

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76)699 final/2
APR 15 1976
Luxembourg, 17 November 1976

EMERGENCY FOOD AID FOR THE COMORO ISLANDS

(Commission proposal to the Council)

COM(76)699 final/2

Explanatory memorandum

I. Comoro Islands' application and details of requirements

A. Application

The Government of the Comoro Islands has applied to the Community for an emergency food aid entailing the supply of 1 800 tonnes of wheat flour, 8 000 tonnes of rice and 40 tonnes of butteroil¹.

The reasons for this application are that the general economic situation in the Comoro Islands, which acquired independence on 6 July 1975, is now very difficult and the Government is finding it virtually impossible to import, on a commercial basis, the products required to feed the Islands' inhabitants.

The reports drawn up by various missions (Commission, United Nations) have shown that all areas of economic activity are almost totally paralysed.

B. Requirements

The country has an in-built shortage of foodstuffs because local production is insufficient: annual imports of cereals have varied from 12 000 tonnes to 20 000 tonnes in recent years.

Details of the amounts and kinds of cereals which the country needs to import for the period July 1976/June 1977 are shown in the following table:

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¹An initial aid for the Comoro Islands in the form of the supply of 500 tonnes of skimmed milk powder has been decided by the Community under the 1976 food aid (skimmed milk powder) programme.

Cereals import requirements for period July 1976/June 1977
(in tonnes)

| | Quantities and nature of cereals | Unworked cereals equivalent |
|--|-------------------------------------|--------------------------------|
| 1. Gross requirements (source: FAO) | 18 000 t rice 2 000 t wheat | 46 450 t 2 000 t |
| TOTAL | 20 000 t | 48 450 t |
| 2. Aids planned or decided | | |
| KUWEIT | 10 000 t | 25 806 t |
| WFP | 2 500 t rice 1 500 t flour | 6 451 t 2 265 t |
| 3. Commercial imports ¹ | 2 000 t rice | 5 160 t |
| TOTAL (2+3) | 16 000 t | 39 682 t |
| 4. Net requirements (1-(2+3)) | 4 000 t | 8 768 t |

¹with funds made available by the Netherlands

The Comoro Islands will therefore have to cover a deficit of more than 8 000 tonnes of cereals in the current marketing year.

Some 115 tonnes of oils and fats have to be imported annually.

The Comoro Islands cannot finance all their food imports from their export earnings alone. It is estimated that they need to import 2.64 million

.../...

CFAFs' worth of these products, while the country's exports are only worth a total of 1.85 million CFAF. The need to continue importing capital goods, raw materials, semi-processed products and other essentials, to the tune of some 1.54 million CFAF, means, in view of the drop in foreign aid, that the Islands' export earnings will also have to be used to buy these products, which leaves few resources available for the commercial import of foodstuffs.

II. Commission proposal

Given this, the Commission proposes that the Community decide to grant the Comoro Islands an emergency food aid to be delivered cif and to consist of 8 000 tonnes of cereals and 40 tonnes of butteroil to be sold in principle¹ on the local market, the proceeds to be spent on a development project.

The cost of this measure can be estimated at approximately 1 441 340 u.a.²; the cereals and butteroil would be supplied from available reserves under the 1976 food aid (cereals and butteroil) programmes, which at present stand at 22 950 tonnes of cereals and 779 tonnes of butteroil.

It is essential that a decision should be taken by the Community before the end of the year as so far only 31 000 of the 40 000 tonnes which the country is due to receive have reached the Comoro Islands, which means that requirements are only covered up to about mid-February and there could be a break in supplies after then.

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¹ Except for very small quantities of cereals which would be used to feed 2 500 workers employed on the national roadbuilding programme.

² See attached financial annex.

CONCLUSION

Taking into account the points made above, it is proposed that the Council:

- decide the supply to the Comoro Islands of 8 000 tonnes of cereals and 40 tonnes of butteroil as emergency food aid, to be delivered cif;
- adopt the attached act accordingly.

PROPOSAL FOR COUNCIL REGULATION (EEC)

on the supply, as a matter of urgency, of butteroil to the Comoro Islands as food aid and pursuant to Regulation (EEC) No 695/76

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

having regard to the Treaty establishing the European Economic Community,

having regard to Council Regulation (EEC) No 694/76 of 25 March 1976, laying down general rules for the supply of milk fats to certain developing countries and international organizations under the 1976 food-aid programme,¹ and in particular Articles 3 and 8 thereof,

having regard to the proposal from the Commission,

whereas Regulation (EEC) No 694/76 provides for the supply of 45,000 metric tons of butteroil as food aid to certain developing countries and international organizations;

whereas Council Regulation (EEC) No 695/76 of 25 March 1976 on the supply of milk fats to certain developing countries and international organizations under the 1976 food-aid programme² provides for a contingency reserve of 3,640 metric tons of butteroil;

.../...

¹OJ No L 83, 30.3.1976, p.4.

²OJ No L 83, 30.3.1976, p.6.

whereas the Comoro Islands have applied for emergency food aid for their needy inhabitants, whereas the needs of those inhabitants warrant food aid from the Community, and whereas in view of the situation the costs of forwarding should be paid as far as the port of unloading,

HAS ADOPTED THIS REGULATION:

Article 1

Of the 3,640 metric tons of butteroil provided for as a reserve by Regulation (EEC) No 695/76, 40 metric tons shall be allocated to the Comoro Islands for their needy inhabitants.

Article 2

The Community shall finance the costs of forwarding as far as the port of unloading.

Article 3

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
The President

FINANCIAL ANNEX

1. Relevant Budget lines

Cereals: Article 920, item 9201 of 1976 Budget (appropriations 97.97 MUA)

Butteroil: Article 921, item 9212 of 1976 Budget (appropriations 69.25 MUA)

2. Headings

1976 cereals programme

1976 butteroil programme

3. Legal basis

Council Decisions of 25 March 1976

4. Description, purposes and justification of operation

Allocation of 8,000 metric tons of cereals and 40 metric tons of butteroil to the Comoro Islands

5. Appropriations

5.1 Mode of calculation

Raw material

8,000 metric tons cereals, in form of 4,000 metric tons rice
40 metric tons butteroil

4,000 mt x 254.59 u.a./mt = 1,018,360 u.a.

40 mt x 1394.49 u.a./mt = 55,780 u.a.

1,074,140 u.a.

Transport/distribution

4,000 mt x 90 u.a./mt = 360,000 u.a.

40 mt x 180 u.a./mt = 7,200 u.a.

367,200 u.a.

TOTAL = 1,441,340 u.a.
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5.2 Expenditure implications

Will not entail additional expenditure to that already planned for 1976 programmes.

6. Monitoring arrangements

Financial Regulation of 25 April 1973 with respect to the General Budget of the Communities