- ii. artificial insemination;
- iii. strengthening of the animal health programme;
- iv. improvement of the milk collection network;
- v. improvement of livestock feed;
- vi. technical advisory services for stock-farmers;
- vii. integration of stock-farming into other farming activities;
- viii. introduction of a policy on producer prices.

### 4. Scope for action by the Community

Tunisia's request for a multi-annual milk powder and butteroil programme should be seen in the context described above.

Tunisia's import requirements in terms of milk powder for human consumption for the period 1982-86 are estimated at 123 000 t, i.e. 24 600 t a year, and an additional 6 712 t of powder will be required for feeding young calves. Tunisia also expects to import 5 000 t of butter a year.

The milk powder and butteroil will be treated in the present dairies, which have a capacity of 730 000 litres a day and 1 700 000 pots of yoghurt a day.

The counterpart funds from the sale to the dairy industry of the milk powder and the butteroil will be used to finance projects put forward in this connection (see Annex), the cost of which is estimated at some 25m ECU. This amount will cover solely the capital expenditure, since the operating expenditure will be financed from other sources.

The Commission considers that, in the light of the information provided by the Tunisian authorities, the Community should grant the request for a multi-annual programme for milk products, since this would increase the supply of milk available to the population and eventually reduce dependence on other countries by enabling stock-farming projects to be executed.

The annual quantities should be 4 500 t of milk powder and 1 500 t of butteroil. For 1982, however, the initial contribution to this programme should be kept at 1 000 t of milk powder and 345 t of butteroil, to be drawn from the reserves available under the food aid programmes.

The counterpart funds from all these quantities should, following deduction of transport and handling costs, cover the financing of the projects proposed by the Tunisian authorities. Moreover, the relevant Commission departments would provide technical back-up for carrying out these projects and, where necessary, would make technical assistance available to the Tunisian Government.

## II. COMMISSION PROPOSALS

Since the consultation procedure concerning the new framework regulation on food aid has not yet been completed and in the absence of other legal bases for establishing multi-annual programmes, the Commission feels that the Council should give favourable consideration to a multi-annual food aid programme for Tunisia, it being understood that the annual quantities would be decided under the annual food aid programmes.

To that end, the Commission proposes that:

- (a) the Council should, in the light of the Resolution of 18 November 1980, approve the Commission's intention to take the necessary measures to implement a multi-annual programme of food aid for Tunisia in the form of milk products, comprising a total of 19 000 t of milk powder and 6 345 t of butteroil.
- (b) the Council should, in the light of the above, adopt the attached regulations on food aid of 1 000 t of milk powder and 345 t of butteroil, to be drawn from the reserves of the 1982 programmes, to cover Tunisia's requirements for 1982.

31 August 1982

Proposal for a  
COUNCIL REGULATION (EEC)  
ON THE SUPPLY OF SKIMMED MILK POWDER  
AS FOOD AID FOR THE REPUBLIC OF TUNISIA

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1037/82 of 26 April 1982 laying down general rules for the supply of skimmed-milk powder to certain developing countries and specialized bodies under the 1982 food-aid programme<sup>1</sup>, and in particular Article 7 thereof,

Having regard to the proposal from the Commission,

Whereas the Council Regulation (EEC) No 1038/82 of 26 April 1982 on the supply of skimmed-milk powder to certain developing countries and specialized bodies under the 1982 food-aid programme<sup>2</sup> provides for a reserve of 10 990 t of skimmed milk powder; whereas a certain amount is still available under this reserve;

Whereas the Community received from the Republic of Tunisia a request for food aid in the form of skimmed milk powder; whereas the requirements justify the granting of food aid by the Community,

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<sup>1</sup> OJ No L 120, 1.5.1982, p. 1.

<sup>2</sup> OJ No L 120, 1.5.1982, p. 3.

HAS ADOPTED THIS REGULATION:

Article 1

Food aid in the form of 1 000 t of skimmed milk powder from the amount still available in the reserve provided for by Regulation (EEC) No 1038/82 shall be allotted to the Republic of Tunisia.

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 Brussels,

For the Council

The President

Proposal for a  
COUNCIL REGULATION (EEC)  
ON THE SUPPLY OF BUTTEROIL AS FOOD AID  
FOR THE REPUBLIC OF TUNISIA

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1039/82 of 26 April 1982 laying down general rules for the supply of milk fats to certain developing countries and specialized bodies under the 1982 food-aid programme<sup>1</sup>, and in particular Article 8 thereof,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EEC) No 1040/82 of 26 April 1982 on the supply of milk fats to certain developing countries and specialized bodies under the 1982 food-aid programme<sup>2</sup> provides for a reserve of 1 345 t of butteroil; whereas a certain quantity is still available under this reserve,

Whereas the Community received from the Republic of Tunisia a request for food aid in the form of butteroil; whereas the requirements justify the granting of food aid by the Community,

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<sup>1</sup>OJ No L 120, 1.5.1982, p. 5.

<sup>2</sup>OJ No L 120, 1.5.1982, p. 7.



HAS ADOPTED THIS REGULATION:

Article 1

Food aid in the form of 345 t of butteroil from the amount still available in the reserve provided for by Regulation (EEC) No 1040/82 shall be allotted to the Republic of Tunisia.

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 Brussels,

For the Council

The President

Project: Setting up of a milk collection network

Total milk production was estimated in 1980 at some 330 000 t, of which over 100 000 t was not marketed owing to the lack of a marketing infrastructure.

Furthermore, some of the milk is sold under rather questionable conditions on a door-to-door basis and is of doubtful bacteriological quality.

A number of milk producers are therefore discouraged from producing milk, and the industrial-scale dairies take the easy way out by reconstituting milk from imported powder.

An initial milk collection project was devised by the FAO in 1976 but was not executed owing to a lack of sources of financing.

Local experiments in certain regions have nevertheless shown that milk production can rise spectacularly if farmers\* are given widespread support and incentives and in particular if there is a well-organized milk collection network.

During a project at Sedjnane carried out with German cooperation, the quantity of milk produced and collected rose from 600 kg a year in 1978 to 790 000 kg a year in 1981 and will probably amount to 1 600 000 kg in 1982.

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\*The question of the price paid to producers for milk is a constant concern of the Tunisian authorities. A significant increase in the amount produced and marketed was recently observed following two price increases decided on by the Government (at present 200 millimes/litre).

A new project is currently being finalized by Swedish cooperation and will be presented by about November 1982.

This project provides for the setting up of an integrated collection network in the north and centre of the country; the milk will be taken from the primary collection centres, within reach of small producers situated less than 3 km away, to the area centres and from there to the dairies.

The primary centres will also be used for selling veterinary medicines, concentrates, fodder seed and various items of equipment.

The counterpart funds from the food aid will be used to finance the purchase of equipment such as tanks, vehicles, etc., since premises are already available in certain regions.

The initial investment for this project, which will extend over a number of years, is estimated at about 6m ECU.

2 September 1982

## Annex

### Expansion of the artificial insemination service

The artificial insemination service has a main centre and 19 subsidiary centres spread over different regions (north and centre).

In 1980 it carried out 32 000 operations.

This service must be expanded if greater use is to be made of the potential of the existing herd.

The following back-up is requested for the artificial insemination service:

- i. technical assistance;
- ii. aid in the form of equipment, including laboratory equipment, containers and vehicles;
- iii. semen.

The annual cost of this investment is estimated at 1m ECU.

