

COMMISSION OF THE EUROPEAN COMMUNITIES

GENERAL BUDGET FOR THE FINANCIAL
YEAR 1979

SECTION III - COMMISSION

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TRANSFER OF APPROPRIATIONS No 17/79
(Compulsory expenditure)

GENERAL BUDGET FOR THE FINANCIAL YEAR 1979

SECTION III - COMMISSION

TRANSFER OF APPROPRIATIONS NO 17/79

(Compulsory expenditure)

From Chapter 83 - Common measures in particular sectors

Articles 836 - Milk sector

Item 8360 - Premium for the non-marketing of milk and
the conversion of dairy herds

Appropriations for payment: 3.7 m EUA
Appropriations for commitment: 3.7 m EUA

To Chapter 92 - Food aid

Article 923 - Food aid (other commodities) 3.7 m EUA

The Financial Controller has approved this proposal, attesting that the appropriations are available at 7 June 1979.

REASONS

On 15 December 1978 the Republic of Malta applied to the Commission for exceptional food aid of 9 000 tonnes of frozen pigmeat over a period of two years, 1 000 tonnes of which were to be supplied immediately. The request was justified by the epidemic of African swine fever which forced the Maltese authorities systematically to slaughter the pig stock which, before the epidemic, totalled some 80 000. Of this total, 76 000 animals were slaughtered in 1978 and 4 000 before 1 February 1979.

In view of the seriousness of this situation (further aggravated by the fact that 10% of the cattle stock had to be slaughtered recently following a foot-and-mouth outbreak), and the fact that the draconian measures agreed by the Maltese Government to wipe out this extremely contagious disease also constitute a form of protection for pig stocks in the Community (especially in Italy), the Commission has drawn up a proposal to grant Malta a maximum of 5 m ECU over three years (of which 2.5 m ECU in 1979) to support the emergency plan launched by Malta. The plan, costing some 10 m ECU (50% of which will be met by Malta), includes measures to eradicate the disease (slaughtering of livestock, disinfection of places used for rearing and storage), preventive measures (veterinary inspection of imported beasts) and restocking.

However substantial these measures may be, they can only partly alleviate the most disastrous effects of the epidemic. The problem of local pigmeat consumption is particularly serious, especially between the time when the herd was slaughtered and the time when, having been reconstituted, it can be used for human consumption.

At all events, there is no likelihood of a return to normal production until August 1980. On the basis of previous years' statistics, the estimated pigmeat consumption requirement for the period 1 January 1979 to 1 August 1980 is 8 400 tonnes.

It is for this reason that the Commission is proposing to grant Malta exceptional food aid of 2 500 tonnes of frozen pigmeat disposed of at the port of unloading; this will cover about 30% of requirements. The meat will be sold on the local market; in keeping with the wishes of the Maltese Government, the revenue will be used - using procedures to be agreed with the Commission - under the plan to reconstitute the island's pig herd.

The estimated cost of this food aid is 4.2 m ECU, 0.5 m ECU of which will cover refunds. The latter amount will be charged to Article 660 of the 1979 Budget - Refunds on pigmeat - for which sufficient appropriations are available. The 3.7 m ECU representing the world price of the product plus the cost of refrigerated transport will be charged to Article 923 - Food aid (other commodities). Since there is only a token entry against this Article, funds will have to be allotted to it by means of a transfer.

It is not possible to make a transfer within Chapter 92: Food aid - since the appropriations already entered not only exactly cover the quantities of food aid under the 1979 food aid programme but will also be entered - in accordance with Article 102 of the Financial Regulation - against commitments once the programme has been adopted by the Council.

On the other hand, appropriations are available within Title 8: EAGGF Guidance Section. Accordingly, it is proposed to make this transfer from Item 8360: Premium for the non-marketing of milk and the conversion of dairy herds.

Since the implementation of the measure in respect of the non-marketing of milk has proceeded at a slower rate than initially anticipated, a significant part of 1979 requirements can be financed from the appropriations for commitment outstanding from 1978 (66 m ECU) and by appropriations for payment of the same amount automatically carried over from 1978.

Annex

Item 8360: Premium for the non-marketing of milk and the conversion of dairy herds

Summary of transfers of appropriations to other budgetary headings.

m ECU

1.	Initial appropriations (for commitment and for payment)		73,4
2.	Articles or Items to which transfers have been made:		
	860 - Common measures to improve the structures of non-industrial inshore fisheries	10,0	
	892 - Payments in respect of compensation and dues relating to fishing in the maritime waters of certain African countries	4,5	
	3101 - Campaign against African swine fever	2,5	
	3103 - FAO vaccines	0,3	
	923 - Food aid (other commodities)	3,7	
		<u>Total</u>	<u>21,0</u>
3.	Appropriations available under Item 8360 after transfers		<u>52,4</u>