

Written Question No. 683/75
by Mr Glinne
to the Commission of the European Communities

Subject: The Community's position with regard to the UN Special Fund

By Resolution 3356 (XXIX) of 18 December 1974, the UN General Assembly decided on the creation and composition of a Special Fund to grant special aid to those developing countries most seriously affected by the world economic crisis. The Council of Governors responsible for the administration of the Fund comprises 36 members, including three representatives of the Community Member States: France, the Netherlands and the United Kingdom.

In view of the adoption by the General Assembly, at its thirtieth session, of a resolution tabled by the vice-chairman of the second committee, could the Commission answer the following questions:

1. A number of countries have expressed willingness to make contributions to the Special Fund provided it is sufficiently endowed, and the seventh special session of the Assembly asked the developed countries and those developing countries in a position to do so, to make appropriate contributions to the Fund so that loans could be granted starting in 1976, if possible. According to the Council of Governors' report on its first meeting (official documents of the thirtieth session, supplement No. 21, A/10021), the representative of the Netherlands (see para. 32) said that, in principle, his government was prepared to contribute, provided that the Special Fund received sufficient money from other sources.

What contributions have Community Member States and the Community itself promised or made to date? How do these contributions compare with those of the Member States, the USSR, Venezuela and OPEC?

2. The motion for a resolution numbered A/C.2/L1431 suggested that a conference be convened to announce contributions to the Special Fund in February/March 1976, to enable the Fund to begin operations in 1976, and requested the Council of Governors to take the necessary measures to this end. The resolution actually voted (A/C.2/L.1449) authorizes the Council of Governors to convene a conference in 1976 to announce contributions to the Special Fund. What is the Community doing to concert and work out a position for this conference?

3. Was the Community involved in, or was it responsible for, the motion requesting incorporation in the Rules of Procedure of the Council of Governors of a Rule 43, apparently concerning the participation of supranational entities?
4. What sums have been paid in so far to the Secretary-General's special account? From what sources? How many come from the Community and/or its Member States? How and for what purposes have EEC contributions been used up to now?
5. The original list of beneficiary countries has grown; how many are there now and who are they?
6. Article 44 of the Council of Governors' Rules of Procedure provides as follows:

Observers appointed by inter-governmental organizations to which the General Assembly has accorded the status of permanent observer, or who are appointed on a special or permanent basis by the Council, shall be invited to attend meetings of the Council, of its session committees and of its working parties and to attend, without voting rights, the proceedings of those organs on matters specifically falling within their sphere of competence.

In view of the observer status granted to the Community, the Commission and Council taking care to ensure that the Commission representation at the General Assembly is able to play a full part in those tasks?

7. Are the Commission and Council endeavouring to arrange where possible, and to the extent desired, for the three EEC members of the Council of Governors to concert on behalf of the Nine with the ACP members of that Council?

ANSWER TO WRITTEN QUESTION NO 683/75 BY MR GLINNE

1. The Commission's information is that Norway is the only country to have pledged a definite contribution (US\$ 10 000) to the Special Fund. The Netherlands, the United Kingdom, Austria and Sweden have declared their intention of making a contribution (without naming a figure) subject to "comparable" contributions being made by other groups of countries. Venezuela is also prepared to contribute (US\$ 17 million). The Community has not announced its own contribution, although it has, at the Commission's instigation, contributed to the Special Account (see 4 below).

The Commission's feeling is that there are already a number of channels, UN and otherwise, through which fairly substantial operations to help the countries most seriously affected by the crisis can be financed. It feels that any new operations should have a specific aim and get to the root of the under-development problem. This is why it has recommended that the Community should participate in the International Fund for Agricultural Development.

2. The Commission does not feel that it is for the Community to press for the convening of a pledging conference for the Special Fund; it understands that the Board of Governors is to set a date for it at its Third Session (29 March - 9 April 1976). This being so the Commission has made no proposals to Member States though it is prepared to look into the matter with them if they so wish.
3. The draft text of Article 43 of the Rules of Procedure of the Board of Governors refers solely to the United Nations specialized agencies.

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4. Contributions to the Special Account for the UN Emergency Operation are listed in Tabel I.

Since contributions to the Special Account are regarded as a whole it is impossible to say how the Community's contribution was used. It is worth noting however that a number of countries, including Rwanda and Burundi, were added to the list of beneficiaries from the Special Account at the Community's insistence.

Direct contributions from the Community have helped various recipients to meet the cost of importing essential goods: food, transport of food aid, chemical fertilizers, machinery for agricultural schemes and public works projects, insecticides, seeds, and so on.

Tabel II gives a breakdown of the Community contribution to the UN Emergency Operation.

5. The UN list of countries most seriously affected by the crisis (known as the "MSA countries") is given in Tabel III. A total of 42 countries are listed at present.
6. The Commission would point out that there is no causal link between the observer status enjoyed by the Community at the General Assembly and attendance by a Commission representative at meetings of the Board of Governors. Indeed, given its attitude towards the Special Fund, the Commission feels that attendance by its representatives would be inappropriate.
7. For the same reasons the Commission sees no real need for concerted action between the three EEC members of the Board of Governors, acting on behalf of the Community, and the ACP members of the Board.

Table I

Contributions to the Special Account for the UN Emergency Operation
(April 1974 - May 1975)

US \$

Algeria	10 000 000	
Australia	4 005 000	
<u>European Economic Community</u>	<u>63 000 000</u>	
Iceland	40 000	
Iran	20 000 000	
Japan	6 500 000	
Kuwait	10 000 000	
<u>Netherlands</u>	<u>26 000 000</u>	
Norway	2 985 000	
Saudi Arabia	30 000 000	
Sweden	11 416 000	
United Arab Emirates	10 000 000	
<u>United Kingdom</u>	<u>12 165 000</u>	
Venezuela	80 000 000 ¹	
Yugoslavia	3 200 000	
Total pledged	<u>289 311 000</u>	
Total paid ²		259 471 000
Total committed ³		243 000 000

¹ US \$53 000 000 paid on 9 February 1976

² Of which US \$101 165 000 by the Community

³ Recipients are listed in Annex III

TABLE IIEEC CONTRIBUTION TO THE UN EMERGENCY OPERATIONBreakdown by productFirst instalment - US \$ 150 000.000

	Quantity	Value (US \$)	%
Fertilizers	238 861 tonnes)	64 515 612	53.76
Fertilizers	528 812 litres)		
Coal	335 297 tonnes	7 691 912	6.41
Cement	27 973 tonnes	1 963 902	1.64
Transport of cereals (150 000 t)	-	3 783 431	3.15
Transport of milk powder (2 000 t)	-	159 457	0.13
Sugar	7 336 tonnes	6 098 303	5.08
Condensed milk	400 tonnes	342 255	0.29
Machinery (public works, agriculture, sugar refining)	-	4 730 444	3.94
Outback and bitumem	3 150 tonnes	718 978	0.60
Steel	7 222 tonnes	4 062 139	3.39

TABLE III

Countries most seriously affected by the current economic crisis

A list of these countries is given below with an indication of the aid granted each of them

(a) by the Community directly (in two instalments)

(b) from the UN Special Account as part of the UN Emergency Operation between April 1974 and May 1975.

Country	Aid allocated (US \$ million)	
	(a) Total EEC	(b) UN Special Account
Afghanistan	-	0.6
Bangladesh	35	47.0
Burma	-	1.0
Burundi	-	1.0
Kmer Republic	-	-
Cameroon	2	2.8
Cape Verde	-	0.5
Ivory Coast	-	3.3
Dahomey	1	2.6
Egypt	-	9.0
El Salvador	-	2.5
Ethiopia	1	1.0
Ghana	2	6.5
Guinea	-	4.1
Guinea-Bissau	-	0.5
Guyana	-	0.5
Haiti	1	2.7

	Quantity	Value (US \$)	%
Textiles	71 tonnes	148 943	0.12
Miscellaneous equipment	-	9 957 467	8.30
Spare parts	-	1 561 439	1.30
Products	-	212 115	0.18
Wheat flour	30 875 tonnes	8 265 091	6.89
Wheat	17 045 tonnes	3 000 000	2.50
Maize	5 000 tonnes	1 000 000	0.83
Salt	4 550 tonnes	214 306	0.18
Tomato concentrate	72 tonnes	64 554	0.05
Jute sacks	422 900 items	247 646	0.21
Blankets	52 164 items	99 223	0.08
Malt	1 175 tonnes	349 875	0.29
Rice	3 265 tonnes	812 908	0.68
		<u>120 000 000</u>	100
UN SPECIAL ACCOUNT		<u>30 000 000</u>	
		<u>150 000 000</u>	

Country	Aid allocated (US \$ million)	
	(a) Total EEC	(b) UN Special Account
Upper Volta	4	2.0
Honduras	4	3.2
India	75	54.5
Kenya	8	6.8
Laos	-	0.5
Lesotho	-	0.5
Madagascar	3	4.3
Mali	7	7.6
Mauritania	-	2.0
Mozambique	-	3.2
Niger	7	2.9
Western Samoa	-	0.5
Uganda	-	1.0
Pakistan	6	16.0
Central African Republic	1	3.6
Rwanda	1	1.5
Senegal	2	1.0
Sierra Leone	-	3.0
Somalia	4	5.3
Sudan	-	4.3
Sri Lanka	8	11.4
Tanzania	12	14.9
Chad	3	2.9
Yemen (Arab Republic)	-	0.5
Yemen (People's Democratic Republic)	-	4.8
	187 ¹	± 243

¹ to which must be added US \$63 million paid into the UN Special Account making a total of US \$250 million.