COMMISSION OF THE EUROPEAN COMMUNITIES

COM(83) 83 final

Brussels, 24th February 1983

PROPOSAL FOR A COUNCIL REGULATION (EEC)

laying down implementing rules on food aid management

(presented by the Commission to the Council)

COM(83) 83 final

Explanatory memorandum

COM 83

Article 4 of Council Regulation (EEC) No 3331/82 of 3 December 1982 on food-aid policy and food-aid management stipulates that the Council, acting by a qualified majority on a proposal from the Commission and after obtaining the opinion of the European Parliament, shall:

- decide on the total quantities of each product on an annual or multiannual basis,
- determine the countries and organizations to which food aid may be supplied on an annual or multiannual basis,
- define the basic products to be supplied as aid, taking into account the available stocks of the products in question,
- determine the derived products to be supplied as food aid,
- lay down general criteria for the transport of food aid beyond the fob stage.

These various points constitute the general framework within which actual decisions for the allocation and management of food aid must be taken.

A feature of this framework should be a certain degree of stability in order to permit effective management and enable the Food Aid Committee (the establishment of which is provided for in Article 7 of Regulation (EEC) No 3331/82) to exercise to the full its role as a consultative body.

For these reasons, the Commission is of the opinion that it is necessary to fix general rules for the implementation of the provisions of Regulation (EEC) No 3331/82 which will remain applicable from one year to the next. Such an approach will make it possible to avoid returning to the Community authorities unnecessarily and will restrict the need for new decisions in this field to those cases

 - 1 -

where new decisions are justified by changes in food supply conditions or in the economic or political situation.

On this basis, the Commission proposes to adopt a fairly wide-ranging list of countries that are potential food aid recipients. The inclusion of a given country on the list will be completely without prejudice to any actual decision on whether or not to implement an operation for that country under a given food aid programme. Any such operation can be decided on by the Commission only in the light of the food aid allocation criteria adopted and after consultation of the Food Aid Committee.

The list includes the countries covered by EEC food aid operations in the past, which could therefore be considered as potential beneficiaries under future operations.

This same principle lies behind the list of specialized organizations selected as potential beneficiaries of EEC food aid operations: it is made up of the organizations which have already received such aid in the past.

The great diversity and the large number of non-governmental organizations makes it difficult to draw up an official list of NGOs constituting potential beneficiaries of food aid operations. In this particular area, the Commission prefers to establish the general conditions which such organizations must fulfil in order to be eligible for EEC food aid operations: apart from the requirements regarding the location of their registered office and their statutes, emphasis is laid on their capacity to assume responsibility for food aid operations. The list of NGOs accredited under the proposed procedure will be published in the OJ.

With regard to the conditions of supply, general criteria are laid down which the Commission will take into account for the payment of transport costs beyond the fob stage. These criteria are based on the characteristics of the recipients (whether or not the operation involves a least-developed or landlocked country or a specialized organization) and on the nature of the operation in question (need for urgent action or greater effectiveness). In this same spirit, provision is made for the possibility of meeting distribution costs. In addition

- 2-

to the conditions of supply, it is also necessary to fix the general rules for the purchase of the products, specifying that the operation of the tendering machinery must be safeguarded and determining under what conditions the products may be purchased in a developing country (urgency or non-availability on the Community market).

The list of basic products and derived products which can be used in food aid operations mainly comprises the products covered by previous EEC food aid programmes.

It may be necessary, however, in order to make greater allowance for the dietary habits of the recipient population, to include in EEC food aid operations products which are not on the list. Some flexibility therefore seems essential in this matter. The Commission should be in a position to undertake such operations on an <u>ad hoc</u> basis and after consulting the Food Aid Committee.

As regards the total quantities of each product to be supplied on an annual or multi-annual basis, the Commission proposes that the Council decide on the quantities corresponding to the funds available under the 1983 budget. Those quantities include in particular the commitments which the EEC has entered into under the international agreements it has concluded.

This Communication does not deal with the problem of the breakdown between the Community and the Member States on the one hand and among the Member States themselves on the other of the operations provided for under the Food Aid Convention. It is stipulated in Article 4 of Council Regulation (EEC) No 3331/82 that the Council will decide on this question on a basis of unanimity. The Commission has forwarded to the Council a separate communication (COM ...) on this subject.

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The draft regulation annexed hereto therefore covers only the subjects dealt with above. It constitutes the translation into legal terms of the principles put forward and is intended to serve as the legal basis for the implementation of food aid operations.

The Commission proposes that the Council approve this implementing regulation (Annex).

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Proposal for

- 5 -

COUNCIL REGULATION (EEC)

laying down implementing rules on food aid management

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3331/82 of 3 December 1982 on food-aid policy and food-aid management and amending Regulation (EEC) No $2750/75^{1}$, and in particular the first, fourth, fifth, sixth and seventh indents of Article 4(1) and Article 4(2) thereof,

Having regard to the proposal from the Commission²,

Having regard to the opinion of the European Parliament³,

¹ OJ No L 352, 14.12.1982, page 1. ² OJ No C ³ OJ No C Whereas in order to implement Council Regulation (EEC) No 3331/82 it is necessary to determine the countries and organisations to which food-aid may be supplied on an annual or multiannual basis; whereas the Community can help alleviate the serious food supply difficulties facing certain developing countries by providing food-aid either directly to the governments of those countries or through the intermediary of specialised organisations;

Whereas a list of countries and organizations eligible for such operations should be drawn up; whereas the countries listed in Annexe I can meet the conditions for the grant of food-aid, as specified in Article 2 of the Regulation referred to above; whereas entrusting food aid operations to the specialized organizations listed in the Annexe II will also enable the Community to implement such operations;

Whereas, with the same aim in view, arrangements should be established empowering the Commission to accredit the non-governmental organizations (NGOs) required to carry out the Community's food-aid operations; whereas the NGOs in question must meet certain conditions guaranteeing the successful execution of food-aid operations;

Whereas general criteria should be established for the transport of food aid beyond the fob stage, taking into account the financial and geographical situation of the countries concerned and the channels and intermediaries via which the aid will be transported; whereas account should also be taken to this end of the need to ensure greater effectiveness of the food-aid operations concerned;

Whereas in order to ensure that the objectives of food aid operations are attained, it is also necessary to stipulate that the aid is granted on condition that the recipients undertake to comply with the supply terms laid down by the Commission;

- 6 -

Whereas the procedures for procuring, transporting and delivering the products should also be established;

Whereas the basic and derived products eligible for food-aid operations should be determined in the light of the available stocks of the products in question and of the food requirements and dietary habits of the recipient countries; whereas the products listed in Annex III provide the means of covering a wide range of the food requirements and dietary habits of the recipients; whereas it is also necessary to determine the procedure for procuring products outside the Community;

Whereas the total quantities of each product to be supplied under the annual and multiannual food-aid programmes and operations should be determined in accordance with the budgetary resources available and in compliance with the Community's international commitments;

Whereas the Commission must be able to take all the measures necessary for the proper execution of food-aid programmes and operations; whereas the Member States must provide the Commission with all necessary assistance to this end and, in particular, with the necessary information,

HAS ADOPTED THIS REGULATION :

Title I: Recipients

ARTICLE 1

1. The countries and organizations to which food aid may be supplied on an annual or multiannual basis, excluding emergency food-aid operations, shall be as follows:

- (a) the countries listed in Annex I;
- (b) the specialized organizations listed in Annex II;
- (c) the non-governmental organizations (NGOs) meeting the conditions laid down in Article 2 and accredited by the Commission.

2. A list of accredited NGOs shall be drawn up by the Commission and published in the Official Journal of the European Communities.

ARTICLE 2

1. In order to be accredited by the Commission, NGOs must:

- (a) have their headquarters in a Member State of the Community;
- (b) have a statute that is characteristic of an NGO;
- (c) show that they have the capacity to carry out food-aid operations successfully;
- (d) have undertaken to comply with the conditions of supply laid down by the Commission pursuant to Article 6 of Regulation (EEC) No 3331/82.

2. In exceptional circumstances the Commission may, in accordance with the procedure set out in Article 8 of Regulation (EEC) No 3331/82, accredit an NGO which does not meet the condition specified in paragraph 1(a).

Title II: Conditions of supply

ARTICLE 3

Where the Commission considers that the Community should meet transport costs for food aid beyond the fob stage, it shall take account of the following general criteria :

- whether the recipient country is included in the list of least-developed countries;
- whether the recipient country is a land-locked country;
- whether the aid is intended for specialized organizations listed in Annex II or NGOs accredited by the Commission;
- the need to procure the product on the market of a developing country;
- the need to provide the aid by means of an emergency operation;
- the need to make a given food aid operation more effective.

ARTICLE 4

Distribution costs may be met by the Community where necessary for the proper execution of the food aid operations concerned.

ARTICLE 5

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-10 -

1. The Commission shall inform the recipients of the conditions governing the supply of food aid as referred to in Point (c) of the first paragraph of Article 6 of Regulation (EEC) N° 3331/82.

2. Food aid shall be granted to the recipients only where they undertake to comply with the conditions of supply notified to them by the Commission.

ARTICLE 6

1. Except in the case of emergency food-aid operations or where products have to be purchased in a developing country because they are unavailable on the Community market, offers shall be called for within the Community :

- for the procurement of the product on the Community market and, where appropriate, for its purchase and possible manufacture on that market;

- for the transportation and delivery of the product procured.

2. Where, however, a food aid operation relates only to relatively small amounts, the provisions of paragraph 3 may also apply.

3. For emergency food-aid operations or where products must be purchased in a developing country because they are unavailable on the Community market, the Commission may conclude the necessary private contracts or delegate the Member States and, where appropriate, an authorized agent to conclude such contracts on terms laid down by the Commission.

TitleIII: Products

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ARTICLE 7

- 1. The basic and derived products which may be supplied under annual or multiannual food-aid operations are listed in Annex III.
- 2. However, in order to take account of the specific food requirements or dietary habits of the recipient countries, food-aid operations may involve products other than those listed in Annex III.
- 3. The Commission shall take decisions on the operations referred to in paragraph 2 in accordance with the procedure described in Article 8 of Regulation (EEC) No 3331/82.

ARTICLE 8

1. The Commission shall lay down rules for the procurement of products which must be purchased in a developing country because they are unavailable on the Community market.

In order to establish that they are unavailable, the Commission shall have regard to the availability of stocks of the products in question in the Community and the Community market's needs as regards such products.

- 2. However, milk products supplied as food aid may be manufactured and purchased only in the Community.
- 3. The Commission shall establish the rules referred to in paragraph 1 in accordance with the procedure described in Article 8 of Regulation (EEC) No 3331/82.

ARTICLE 9

The Commission shall establish the technical coefficients and equivalence criteria referred to in Article 3 of Regulation (EEC) No 3331/82.

Title IV Total quantities

Article 10

- 12 -

- 1. In accordance with the budgetary resources available and subject to possible adjustments during the year, in 1983 the following quantities shall be made available to certain developing countries and certain organisations under the annual and multiannual food aid programmes :
- for cereals, a quantity of 1 043 369 t;
- for milk powder, a quantity of 150 000 t;
- for butter, a quantity of 46 000 t or its equivalent in butteroil;
- for soja, a quantity of 10 000 t;
- for vegetable oil, a quantity of 6 150 t.

2. Concerning other products the allocation will be determined in accordance with the procedure described in Article 8 of Regulation (EEC) Nº 3331/82

Title V: Final provisions

ARTICLE 11

1. The Commission shall take all necessary measures to ensure the proper execution of food-aid programmes and operations.

2. The Member States shall provide the Commission with all the assistance necessary to this end and shall in particular provide it with all the information needed for the proper execution of food-aid programmes and operations.

ARTICLE 12

The European Parliament shall be kept informed of the management of food aid by being notified of the decisions referred to in Articles 1, 2 and 7 to 10 of this Regulation upon their adoption.

ARTICLE 13

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels

For the Council

Annex I

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List of countries eligible for annual and multiannual food aid operations

1. <u>Africa</u>

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1.1 Sahel

Cape Verde Chad Gambia Mali Mauritania Niger Senegal Upper Volta

1.2 West Africa

Benin Ghana Guinea Guinea-Bissau Liberia Sierra Leone Togo

1.3 Central Africa

Cameroon Central African Republic Congo Equatorial Guinea Sao Tome Zaire

1.4 East Africa

Burundi Kenya Rwanda Sudan Tanzania Uganda 1.5 Horn of Africa/Indian Ocean

Djibouti Ethiopia Somalia

1.6 Indian Ocean

Comoros Madagascar Maldives Mauritius Seychelles

1.7 Southern Africa

Angola Botswana Lesotho Mozambique Swaziland Zambia Zimbabwe

2. Mediterranean - Middle East

Egypt Jordan Lebanon Morocco Syria Tunisia Yemen AR Yemen PDR

3. Latin and Central America - Caribbean

Antigua and Barbuda Bolivia Colombia Costa Rica Dominica Dominica Republic El Salvador Grenada Guyana Honduras Jamaica Nicaragua Peru Saint Lucia Saint Vincent and the Grenadines

4. Asia

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Bangladesh Burma Cambodia China India Indonesia Lao PDR Nepal Pakistan Philippines Sri Lanka Thailand

Annex II

-7

List of specialized organizations eligible for annual and multiannual

food aid operations

ICRC

International Committee of the Red Cross League of Red Cross Societies LRCS Office of the UN High Commissioner for Refugees UNHCR United Nations Children's Fund UNICEF

United Nations Relief and Works Agency for Palestine Refugees UNRWA in the Near East

World Food Programme PAM

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List of basic and derived products eligible for food aid operations

CCT heading number	Description
03.02	Fish, dried, salted or in brine; smoked fish; whether or not cooked before or during the smoking process
04.02 A II	Milk and cream, in powder or granules
04.03	Butter
07.05 B	Dried leguminous vegetables, whether or not skinned or split (other than for sowing)
hapter 10 (10.01 to 10.07)	Cereals
11.01	Cereal flours
11.02	Cereal groats and cereal meal other worked cereal grains except rice falling within heading No 10.06; germ of cereals, whole, rolled, flaked or ground.
11.04 A	Flour of the dried leguminous vegetables falling within heading No 07.05
15.07 A	Olive Oil
15.07 D II	Fixed vegetable oils, fluid or solid, crude, refined or purified other than olive oil, China-wood and ortica oil myrtile wax and Japan wax, castor oil and other oils for technical or industrial uses other than the manufacture of foodstuffs for human consumption.
17.01 A + B	Beet sugar and cane sugar, in solid form