



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 29.01.1997
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COMMISSION REPORT
TO THE ACP-EC COMMITTEE OF AMBASSADORS

Progress report for the 1995 year of application
on the processing of transfers under the system
for the stabilization of export earnings
set up by the fourth ACP-EC Convention
as revised by the Agreement signed in Mauritius on 4 November 1995

Application year 1995

Report by the Commission pursuant to Article 207(4) of the revised fourth ACP-EC Convention.

Article 207(4) of the revised Lomé IV Convention states:

"On 30 September ... the Commission shall report to the Committee of Ambassadors on the progress made with the processing of all transfers."

This report relates to transfers for the 1995 year of application.

The Commission approved the Stabex transfers for 1995 on 26 July of this year. The decision means a total of 21 transfers will be paid to 19 ACP States, the largest going to Caribbean countries to offset loss of earnings on banana exports.¹

The transfers total, in aggregate, ECU 76 241 824.

The annual tranche for 1995, under Article 191 of the revised Convention and its second Financial Protocol, is ECU 360 million, but it will not become available until the revised Convention comes into force and the Protocol in question has been ratified.

To ensure that transfer for the 1995 year of application can be paid and thus prevent a hiatus in the operation of Stabex, the ACP-EC Council of Ministers adopted a decision (Decision No 2/96) on 28 June this year which provides that:

"The Commission shall deduct temporarily funds unused under the First Financial Protocol to the fourth Lomé Convention and shall add the accumulated interest on the Stabex account opened pursuant to Article 192 of the said Convention, to pay in full or to a large extent for transfers to the ACP States for the 1995 implementing year.

Should the second Financial Protocol not be ratified, the Community shall guarantee the availability of the resources so deducted, by recourse to unallocated appropriations.

Upon ratification of the second Financial Protocol, transfers thus deducted will be again made available to the ACP States by payment to the Stabex account referred to in Article 192 of the Lomé Convention."

The unused funds referred to in the Decision total ECU 103 834 142 and accumulated interest on the Stabex account an estimated ECU 6 756 168, giving ECU 110 590 310 in all. As this exceeds the total amount of transfers for the 1995 year of application, transfers can be made in full.

Attached is the list of transfers for the year in question.

¹ While this report reflects the position at 30 September 1996, note that Rwanda applied by letter dated 24 October for consultations to be resumed under Article 203 in respect of tea and coffee. Regarding coffee, the Commission's position led to a 100% reduction in the transfer basis.

STABEX 1995 YEAR OF APPLICATION

Transfers
(In ECU)

Country code	Country	Product	Reference level	Earnings for year of application	Loss of earnings	Excess change	Transfer basis after deductibles	Art. 202/203 consultations	Transfer basis after consultations	Art. 194(2) reduction	Art. 194(4) reduction	Transfer amount
236	Burkina Faso	Raw hides	5.725.787	5.066.939	658.848	0	658.848	0	658.848	0	0	658.848
247	Cape Verde	Fresh bananas	903.192	36.933	866.259	0	866.259	206.239	660.020	0	0	660.020
248	Senegal	Groundnut products	78.938.347	74.757.140	4.181.207	1.254.362	2.926.845	0	2.926.845	0	0	2.926.845
264	Sierra Leone	Cocoa beans	5.305.628	2.755.037	2.550.591	53.056	2.497.535	1.293.024	1.204.511	0	0	1.204.511
280	Togo	Cocoa beans	7.902.523	5.219.213	2.683.310	79.025	2.604.285	1.364.177	1.240.108	0	0	1.240.108
284	Benin	Palm products	2.092.556	1.190.708	901.848	0	901.848	696.406	205.442	0	0	205.442
310	Equatorial Guinea	Cocoa beans	5.404.285	4.442.305	961.980	0	961.980	168.058	793.922	0	0	793.922
324	Rwanda	Tea	3.333.272	1.149.770	2.183.502	33.333	2.150.169	1.478.865	671.304	0	0	671.304
		Raw hides	2.823.113	2.252.745	570.368	0	570.368	0	570.368	0	0	570.368
328	Burundi	Raw hides	2.880.413	2.380.914	499.499	0	499.499	200.259	299.240	0	0	299.240
350	Uganda	Tea	637.842	207.630	430.212	0	430.212	0	430.212	0	0	430.212
382	Zimbabwe	Cotton not carded or combed	56.092.468	41.427.062	14.665.406	2.524.161	12.141.245	0	12.141.245	0	0	12.141.245
388	Malawi	Tea	44.792.020	33.657.590	11.134.430	447.920	10.686.510	2.579.830	8.106.680	0	0	8.106.680
480	Dominica	Fresh bananas	33.084.870	18.524.240	14.560.630	330.849	14.229.781	1.450.157	12.779.624	0	0	12.779.624
485	St Lucia	Fresh bananas	73.048.802	54.612.020	18.436.782	730.488	17.706.294	0	17.706.294	0	0	17.706.294
467	Saint Vincent and the Grenadines	Fresh bananas	42.538.191	27.223.411	15.314.780	425.382	14.889.398	1.407.941	13.481.457	0	0	13.481.457
473	Granada	Fresh bananas	4.083.060	2.275.346	1.807.714	0	1.807.714	614.930	1.192.784	0	0	1.192.784
		Nutmeg and mace	2.768.040	2.238.740	531.300	0	531.300	0	531.300	0	0	531.300
808	Solomon Islands	Cocoa beans	4.018.295	3.835.306	182.989	0	182.989	0	182.989	0	0	182.989
807	Tuvalu	Copra	26.173	4.528	21.645	0	21.645	18.833	2.812	0	0	2.812
818	Vanuatu	Cocoa beans	1.780.660	1.055.884	724.776	0	724.776	268.957	455.819	0	0	455.819
			378.179.537	284.311.461	93.868.076	5.878.576	87.989.500	11.747.676	76.241.824	0	0	76.241.824