

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(75) 148 final.

Brussels, 10 April 1975

## RECOMMENDATION FOR A COUNCIL DECISION

on the conclusion of an Agreement between the  
Malagasy Republic on the supply of food aid  
in the form of cereals

---

(submitted to the Council by the Commission)

COM(75) 148 final.



THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
and in particular Articles 113, 114 and 228 thereof;

Having regard to the Recommendation from the Commission;

Whereas the European Economic Community has concluded the second convention  
relating to food aid (1) .....

Whereas the Malagasy Republic  
has requested food aid;

Whereas in view of the cereal supply situation in the Malagasy Republic  
that country should be accorded, by way of gift, 4.000 tonnes of cereals  
in the form of 2.649 tonnes of flour of soft wheat under the Community Food  
Aid Program for 1971/72.

DECIDES:

Article 1

On behalf of the European Economic Community an Agreement, the text whereof  
is annexed hereto, shall be concluded between the European Economic Community  
and the Malagasy Republic, for the supply of flour of soft wheat  
as food aid.

Article 2

The President of the Council is hereby authorized to designate those who  
are to sign the Agreement and to confer on them the requisite powers to bind  
the Community.

Done at Brussels

19.....

For the Council

The President

(1) O.J. L 219 of 9.8.1974 p.35

AGREEMENT

BETWEEN THE EUROPEAN ECONOMIC COMMUNITY  
AND THE MALAGASY REPUBLIC ON THE SUPPLY  
OF FOOD AID IN THE FORM OF CEREALS.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

on the one hand,

THE GOVERNMENT OF THE MALAGASY REPUBLIC

on the other hand,

HAVE DECIDED to conclude this Agreement and to this end have designated as their plenipotentiaries:

THE COUNCIL OF THE EUROPEAN COMMUNITIES:

THE GOVERNMENT OF THE MALAGASY REPUBLIC

WHO HAVE AGREED AS FOLLOWS:

## ARTICLE I

As a part of its Food Aid Programme (Cereals) for 1971/72, the European Economic Community shall supply, by way of gift, the Malagasy Republic, hereinafter referred to as the "recipient country", with 4.000 tonnes of soft wheat in the form of 2.649 tonnes of flour of soft wheat.

## ARTICLE II

Deliveries will be made in new polyester sacks lined with kraft paper, with three pleats, having a net capacity of 50 kg each, fob Community ports.

## ARTICLE III

The obligations and responsibilities of the European Economic Community and of the recipient country relating to delivery and the taking of delivery are defined in the Annex, which forms an integral part of this Agreement.

## ARTICLE IV

The recipient country undertakes to make all necessary arrangements for the transport and insurance of the product from ports of shipment to places of destination.

It undertakes to exercise the greatest possible care to ensure that the tendering arrangements for the transport by sea are not prejudicial to the free play of fair competition. Any problems arising in this connection shall be the subject of consultations under Article IX of the present Agreement.

## ARTICLE V

The recipient country undertakes to use the product received as aid for purposes of consumption and to apply, for the sale of the product on its market, the prices normally charged on that market for products of comparable quality.

.../...

The proceeds from this sale, less the cost of sea transport, insurance and the normal cost of selling the product on the recipient country's market, will be paid into a special account with the Malagasy Treasury and allocated to the financing of one or more development schemes which have already been proposed by the recipient country and approved by the European Economic Community.

#### ARTICLE VI

The Contracting Parties undertake to implement this Agreement in such a way as to avoid any prejudice to the normal structure of domestic production and international trade. To this end they shall take any measures required to ensure that aid supplies are in addition to, and do not replace, business transactions which might reasonably be expected in the absence of such supplies. In particular, the recipient country undertakes to import commercially from whatever source between 1 July 1974 and 30 June 1975 a minimum quantity of 30.000 tonnes of soft wheat or its equivalent of flour of soft wheat.

#### ARTICLE VII

The recipient country shall take any measures required to prevent:

- (i) The re-export of the product received as aid and of products and by-products resulting from such supplies;
- (ii) The export, commercially or otherwise, within six months of the last delivery, either of the flour of soft wheat obtained locally and of the same nature as the product received as aid.

#### ARTICLE VIII

The recipient country undertakes to inform the European Economic Community how this Agreement is being implemented. To this end it shall provide the Commission of the European Communities with the following information:

- (i) Not later than thirty days after the unloading of each cargo: ports and dates of arrival of the vessel; nature, quantity and quality of the products unloaded; date on which unloading was completed;
- (ii) Every three months until the quantities received as aid have been fully used: quantities sold, how they have been sold, selling prices; normal selling costs on the recipient country's market;
- (iii) On 15 January every year until the special account has been fully used:
  - (a) State of this account (incomings and outgoings) on 31 December of the preceding year;
  - (b) Progress achieved in the project or projects, with an indication of the total amount of financing undertaken at that stage.

ARTICLE IX

At the request of either of them, the Contracting Parties shall consult each other on any questions concerning the implementation of this Agreement.

ARTICLE X

This Agreement is drawn up in duplicate in the Danish, Dutch, English, French, German and Italian languages, each of these texts being equally authentic.

---



ANNEX TO ARTICLE III OF THE AGREEMENT

Article 1

Delivery shall be effected and risks shall pass from the European Economic Community to the recipient country at the moment at which the goods have been placed in the ship's hold at the port of shipment.

The recipient country shall bear all costs subsequent to delivery of the goods including costs of stowage and, where appropriate, of trimming and bagging.

Any demurrage costs or dispatch at the port of shipment shall be a charge on or for the benefit of the European Economic Community and shall be determined before the vessel sails. The rates and detailed arrangements relating thereto laid down in the contract between the recipient country and the carrier must have been agreed upon in advance by the recipient country and the authorized agent of the European Economic Community referred to in Article 9.

Article 2

The European Economic Community shall notify the recipient country in good time of the port or ports of shipment, the quantities to be delivered at each port, the period within which loading must begin, and the daily loading rate.

Article 3

The European Economic Community must be prepared to load the goods on the date resulting from the instructions in Article 8, whereon the vessel should be ready for loading.

Article 4

On delivery of the goods, a tolerance of 5% less than the quantity to be supplied in accordance with Article 1 of the Agreement is permitted.

Article 5

Once the goods are on board the vessel, the European Economic Community shall notify the recipient country of the date of loading, and the quantity and quality of the goods as recorded on loading.

Article 6

The recipient country shall supply the European Economic Community, within the period referred to in Article 2, with a vessel of dimensions corresponding to the normal loading potential of the port of shipment.

Should it prove impossible for the vessel to begin loading within the period referred to in Article 2 and should the recipient country not have notified the European Economic Community of this fact in writing at the latest by the date on which the vessel should be ready for loading in accordance with Article 8, the goods shall be at the disposal of the European Economic Community.

Whatever the circumstances, the goods shall be held at the expense, risk and peril of the recipient country.

Article 7

Should the recipient country fail to provide a vessel of suitable tonnage or if the quantity made available for loading on a vessel of suitable tonnage cannot be put on board in its entirety because of circumstances beyond the control of the European Economic Community, the balance shall be loaded onto the next vessel under the conditions laid down in this annex.

In this event, until the date of loading of this balance or until the recipient country gives notice in writing that it gives up this balance, the goods shall be held at the expense, risk and peril of the recipient country.

The recipient country must notify the European Economic Community within a period of a maximum of 30 days from the beginning of loading of the shipment to which these goods should have belonged, of the date on which loading of this balance is due to begin or of its renunciation of this balance.

If this obligation is not respected, the European Economic Community may consider that it has discharged its commitment to the recipient country under Article 1 of the Agreement.

Article 8

The recipient country shall name for the European Economic Community the vessel that is to ship the goods at least 10 clear days prior to the estimated date of arrival of the vessel in port or, where possible, 20 clear days prior to this date, and shall at the same time indicate how soon after that date the vessel will be ready for loading.

The recipient country shall insert in the charter party a clause requiring the captain to inform the European Economic Community at least 72 hours in advance of the vessel's estimated date of arrival in port.

Article 9

To implement the provisions of this Annex, the European Economic Community shall appoint an authorized agent, whose name and address shall be made known in good time to the recipient country.

The recipient country shall nominate a receiving agent in each port of shipment, whose name and address shall be made known to the European Economic Community before the Agreement is implemented.

---

