

EUROPEAN PARLIAMENT

Working Documents

1979 - 1980

14 January 1980

DOCUMENT 1-633/79

Report

drawn up on behalf of the Committee on Development and Cooperation on the proposals from the Commission of the European Communities to the Council

(Doc. 1-574/79) for

- I. a Regulation amending Regulation (EEC) No 939/79 laying down general rules for the supply of milk fats to certain developing countries and specialized bodies under the 1979 food-aid programme
- II. a Regulation amending Regulation (EEC) No 940/79 on the supply of milk fats to certain developing countries and specialized bodies under the 1979 food-aid programme

Rapporteur: Mr Victor SABLÉ

12.2

PE 61.865/fin.

By letter of 3 December 1979 the Council of the European Communities consulted the European Parliament on the proposals from the Commission of the European Communities for a regulation amending Regulation (EEC) No. 939/79 laying down general rules for the supply of milk fats to certain developing countries and specialised bodies under the 1979 Food Aid Programme, and a regulation amending Regulation (EEC) No. 940/79 on the supply of milk fats to certain developing countries and specialised bodies under the 1979 Food Aid Programme. (Doc. 1-574/79).

On 10 December 1979 these proposals were referred to the Committee on Development and Cooperation as the Committee responsible and to the Committee on Agriculture and the Committee on Budgets for their opinion.

At its meeting on 18 December 1979, the Committee on Development and Cooperation appointed Mr SABLÉ rapporteur.

At the same meeting, the Committee adopted the Motion for a Resolution unanimously.

Present: Mr Poniatowski, President; Mr Sablé, rapporteur; Mrs Cassanmagnago-Cerreti (replacing Mr Bersani), Messrs Cohen, Enright, Jaquet, Lezzi, Michel, Narducci, Pearce, Mrs Rabbethge, Mr Schmitt (replacing Mrs Focke), Messrs Vergeer, Verges, Sir Fred Warner, Mr Wawrzik.

The opinion of the Committee on Agriculture is attached.

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A

The Committee on Development and Cooperation hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposals from the Commission of the European Communities to the Council for

- I. a Regulation amending Regulation (EEC) No 939/79 laying down general rules for the supply of milk fats to certain developing countries and specialized bodies under the 1979 food-aid programme
- II. a Regulation amending Regulation (EEC) No 940/79 on the supply of milk fats to certain developing countries and specialized bodies under the 1979 food-aid programme

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council¹,
 - having been consulted by the Council pursuant to Article 43 of the Treaty establishing the EEC (Doc. 1-574/79),
 - having regard to the report of the Committee on Development and Cooperation and to the opinion of the Committee on Agriculture (Doc. 1-633/79),
- 1) Approves the proposal that the quantity of butteroil supplied to developing countries under the 1979 food-aid programme **be increased from 45 000 t to 55 000 t.**
 - 2) Welcomes the fact that the Commission has provided detailed information on the use to be made of this additional supply so that the extra quantity will not be wasted.
 - 3) Hopes that this extra quantity can also be made available in future years in view of the great need for this product in the developing countries.

¹ OJ No C 300 of 1.12.1979, p.11

EXPLANATORY STATEMENTTHE PROPOSAL

The Commission proposal is to increase the quantity of butteroil from 45 000 t to 55 000 t in 1979. The Commission explains the background of this proposal, pointing out that the amount of butteroil provided to developing countries has remained static at 45 000 t since 1974. The Commission's proposal in its Preliminary Draft Budget for 1979 was to increase this quantity to 55 000 t. This proposal was rejected by the Budget Authority. However, following the request from the Commission to increase butteroil food aid as part of its agricultural price proposals for the 1979/80 farm year, the Council of Ministers (Agriculture) agreed to this request "particularly in view of the persistent imbalance on the butter market".

The Commission points out that it has been unable to meet demand for this product in past years, and that the additional quantity can be effectively allocated. There is therefore no question that the extra quantity will be wasted.

The extra costs amount to 39.1 million EUA. This amount is divided between title 9, amounting to about 13 million EUA, which is the actual cost at world prices, and title 6, export refunds, which account for 26 million EUA.

COMMENT

The Committee on Development and Cooperation welcomes this proposal which is in line with its requests in the past to increase the quantity of butteroil.¹ and which also reflects the Commission's guideline plan or "Fresco of Community action" for the years 1976-1979.²

The Committee tabled an amendment to the 1980 Draft Budget increasing the quantity of butteroil to be made available to the maximum annual objective determined by the Commission, namely 65 000 t.

¹ see example DESCHAMPS report (Doc. 442/75)

² Doc. 430/74

This amendment was not accepted by the Parliament but it is to be hoped that the quantity made available in 1980 will not be less than the quantity now proposed for 1979.

The Committee also welcomes the fact that the Commission proposal allocates the costs of this action between title 9 and title 6, since this avoids the artificial inflation of the value of food-aid given to the developing countries.

OPINION OF THE COMMITTEE ON AGRICULTURE

Letter from the chairman of the committee to Mr PONIATOWSKI, chairman
of the Committee on Development and Cooperation

Luxembourg, 30 October 1979

Dear Mr Chairman,

The Committee on Agriculture¹ considered and approved the proposals referred to above at its meeting on 17 and 18 December 1979.

The aim of these proposals is to increase the quantity of food aid supplied under the 1979 food-aid programme in the form of butter oil from 45,000 to 55,000 tonnes and to make arrangements for distributing the additional 10,000 tonnes among a number of developing countries and international organizations.

The European Commission had already tried to increase the quantity of butter oil for 1979 to 55,000 tonnes but the Council reduced this amount by 10,000 tonnes. The Commission then endeavoured to raise the quantity of butter oil once again to 55,000 tonnes in the framework of its agricultural price proposals. Since the Council of Ministers of Agriculture has issued a favourable opinion on this proposal, a Council decision on this matter should be taken as soon as possible and the necessary financial resources made available to enable these deliveries to be effected. The demand for butter oil is increasing considerably and the initial quantity of 45,000 tonnes for 1979 was not enough to cover the demand; many applications had to be turned down.

Butter oil is of major importance in projects aimed at developing a regional dairy industry such as the flood programmes in India. The butter oil consumption and processing potential is high enough for it to make a major contribution to economic development. The Committee on Agriculture and the European Commission take the view that an increase in this aid will first and foremost assist the poor countries and especially those whose applications could not be fully satisfied when the initial quantity of 45,000 tonnes was allocated. The Commission's efforts to raise the amount of food aid supplied in the form of butter oil to 55,000 tonnes have had the constant support of the Committee on Agriculture, concerned as it has been to meet the demand more satisfactorily and to provide greater encouragement for the development of a regional dairy industry and thus improve the food situation in the developing countries. The Committee on Agriculture therefore also takes the view that the Council should take a decision on this matter as soon as possible and gives its approval to these proposals.

(sgd) Sir Henry PLUMB

¹ Present: Sir Henry Plumb, chairman; Mr Bocklet, Mrs Castle, Mr Clinton, Mr Curry, Mr Früh, Mr Helms, Mr Howell, Mr Maffre-Baugé, Mr Martin (deputizing for Mr Pranchere), Mr d'Ormesson, Mr Provan, Miss Quin, Mr Vernimmen and Mr Woltjer.