

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 257 final.

Brussels, 21 May 1979

PROPOSAL FOR A
COUNCIL REGULATION (EEC)

on exceptional food aid to the Republic
of Malta in the form of pigmeat

(submitted to the Council by the Commission)

COM(79) 257 final.

EXPLANATORY MEMORANDUM

I. AID REQUESTED

On 15 December 1978 the Republic of Malta submitted a request to the Commission for exceptional food aid in the form of 9 000 tonnes of frozen pigmeat to be supplied over a two-year period, including 1 000 tonnes to be delivered immediately. The reason for this request was the African swine fever epidemic that had broken out in Malta leaving the Maltese authorities no alternative but to slaughter pigs systematically.

II. PRESENT SITUATION:

The study of the health of pigs in Malta carried out by the Maltese authorities in conjunction with the relevant Commission departments showed that the only solution was to slaughter all pigs and then build up a fresh stock of healthy animals once the requisite disinfection and disease eradication measures had been taken. In 1978, before the epidemic, Malta had a total of approximately 80 000 pigs. Of these, 76 000 were slaughtered in 1978 and the remaining 4 000 by 1 February 1979.

III. MEASURES ALREADY PLANNED BY THE COMMUNITY:

In view of the gravity of the situation (accentuated by the fact that 10% of the cattle on the island recently had to be slaughtered because of the outbreak of foot-and-mouth disease) and bearing in mind that the drastic eradication measures adopted by the Maltese Government will also protect Community pig herds (especially in Italy), the disease being highly contagious, the Commission has drawn up a proposal with a view to granting Malta up to 5 000 000 EUA over three years (including 2 500 000 EUA in 1979) in support of the country's emergency programme. This programme, which will cost a total of approximately 10 000 000 EUA (50% to be covered by Malta), comprises a set of strict measures:

1. Disease eradication measures: slaughter of all pigs, destruction of all contaminated meat and disinfection of piggeries and meat storage premises.
2. Preventive measures: veterinary inspection of imports, ban on the introduction of any live pigs during a six-month period, with the exception of breeders on the island of Comino.
3. Restocking measures: gradual restocking with breeders on Comino, renovation of pig-breeding establishments followed by the reconstitution of a healthy pig herd using the breeders on Comino, and strict health-protection supervision throughout this period (2½ to 3 years).

IV. ESTIMATED FOOD AID REQUIREMENTS:

These measures, though substantial, will only partially alleviate the most harmful and serious effects of the epidemic. The lack of pigmeat for local consumption will be a particularly acute problem, especially during the period following the slaughter of all pigs until such time as a fresh herd has been built up and pigmeat is once again fit for human consumption.

In 1978 Malta produced 5 600 tonnes of pigmeat and local consumption was also 5 600 tonnes. Before the outbreak of the epidemic, therefore, Malta was self-sufficient in pigmeat, imports and exports being minimal. Beef, the only possible substitute, is not a satisfactory alternative as the cattle population has itself been decimated by disease and beef production is inadequate anyway, even under normal circumstances.

Restocking of pig farms is bound to be a somewhat lengthy process in view of the gestation period of the breeders and the time required to fatten animals. It will therefore be thirteen months after restocking starts before pigmeat will be available for consumption in Malta.

In any event a return to production on any significant scale cannot be

be expected before August 1980. On the basis of statistics for previous years, pigmeat requirements for the entire period from 1 January 1979 to 1 August 1980 can be estimated at 8 400 tonnes.

V. COMMISSION PROPOSAL:

In the light of the foregoing and the gravity of the situation, and bearing in mind the other measures recommended by the Commission to help the Republic of Malta overcome this disaster, the Commission proposes that Malta be granted exceptional food aid in the form of 2 500 tonnes of frozen pigmeat, corresponding to roughly 30% of the country's requirements, to be delivered to the port of unloading. As requested by the Maltese authorities, an initial quantity of 1 000 tonnes will be supplied as soon as possible and the remaining 1 500 tonnes will be delivered sometime around mid-year. This meat will be intended for sale on the local market and the proceeds will be used, in line with the wishes of the Maltese Government and in accordance with arrangements to be agreed with the Commission, for the purposes of the programme to reconstitute the pig herd on the island.

CONCLUSION:

The Commission therefore proposes that the Council:

- (i) grant the Republic of Malta exceptional food aid in the form of 2 500 tonnes of pigmeat, to be delivered in two instalments; an initial instalment of 1 000 tonnes to be supplied as soon as possible and a second instalment of 1 500 tonnes to be supplied in mid-1979;
- (ii) decide to finance refrigerated transportation of the aid to the port of unloading;
- (iii) adopt the relevant legal text.

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,
and in particular Articles 43 and 235 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas the Republic of Malta has submitted a request to the Community for
exceptional food aid in the form of pigmeat;

Whereas such aid is required by that country particularly on account of the
swine fever epidemic that has recently decimated its pig herds;

Whereas the Community has taken steps to provide financial assistance for
the programme to eradicate African swine fever in Malta;

Whereas exceptional food aid in the form of pigmeat can be considered an
essential adjunct to Community financial assistance to Malta;

Whereas, in view of the circumstances giving rise to the granting of the food aid in question, this operation cannot be carried out until action has been taken to slaughter pigs, destroy pigmeat and decontaminate farms, slaughterhouses and meat storage premises on Maltese territory;

Whereas the pigmeat to be supplied by way of aid must be mobilized on the Community market, as stocks are available within the Community;

Whereas the meat in question must be bought and transported as cheaply as possible; whereas provision must be made for a tendering procedure in order to achieve that aim;

Whereas this food aid is of an exceptional nature; whereas the regulations on the common organization of the markets in the pigmeat sector do not provide for tendering procedures; whereas the recipient country should therefore make its own arrangements, in accordance with the conditions to be laid down by the Commission, for mobilizing and transporting the supplies in question;

Whereas implementation of this operation would appear to be conducive to furthering the aims of the Community;

Whereas the Treaty does not provide the necessary powers of action for this purpose,

HAS ADOPTED THIS REGULATION:

Article 1

Exceptional food aid consisting of 2 500 tonnes of pigmeat, in the form of carcasses or semi-carcasses, without heads, feet or flare fat and of a quality no higher than class II on the Community scale for the classification of pig carcasses, shall be granted to the Republic of Malta for consumption by the local population.

Article 2

The exceptional food aid specified in the preceding Article shall be mobilized by the recipient country on the Community market in accordance with the tendering procedure. The Commission shall lay down appropriate conditions for the tendering procedure and for the use of the aid by the recipient country.

Article 3

The food aid operation may be implemented as soon as the necessary health measures have been taken in Malta in respect of:

- the slaughter of pigs,
- the destruction of all types of pigmeat and of all pigmeat-based products with the exception of preserves in sterilized tins,
- the cleaning, disinfection, disinsectization and deratization of farms and all places likely to have been contaminated by pigs, pigmeat or pigmeat-based products.

Article 4

No refund shall be payable in respect of the goods supplied by way of food aid under this Regulation.

Article 5

The Community shall cover the cost of refrigerated transportation of the food aid to the port of unloading.

Article 6

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

For the Council

The President

FINANCIAL MEMORANDUM

1. Numbers of relevant budget headings:

Title 9, Chapter 92 ("Food aid"), Article 923.

Title 6, Chapter 66, Article 660.

2. Titles of budget headings:

"Food aid in other products".

"Refunds on pigmeat".

3. Legal basis

Council Regulation.

4. Description, objective and justification of operation:

The purpose of this exceptional aid for Malta in the form of 2 500 tonnes of frozen pigmeat is to help this country overcome the disastrous situation that has arisen as a result of the African swine fever epidemic currently afflicting this island. As all pigs have had to be slaughtered, the production of pigmeat, which is intended solely for local consumption, will be halted completely for the whole of 1979 and part of 1980. Pigmeat is to be supplied to Malta in the form of carcasses.

5. Financial implications in EUA:

The total cost of the operation can be estimated at 4.2 million EUA broken down as follows:

1. Cost of the meat:

(market price + freezing + delivery fob + effect of dual rate):

$$2\,500\text{ t} \times 1\,226 \times 1.248^1 = 3\,826\,000\text{ EUA}$$

2. Cost of refrigerated transport:

$$2\,500\text{ t} \times 140\text{ EUA/t} = 350\,000\text{ EUA}$$

Total 4 176 000 EUA

= approx. 4.2 million EUA

This amount will be charged as follows:

The amount of the refund will be charged to article 660 entitled "Refunds on Pigmeat"

It will be calculated as follows:

$$\begin{aligned} 2\,500\text{ t} \times 150 \times 1.248^1 &= && 468\,000\text{ EUA} \\ &= \text{approx.} && 0.5\text{ million EUA} \end{aligned}$$

- The cost of the pigmeat at the world price and the cost of refrigerated transport will be charged to Article 923 of the Budget (Other products).

It will be calculated as follows:

$$\begin{aligned} 2\,500\text{ t} \times 1\,076 \times 1.248^1 &= && 3\,358\,000\text{ EUA} \\ 2\,500\text{ t} \times 140\text{ EUA/t} &= && 350\,000\text{ EUA} \\ &&& \hline \text{Total Chapter 92:} &&& 3\,708\,000\text{ EUA} \\ &= \text{approx.} && 3.7\text{ million EUA} \end{aligned}$$

Given the urgency of the matter, the relevant budget headings will be provided by way of transfer, inside the appropriations agreed by the budgetary authority for 1979.

6. Control:

Control over the operation will be exercised in accordance with the provisions in force, in particular Article 82 of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities. Delivery of the pigmeat will be subject to verification by the relevant Commission departments so as to ascertain that all necessary health precautions have been taken and that the food aid is used as intended.

¹.Effect of dual exchange rate.