

# COMMISSION OF THE EUROPEAN COMMUNITIES

SEC(92) 1828 final

Brussels, 9 October 1992

## **COMMISSION REPORT TO THE ACP-EEC COMMITTEE OF AMBASSADORS**

*concerning the state of progress in the processing  
of the transfers for the 1991 application year  
under the system for the stabilization of  
export earnings provided for in the  
Fourth ACP-EEC Convention.*

*(Report mentioned at Article 207 para. 4 of the Convention)*

1. *The ordinary financial resources available to the system, for the 1991 application year, under Article 193 of the Convention, amount to 316.5 million ecus, made up of the following elements :*

- *the 1991 annual instalment reduced by 25 % arising from the automatic advance from this instalment for the previous exercise (225 mill. ecus);*
- *automatic advance use of 25 % of the instalment for the year of application 1992 by virtue of Article 194 (1) of the Convention (75 mill. ecus);*
- *the amount at 31-7-1992 of interest made available in application of Article 192 (16.5 mill. ecus).*

*In view of the insufficiency of the ordinary resources of the system having regard to the total amount of transfer bases (cf 2 and 3 infra), the ACP-EEC Committee of Ambassadors, by its decision of 16 July 1990, increased them by an amount of 75 million ecus (cf 4 infra).*

*The total financial resources of the system for the 1991 application year were thus raised to 391.5 million ecus.*

#### **CALCULATION OF TRANSFER BASES**

2. *For the 1991 application year, the Commission established that 35 ACP States could benefit from 67 transfers. The list of 67 product-country couples indicating eligible losses of earnings is annexed to the present report.*

*After application of the reductions foreseen at Article 197 (3) and (4) of the Convention, the total amount of the transfer bases came to 1336 mill. ecus.*

3. *In many cases, due to the evolution of marketed production, total exports and exports to the Community, consultations were necessary between the Commission and the ACP States' representatives in application of Article 203 of the Convention. These consultations led to the application of the following reductions:*

a) reduction due to important changes in the development of the marketed production of the product in-question :

<u>ACP State</u>	<u>Product</u>	<u>Reduction</u>	
		<u>Amount</u>	<u>% of T. B.</u>
Sudan	Groundnut prod.	1,360,715	75.7
"	Cotton prod.	63,032,031	47.3
"	Oil cake	7,104,369	84.0
Mauritania	Squid, octopus and cuttlefish	12,827,399	53.6
Burkina Faso	Hides and skins	387,138	15.0
Sierra Leone	Coffee	911,040	28.5
"	Cocoa	738,125	26.6
Côte d'Ivoire	Wood	2,850,794	18.4
C.A.R.	Coffee	7,779,967	40.2
Rwanda	Pyrethrum	6,353	17.2
Burundi	Hides and skins	145,234	21.5
Ethiopia	Coffee	31,622,760	19.8
Kenya	Coffee	12,329,771	21.6
Uganda	Coffee	19,824,836	18.2
Madagascar	Coffee	13,499,567	26.1
Lesotho	Mohair	744,253	33.2
Haïti	Coffee	11,353,938	45.2
"	Essential oils	540,689	39.3
Grenada	Bananas	215,692	16.7
P.N.G.	Coffee	6,466,521	21.5
P.N.G.	Copra prod.	1,597,897	28.8
Tuvalu	Copra	12,516	30.2
Vanuatu	Copra	386,982	28.6

b) reduction due to a drop in the proportion of marketed production exported to all destinations :

<u>ACP State</u>	<u>Product</u>	<u>Reduction</u>	
		<u>Amount</u>	<u>% of T. B.</u>
Sudan	Sesame seeds	2,879,249	41.0
"	Oil cake	295,839	3.5
Burkina Faso	Hides and skins	333,455	12.9
Sierra Leone	Coffee	347,410	10.8
Côte d'Ivoire	Coffee prod.	34,880,869	16.0
Togo	Cocoa	223,842	2.5
Rwanda	Hides and skins	1,145,741	31.0
Ethiopia	Coffee	19,716,408	12.3
Madagascar	Vanilla	1,107,246	19.9
Malawi	Coffee	138,497	18.3
Grenada	Nutmeg and mace	1,151,317	28.0
Western Samoa	Oil cake	207,799	31.0

- c) *reduction due to a drop in the proportion of total exports destined for the Community:*

<u>ACP State</u>	<u>Product</u>	<u>Reduction</u>	
		<u>Amount</u>	<u>% of T. B.</u>
Sierra Leone	Coffee	166,848	5.2
Togo	Cocoa	4,181,372	46.7
Benin	Palm kernel prod.	1,840,625	65.5
C.A.R.	Coffee	4,660,115	24.0
Malawi	Coffee	18,241	2.4
Grenada	Cocoa	178,697	16.1
"	Nutmeg and mace	103,618	2.5
P.N.G.	Cocoa prod.	4,935,588	20.4
Kiribati	Copra	279,457	34.7

After reductions under Article 203, the total amount of transfer bases came to 1062 million ecus.

#### **INSUFFICIENCY OF RESOURCES AND FIXING OF TRANSFER AMOUNTS**

4. *As the ordinary financial resources of the system for the 1991 application year (cf 1 supra) proved to be insufficient to cover the total amount of transfer bases after the application of reductions under Article 203, the transfer bases were reduced by 10 % in application of the provisions of Article 194 (2) of the Convention.*

*As the amount of transfer bases thus reduced (956.1 mill. ecus) still exceeded the available ordinary resources (316.5 mill. ecus), a Commission report (Ref SEC (92) 1164), in application of Article 194 (4) of the Convention, was sent to the ACP-EEC Council of Ministers on 30 June 1992. The Council having decided, at its meeting of 21 and 22 May 1992, to delegate its powers in the matter to the ACP-EEC Committee of Ambassadors, the latter, in application of this delegation of power and having examined the Commission report, came to an agreement between the two parties on 16 July 1992 to add to the ordinary resources available to the system for 1991 an amount of 75 million ecus, mobilised by way of an exceptional advance drawing on the resources of the system, through a reduction by 37.5 mill. ecus of each of the annual instalments for the years 1993 and 1994.*

*Following this decision of the ACP-EEC Committee of Ambassadors, the coverage of eligible amounts for the 1991 application year came to approximately 40.9 %.*

Country Code	Country	Product	Loss of earnings	"franchise"	Transfer basis after franchise"	Consultations	Transfer basis after Art. 203 reductions
224	Sudan	Groundnut prod.	1,796,561		1,796,561	1,360,715	435,846
		Cotton prod.	135,368,855	2,305,670	133,063,185	63,032,031	70,031,154
		Hides & Skins	2,176,472	134,505	2,041,967	0	2,041,967
		Gum arabic	9,925,612	512,343	9,413,269	0	9,413,269
		Sesame seed	7,427,339	406,492	7,020,847	2,879,249	4,141,598
		Oil cakes	8,542,079	89,528	8,452,551	7,400,208	1,052,343
228	Mauritania	Squid/octopus	25,314,655	1,394,282	23,920,373	12,827,399	11,092,974
232	Mali	Cotton	1,661,176		1,661,176	0	1,661,176
236	Burkina Faso	Hides & Skins	2,623,928	43,003	2,580,925	720,593	1,860,332
		Oil cake	961,524		961,524	0	961,524
		Sheanuts	1,935,083		1,935,083	0	1,935,083
252	Gambia	Groundnut prod.	961,500		961,500	0	961,500
257	Guinea-Bissau	Groundnuts	489,492		489,492	0	489,492
		Palm prod.	509,885		509,885	0	509,885
264	Sierra Leone	Coffee	3,297,750	101,117	3,196,633	1,425,298	1,771,335
		Cocoa	2,893,250	118,342	2,774,908	738,125	2,036,783
272	Côte d'Ivoire	Coffee prod.	234,916,750	17,961,289	216,955,461	34,880,869	182,074,592
		Wood	22,133,500	6,640,050	15,493,450	2,850,794	12,642,656
276	Ghana	Cocoa prod.	53,660,000	9,072,855	44,587,145	0	44,587,145
280	Togo	Cocoa	9,050,250	96,562	8,953,688	4,405,214	4,548,474
		Coffee	16,732,636	251,558	16,481,078	0	16,481,078
284	Benin	Palm prod.	2,838,500	28,385	2,810,115	1,840,625	969,490
302	Cameroon	Cocoa prod.	118,329,298	10,144,405	108,184,893	0	108,184,893
		Coffee	87,428,750	7,818,649	79,610,101	0	79,610,101
306	C.A.R.	Coffee	19,600,250	256,722	19,343,528	12,440,082	6,903,446
310	Equ. Guinea	Cocoa	3,424,750	107,817	3,316,933	0	3,316,933
311	Sao Tome/Prin.	Cocoa	2,960,270	75,373	2,884,897	0	2,884,897
324	Rwanda	Coffee	25,916,433	991,599	24,924,834	0	24,924,834
		Hides & Skins	3,733,302	46,878	3,686,424	1,145,741	2,540,683
		Pyrethrum	36,935		36,935	6,353	30,582
328	Burundi	Coffee	22,061,849	928,441	21,133,408	0	21,133,408
		Hides/Skins	672,689		672,689	145,234	527,455
334	Ethiopia	Coffee	161,958,444	2,569,533	159,388,911	51,339,168	108,049,743
		Hides & Skins	26,337,254	341,027	25,996,227	0	25,996,227
346	Kenya	Coffee	65,302,500	8,430,862	56,871,638	12,329,771	44,541,867
350	Uganda	Coffee	110,915,750	2,107,647	108,808,103	19,824,836	88,983,267
		Hides/Skins	3,940,500	87,025	3,853,475	0	3,853,475
352	Tanzania	Coffee	31,355,250	894,172	30,461,078	0	30,461,078
		Cotton	4,137,248	598,184	3,539,064	0	3,539,064
370	Madagascar	Coffee	55,029,750	3,485,013	51,544,737	13,499,567	38,045,170
		Vanilla	6,303,000	752,895	5,550,105	1,107,246	4,442,859
		Cloves	1,817,250	147,071	1,670,179	0	1,670,179
		Essential oils	849,500		849,500	0	849,500
375	Comoros	Essential oils	516,225		516,225	0	516,225
395	Lesotho	Wool	1,046,659		1,046,659	0	1,046,659
		Mohair	2,352,176	113,148	2,239,028	744,253	1,494,775
386	Malawi	Tea	6,783,533	572,080	6,211,453	0	6,211,453
		Coffee	754,750		754,750	156,738	598,012
452	Haiti	Coffee	25,466,500	374,925	25,091,575	11,353,938	13,737,637
		Essential oils	1,374,750		1,374,750	540,689	834,061
460	Dominica	Bananas	430,528		430,528	0	430,528
473	Grenada	Cocoa	1,104,429		1,104,429	178,697	925,732
		Bananas	1,289,250		1,289,250	215,692	1,073,558
		Nutmeg & Mace	4,182,500	70,655	4,111,845	1,254,935	2,856,910
801	P.N.G.	Cocoa prod.	25,885,000	1,750,095	24,134,905	4,935,588	19,199,317
		Coffee	33,816,750	3,753,889	30,062,861	6,466,521	23,596,340
		Copra prod.	6,437,250	890,921	5,546,329	1,597,897	3,948,432
806	Solomon Island	Cocoa	495,835		495,835	0	495,835
		Copra	3,707,729	87,830	3,619,899	0	3,619,899
807	Tuvalu	Copra	41,389		41,389	12,516	28,873
812	Kiribati	Copra	803,500		803,500	279,457	524,043
816	Vanuatu	Copra	1,350,250		1,350,250	386,982	963,268
817	Tonga	Copra prod.	680,153		680,153	0	680,153
		Bananas	1,293,032		1,293,032	0	1,293,032
819	Western Samoa	Cocoa	893,877		893,877	0	893,877
		Copra prod.	4,865,647	53,504	4,812,143	0	4,812,143
		Oil cake	669,241		669,241	207,799	461,442
			1,423,568,722	86,606,341	1,336,962,381	274,530,820	1,062,431,561

Country Code	Country	Product	Transfer basis after Art. 203 reductions	Reductions (i) Art.194(2) (10 % T.B.)	(ii) Art.194(4)	Amounts to be paid
224	Sudan	Groundnut prod.	435,846	43,585	231,654	160,607
		Cotton prod.	70,031,154	7,003,115	37,221,956	25,806,083
		Hides & Skins	2,041,967	204,197	1,085,317	752,453
		Gum arabic	9,413,269	941,327	5,003,206	3,468,736
		Sesame seed	4,141,598	414,160	2,201,283	1,526,155
		Oil cakes	1,052,343	105,234	559,327	387,782
228	Mauritania	Squid/octopus	11,092,974	1,109,297	5,895,979	4,087,698
232	Mali	Cotton	1,661,176	166,118	882,924	612,134
236	Burkina Faso	Hides & Skins	1,860,332	186,033	988,777	685,522
		Oil cake	961,524	96,152	511,056	354,316
		Sheanuts	1,935,083	193,508	1,028,508	713,067
252	Gambia	Groundnut prod.	961,500	96,150	511,043	354,307
257	Guinea-Bissau	Groundnuts	489,492	48,949	260,168	180,375
		Palm prod.	509,885	50,989	271,006	187,890
264	Sierra Leone	Coffee	1,771,335	177,134	941,474	652,727
		Cocoa	2,036,783	203,678	1,082,562	750,543
272	Côte d'Ivoire	Coffee prod.	182,074,592	18,207,459	96,773,679	67,093,454
		Wood	12,642,656	1,264,266	6,719,643	4,658,747
276	Ghana	Cocoa prod.	44,587,145	4,458,715	23,698,320	16,430,110
280	Togo	Cocoa	4,548,474	454,847	2,417,540	1,676,087
		Coffee	16,481,078	1,648,108	8,759,786	6,073,184
284	Benin	Palm prod.	969,490	96,949	515,289	357,252
302	Cameroon	Cocoa prod.	108,184,893	10,818,489	57,500,885	39,865,519
		Coffee	79,610,101	7,961,010	42,313,221	29,335,870
306	C.A.R.	Coffee	6,903,446	690,345	3,669,220	2,543,881
310	Equ. Guinea	Cocoa	3,316,933	331,693	1,762,969	1,222,271
311	Sao Tome/Prin.	Cocoa	2,884,897	288,490	1,533,339	1,063,068
324	Rwanda	Coffee	24,924,834	2,492,483	13,247,691	9,184,660
		Hides & Skins	2,540,683	254,068	1,350,388	936,227
		Pyrethrum	30,582	3,058	16,255	11,269
328	Burundi	Coffee	21,133,408	2,113,341	11,232,526	7,787,541
		Hides/Skins	527,455	52,746	280,345	194,364
334	Ethiopia	Coffee	108,049,743	10,804,974	57,429,052	39,815,717
		Hides & Skins	25,996,227	2,599,623	13,817,142	9,579,462
346	Kenya	Coffee	44,541,867	4,454,187	23,674,255	16,413,425
350	Uganda	Coffee	88,883,267	8,898,327	47,295,111	32,789,829
		Hides/Skins	3,853,475	385,348	2,048,143	1,419,984
352	Tanzania	Coffee	30,461,078	3,046,108	16,190,236	11,224,734
		Cotton	3,539,064	353,906	1,881,033	1,304,125
370	Madagascar	Coffee	38,045,170	3,804,517	20,221,224	14,019,429
		Vanilla	4,442,859	444,286	2,361,405	1,637,168
		Cloves	1,670,179	167,018	887,710	615,451
		Essential oils	849,500	84,950	451,514	313,036
375	Comoros	Essential oils	516,225	51,623	274,376	190,226
395	Lesotho	Wool	1,046,659	104,666	556,305	385,688
		Mohair	1,494,775	149,478	794,481	550,816
386	Malawi	Tea	6,211,453	621,145	3,301,423	2,288,885
		Coffee	598,012	59,801	317,847	220,364
452	Haïti	Coffee	13,737,637	1,373,764	7,301,632	5,062,241
		Essential oils	834,061	83,406	443,308	307,347
460	Dominica	Bananas	430,528	43,053	228,828	158,647
473	Grenada	Cocoa	925,732	92,573	492,032	341,127
		Bananas	1,073,558	107,356	570,602	395,600
		Nutmeg & Mace	2,856,910	285,691	1,518,464	1,052,755
801	P.N.G.	Cocoa prod.	19,199,317	1,919,932	10,204,546	7,074,839
		Coffee	23,596,340	2,359,634	12,541,589	8,695,117
		Copra prod.	3,948,432	394,843	2,098,614	1,454,975
806	Solomon Island	Cocoa	495,835	49,584	263,539	182,712
		Copra	3,619,899	361,990	1,923,997	1,333,912
807	Tuvalu	Copra	28,873	2,887	15,346	10,640
812	Kiribati	Copra	524,043	52,404	278,532	193,107
816	Vanuatu	Copra	963,268	96,327	511,982	354,959
817	Tonga	Copra prod.	680,153	68,015	361,505	250,633
		Bananas	1,293,032	129,303	687,254	476,475
819	Western Samoa	Cocoa	893,877	89,388	475,100	329,389
		Copra prod.	4,812,143	481,214	2,557,682	1,773,247
		Oil cake	461,442	46,144	245,259	170,039
			1,062,431,561	106,243,158	564,688,403	391,500,000