

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 416 final

Brussels, 17th July 1979

**DRAFT DECISION OF THE ACP-EEC COUNCIL OF MINISTERS
ON THE ADVANCE USE OF A PORTION OF THE 1979 INSTALMENT OF
THE RESOURCES ALLOCATED TO THE SYSTEM FOR THE STABILIZATION
OF EXPORT EARNINGS SET UP UNDER THE LOME CONVENTION**

(presented by the Commission to the Council)

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DRAFT DECISION
OF THE ACP-EEC COUNCIL OF MINISTERS

on the advance use of a portion of the 1979 instalment of the resources allocated to the system for the stabilization of export earnings set up under the Lomé Convention.

THE ACP-EEC COUNCIL OF MINISTERS -

Having regard to Article 18 (2) of the Lomé Convention,

Whereas, in view of the amount of the resources available for transfers under the system for the stabilization of export earnings, it will not be possible to remain within the limit of the annual instalment for 1978; whereas the Council of Ministers should therefore authorize the advance use of a portion of the 1979 instalment;

Whereas such advance use may not exceed 15 million EUA, which represents 20 % of the instalment for 1979,

HAS DECIDED AS FOLLOWS :

Article 1

For the purpose of effecting transfers under the system for the stabilization of export earnings in respect of the 1978 financial year, the advance use of the funds necessary to that end, up to the limit of 15 million EUA, representing 20 % of the 1979 instalment, is hereby authorized.

Article 2

The Commission is hereby authorized to take transfer decisions in respect of the 1978 financial year up to the amount stipulated in Article 1.

Done at Brussels, on
For the ACP-EEC Council of Ministers

EXPLANATORY MEMORANDUM

1. The Commission responsible for administering the system for the stabilization of export earnings calculates that transfers to be made in 1979 to compensate for losses recorded by certain ACP States in 1978 will exceed the available funds.

Therefore, in accordance with Article 18 (2) of the Lomé Convention, it is necessary to ask the ACP-EEC Council of Ministers, the only body competent to deal with this matter, to authorize the advance use of a maximum of 20 % of the 1979 instalment of the export earnings stabilization system.

2. To date, out of a total 153.6 million EUA (the 76. million EUA of the 1978 instalment plus 77 million EUA left over from previous years), 118.5 million EUA has been transferred. To meet the applications lodged by a number of countries, it is likely that a further 50 million EUA will have to be transferred.

In order to ensure that the system is properly administered, it would appear essential, in the light of these forecasts, to seek authorization to use the 1979 instalment in advance, up to the 20 % maximum laid down in Article 18 (2) amounting to 15 million EUA.

3. Consequently, the Commission transmits to the Council a decision proposal of the ACP-EEC Council of Ministers in annex to the present document.