

## EUROPEAN PARLIAMENT

# Working Documents

1974-1975

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18 February 1975

DOCUMENT 494/74

## Report

drawn up on behalf of the Committee on  
Development and Cooperation

on the proposal from the Commission of the  
European Communities to the Council (Doc. 474/74)  
for a regulation amending Regulation (EEC)  
No. 1052/73 on the supply of sugar to UNRWA as  
food aid pursuant to the Agreement with that  
Agency dated 18 December 1972

Rapporteur: Mr H. SEEFELD

PE 39.700/fin.



By letter of 3 February 1975 the President of the Council of the European Communities requested the European Parliament to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 1052/73 on the supply of sugar to UNRWA as food aid pursuant to the Agreement with that Agency dated 18 December 1972.

On 6 February 1975 the Bureau referred this proposal to the Committee on Development and Cooperation as the committee responsible and to the Committee on Budgets for its opinion.

On 5 February 1975 the Committee on Development and Cooperation appointed Mr SEEFELD rapporteur.

It considered this proposal at its meeting of 12 February 1975.

At the same meeting the committee unanimously adopted the motion for a resolution and the explanatory statement.

Present: Mr Deschamps, Mr Knud Nielsen and Mr Sandri, vice-chairmen; Mr Seefeld, rapporteur; Mr Corona, Mr Dondelinger, Mr Durieux, Mrs Fenner, Mr Kavanagh (deputizing for Mr Flämig); Mr Glinne, Mr Ligios, Mr Romualdi and Mr Schuijt.

The opinion of the Committee on Budgets is attached.

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The Committee on Development and Cooperation hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No. 1052/73 on the supply of sugar to UNRWA as food aid pursuant to the Agreement with that Agency dated 18 December 1972

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM (74) 2269 final),
- having been consulted by the Council (Doc. 474/74),
- having regard to the report of the Committee on Development and Cooperation and the opinion of the Committee on Budgets (Doc. 494/74),
- having regard to previous resolutions and reports,

1. Considers that the commitments entered into by the Community to deliver sugar to UNRWA as food aid pursuant to the Agreement with that Agency dated 18 December 1972 must be honoured;
2. Notes with regret that the invitations to tender in 1974 were unsuccessful and that the 6,094 metric tons of white sugar were not available on the Community market on normal terms;
3. Therefore agrees that the Community should make these purchases on the world market and recommends that the appropriate budgetary allocations be made;
4. Also calls on the Commission, however, to make the necessary purchases on the most advantageous terms possible;
5. Desires, on humanitarian grounds, that full account be taken of the urgency of the proposed measures, since UNRWA has already been forced to reduce its sugar aid by half and will have to discontinue supplies at the end of the year;

6. Agrees that Article 1 (1) of the aforementioned Regulation should be amended accordingly, particularly since the Community is virtually the sole supplier of sugar to UNRWA;
7. Instructs its President to forward this resolution and the Committee's report to the Commission of the European Communities and, for information, to UNRWA.

EXPLANATORY STATEMENT

1. The Community has undertaken, under the three-year Agreement<sup>1</sup> between the European Economic Community and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), to deliver 6,094 metric tons of sugar to the Agency between July 1974 and June 1975.
2. Council Regulation (EEC) No. 1052/73 of 17 April 1973 on the supply of sugar to UNRWA as food aid pursuant to the Agreement with that Agency dated 18 December 1972<sup>2</sup> provides that this aid is to take the form of white sugar, produced and in free circulation in the Community.
3. On 7 August 1974 an invitation to tender was issued for the immediate supply of an initial consignment of 1000 metric tons of white sugar to be divided into 2 lots. No tenders were received. On 18 September 1974 the Community issued a new standing invitation to tender for the supply of a total of 6,094 metric tons of white sugar, divided into 2 lots, but despite six partial invitations to tender, no offers were received.
4. In view of the sugar supply situation in the Community and the poor prospects for the 1974/75 harvest this situation is unlikely to change in the near future. The sugar supplies delivered to UNRWA in 1973/74 have since been exhausted. As a result of this situation, UNRWA, which has already had to reduce its sugar aid by half, will by the end of the year have to discontinue its supplies and will no longer be able to distribute sugar as provided for in its refugee aid programme. The Community is virtually the sole supplier of the sugar thus distributed.
5. In view of this unfortunate situation a solution to the difficulties must be found as soon as possible. In view of the general sugar situation the only means by which the Community can fulfill its undertakings to UNRWA is to purchase sugar on the world market at higher prices.

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<sup>1</sup>OJ No. L 304 of 31.12.1972

<sup>2</sup>OJ No. L 105 of 20.4.1973

6. The European Parliament is therefore in agreement that Article 1 (1) of the Council Regulation should be amended accordingly so that the commitments entered into may be honoured.
7. Appropriate budgetary allocations will have to be made to take account of higher prices on the world market. Efforts should nevertheless be made to purchase the required quantities at the most advantageous prices possible.

OPINION OF THE COMMITTEE ON BUDGETS

Letter from Mr Georges SPENALE, chairman, to Miss Colette FLESCHE, chairman of the Committee on Development and Cooperation.

Dear Miss Flesch,

At its meeting of 11 February 1975, the Committee on Budgets considered the proposal for a regulation amending Regulation No. 1052 on the supply of sugar to UNRWA as food aid pursuant to the Agreement with that Agency dated 18 December 1972 (COM(74) 2269 final). As the proposal was received late, the Committee on Budgets asked me to inform you of its opinion by letter.

This proposal to amend the regulation in force, in order to enable the Community to purchase the sugar for Middle East countries and Palestinian refugees currently suffering from a shortage on the world market, has certain financial implications the details of which are given in the financial statement.

The operation would cost a total of 5,576,010 u.a.

This sum would be covered by

- a transfer under Chapter 92 (food aid)
  - of 2,381,659 u.a.
  - and
- under item 9040 of the 1974 budget,
  - bringing forward credits of 3,194,351 u.a.

The latter budgetary operation will require the European Parliament to be consulted in the future since these credits are not carried forward automatically.

The Committee on Budgets considers that the only way to ensure that this sugar is supplied to UNRWA is through the world market, and realizes that the Community must meet its international obligations in this important sector. It therefore pronounces in favour of this proposal.

Yours sincerely,

Georges SPENALE

