

INFORMATION

Development and Cooperation

COMMUNITY FOOD AID

72/74 E

EVOLUTION OF FOOD AID

The Community's food aid has developed in a somewhat pragmatic fashion in two stages :

1. Initially it concerned cereals and was - and still is today - based on an international commitment : the Convention on food aid.

This Convention, which is an integral part of the International Wheat Agreement, was agreed in 1967 (in force 1.7.68) and was renewed in 1971 for a second period of three years.

By this agreement, the EEC was committed to supply annually 1,035,000 tons of cereals for the purposes of food aid. This contribution was maintained at a constant level from 1968 until the enlargement of the Community when it increased to 1,161,000 t. in 1972/73 and to 1,278,000 in 1973/74.

The value of these supplies is now about \$ 850 millions to which it should be added \$ 310 millions per country.

2. Under the combined pressure of agricultural surpluses and requests from Third World countries whose food deficit, notably in high-protein and high-calory substances, is particularly severe, the Community has extended its activities to other agricultural products apart from cereals such as dairy products (powdered milk and butteroil), egg products and sugar.

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Contributions in this field have been outside any international commitment, made by autonomous decision of the Community. But since there is no juridical basis for them other than the common rules of organisation of the agricultural produce markets in question, they have remained very much linked to the levels of availability of these products on the Community market. This legal limitation has meant that the Community has not been able to pursue as regular and continuous a policy for these products as in the field of cereals.

Aware of the need for a measure of separation of Community's food aid from the fluctuations of the stocks of agricultural products, the Commission is preparing to define an overall policy in this sphere. This would enable the setting up of continuous programmes covering a wide range of products. Such proposals, if they are accepted, would allow the Community to reply in a more satisfactory way than at present to the qualitative and quantitative needs of developing countries.

OBJECTIVES AND METHODS OF OPERATION

The Community's food aid, which is always in the form of gifts to the recipient states or organisations, meets a triple need :

- to aid countries which are victims of disasters
- to raise the nutritional level of the people of Third World countries
- to bring direct assistance to the economic development of these countries.

The pursuit of each of these objectives has led the Community to engage in three types of operation :

1. Emergency assistance

In their very nature exceptional, these operations are intended to fight famine situations caused by natural disasters (earthquake, flood, unusual drought, etc..) or internal or international conflicts.

Thus the Community intervened in favour of the Sahel countries affected by drought (112,955 tons of cereals) and also provided food aid for victims of the Nigerian civil war, and the Bengali refugees in India at the time of the recent war between India and Pakistan.

In this type of operation the Community usually pays for the costs of transport to the affected peoples, as well as for the food itself, which is in principle distributed free to those in need by the governments or specialised organisations with which the Community is working.

2. Operations with a specifically nutritional aim

These are established in a country or group of countries when serious food deficiencies are affecting or are likely to affect certain categories of people such as the young, the old, the sick, or refugees.

Thus, the Community has been supplying since 1972, in the framework of a programme lasting several years, to the United Nations agency for Palestine refugees (UNRWA), annual contributions of both products (in 1974 20,000 tons of cereals, 6,000 tons of sugar, 1,600 tons of milk and 2,000 tons of butteroil) and funds (2,172,000 units of account*). This assistance is intended to help this organisation meet the food needs of people living in the Palestinian refugee camps in different Middle East countries.

Since this assistance goes to impoverished peoples, the Community's assistance is provided without charge.

3. Operations for development

These are the most frequent type of Community operation.

Although aimed at bridging deficits in the countries which request such aid, the aim is above all to act as an instrument of economic and social development in these countries.

EEC aid in this case concerns those countries which are either incapable - for lack of funds - to import agricultural products needed by their peoples, or are obliged to reduce to a strict minimum the use of their foreign exchange to buy food, or to devote such exchange to food needs at the expense of material or equipment needed for development.

*a Community unit of account is worth \$ 1,2

In this case, the governments must sell the products received as aid on their national markets, the counterpart funds thus obtained in local money being used for the financing of development projects.

These projects are chosen by the governments of the recipient countries, then agreed by the Community.

As a general rule, the delivery of products for these purposes are carried out f.o.b. from Community ports.

ANALYSIS OF FOOD AID

The aid furnished by the Community must be seen from three angles :

- whether it is furnished by the Community as such or by the member states
- which means of distribution is chosen
- the number of countries which benefit.

1. Community aid and national aid

In the field of cereals, the commitment undertaken in the Convention on food aid is carried out on the one hand increasingly in the form of Community operations and on the other through national operations. The attached table shows this evolution :

	1968/69	1969/70	1970/71	1971/72	1972/73	1973/74	TOTAL
CEREALS in volume (tons)							
Community operations	301.000	337.000	353.000	414.000	464.000	579.150	2448.150
National operations	734.000	698.000	682.000	621.000	696.600	707.850	4139.450
TOTAL	1035.000	1035.000	1035.000	1035.000	1160.600	1287.000	6587.600
CEREALS in value US millions dollars							
Community operations	19,6	21,9	30,7	31,7	85,7	150,4	340,0
National operations	47,7	45,4	59,3	47,6	128,6	183,4	512,0
TOTAL	67,3	67,3	90,0	79,3	214,3	333,8	852,0

- Aid in the form of other products is entirely carried out by the Community. The following are the totals for the last five years:

	1970	1971	1972	1973	1974	TOTAL
OTHER PRODUCTS --(tons)						
Milk	24.580	46.935	55.185	46.134	82.966	255.000
Butteroil	10.927	10.091	15.982	15.000	45.000	97.000
Eggs	-	-	-	500	-	500
Sugar	-	-	6.150	6.062	6.094	18.306
OTHER PRODUCTS in value \$ millions dollars						
Milk	8,20	28,5	35,8	30,1	68,2	170,8
Butteroil	8,4	20,2	31,2	13,7	48,8	122,3
Eggs	-	-	-	1,2	-	1,2
Sugar	-	-	1,6	1,9	5,0	8,5
Financial contribution	-	-	1,6	1,6	2,2	5,4
TOTAL	16,6	48,7	70,2	48,5	124,2	308,2

2. Direct Community aid or aid through international organisations

Food aid being the only means of financial cooperation between the Community and all developing countries, the Community - acting through the Commission - is anxious to administer its aid itself, thus meeting moreover the wishes of developing countries who are coming to the Community with an increasing number of requests for direct aid. In consequence the Community is obliged to limit the use of the specialised international agencies (WFP, ICRC, UNRWA), unless these - like ICRC and UNRWA - are particularly well-placed both in terms of operational efficiency and of providing necessary guarantees of neutrality in the distribution of the aid.

If the use of direct aid has been the general rule in the field of cereals, the same has not been the case with other products, although these are now evolving in the same direction.

3. The recipient countries

The number of countries receiving food aid has increased for cereals from 8 in 1968/69 to 36 in 1973/74.

The table below gives details of these operations:

COMMUNITY AIDS : CEREALS
1st CONVENTION and 2nd CONVENTION

in 1,000 tons

COUNTRIES	1968/69	1969/70	1970/71	1971/72	1972/73	1973/74
<u>EUROPE</u>						
Cyprus	-	-	-	-	-	8
Malta	-	-	-	-	-	2
Turkey	50	51,4	36,6	-	-	5
<u>MAGHREB</u>						
Algeria	-	-	11,-	25	15	-
Marocco	-	-	28	25	-	15
Tunisia	20	35	27	25	10	7,5
<u>AFRICA</u>						
Gambia	-	-	1,5	-	-	-
Cameroon	-	-	8,-	-	-	-
Dahomey	-	-	-	7	-	-
Upper Volta	-	-	9,5	5	14,9	15
Madagascar	-	-	-	10	5	-
Mali	-	30	7,5	17	20	26
Mauritius	-	-	-	-	12	10
Mauritania	-	-	-	-	5	14
Ethiopia	-	-	-	-	5	20
Niger	-	15	-	7	7,5	30
Sénégal	-	-	-	8,555	15	15
Somalia	-	8	-	15	7	5
Centrafrican Rep.	-	-	-	-	-	2
Sudan	20	10	9	-	5	5
Chad	-	-	-	7	6	10
Togo	-	-	-	-	-	3,5
Zambia	-	-	-	-	5	-
Rwanda	-	-	1,5	-	-	4,5
<u>MIDDLE EAST</u>						
Jordan	-	-	29,5	5	5	12
Lebanon	-	15	7,5	10	5	5
Egypt (R.A.E.)	-	-	15,1	20	13	20
Syria	-	-	7,5	15	7	8,5
Yemen	-	14	7	4	-	10
<u>FAR WEST</u>						
Afghanistan	-	-	21,64	-	-	-
Bangladesh	-	-	-	60	175	115
India	80	-	-	-	-	30
Indonesia	56	60	26,80	17	7	21
Pakistan	50	80	35	10(urg)	10	28
Philippines	-	-	-	-	10	5
Sri Lanka	-	14	-	11	10	16

COUNTRIES (cont.)	1968/69	1969/70	1970/71	1971/72	1972/73	1973/74
<u>LATIN AMERICA</u>						
Bolivia	-	-	-	-	10	5
Chile	-	-	-	-	20	-
Peru	-	-	15	13,5	15	5
Uruguay	-	-	-	-	10	6
<u>INTERNATIONAL ORGANISATIONS</u>						
PAM	-	-	9	25	5	30
UNRWA	-	-	4,5	21,945	20	20
CICR	16,7	4,5	7	-	7,5	15
CICR(Bangladesh)	-	-	28	-	-	-
CICR(Ref.Beng.)	-	-	-	50	-	-
Joint Church Aid (Nigeria)	8,3	-	-	-	-	-
UNICEF	-	6	-	-	-	10
Remainder	-	-	-	-	-	17.-
TOTAL	301	336,9	353,14	414	464,4	576

COMMUNITY AIDS - DAIRY PRODUCTS (tons)

	1970		1971		1972		1973		1974	
	milk	Butter oil	milk	Butter oil	milk	Butter oil	milk	Butter oil	milk	Butter oil
EUROP	-	-	1.000	-	-	-	-	-	-	150
AFRICA										
MAGHREB	2.818	1.500	1.849	1.370	3.111	1.623	2.536	30	200	150
SAHEL/ETHIOPIA	85	317	1.870	50,5	233,5	138,5	13.330	157	14.000	6.000
OTHERS	749,5	200	8.001,5	740,5	7.627	785,5	3.155	81	300	-
NEAR AND MIDDEL EAST	6.078	4.062,5	10.533,5	4.340	12.001,5	4.726,5	9.362,5	9.087	1.650	2.700
FAR EAST	12.181	2.130	18.488	2.909	17.079,7	6.428	15.388	3.545	17.450	13.100
AMERICA	2.418,5	2.717,5	5.193	681	15.132,5	2.280	2.543	2.100	290	700
OTHERS	250	-	-	-	-	-	-	-	49.076 ⁺	22.200 ⁺
TOTAL	24.580	10.927	46.935	10.091	55.185	15.981,5	46.134,3	15.000	82.966	45.000

+ including the remainder, contribution to the UNRWA, CICR, UNICEF, WFP, the breakdown of which between countries will only be known on the end of 1974