COMMISSION OF THE EUROPEAN COMMUNITIES

COM(81) 15 final Brussels, 27 January 1981

Proposal for a COUNCIL REGULATION (EEC)

amending Council Regulations (EEC) Nos 1767/77, 828/78 and 938/79 and Nos 76/77 and 831/78 on the supply of skimmed-milk powder and milk fats respectively to certain developing countries and specialized bodies under the annual food aid programmes

(submitted to the Council by the Commission)

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A. EXPLANATORY MEMORANDUM

The implementation of food aid programmes for milk products, particularly skimmed milk powder, is often held up because of a lack of the technical facilities needed to use the products properly.

Skimmed milk powder

Despite their large protein requirements some countries have difficulty in absorbing the quantity made available to them, either because the processing industry cannot cope or because there is no properly structured distribution programme. This leads to considerable delays in delivery and a build-up of aid in the general reserve.

The Commission considers, as it stated to Parliament during the world hunger debate, that the 150 000 t of skimmed milk powder available annually under the food aid programme is the maximum possible as long as the developing countries' absorption capacity has not been increased by establishing processing facilities or efficiently-run distribution programmes.

At the moment the quantity of unallocated skimmed milk powder remaining in the reserves under the 1978, 1979 and 1980 programmes stands at 13 229 t plus 8 375 t which, although allocated, has not been taken up by the intended beneficiaries, or which the Commission feels cannot be delivered because there is no guarantee that it will be properly used.

At the same time, it has been necessary to refuse requests from countries or organisations which could have used more than the amount allocated to them.

The Commission therefore considers that some of the aid should be reallocated.

Given the size of the reserves, and the fact that there are operations which should be cancelled because they were scheduled under old programmes or will not be implemented in the near future, the following quantities will be available for reallocation:

Programme	Reserve	Country	Total
1977		450 t Guinea <u>650 t</u> Yemen (PDR) 1 100 t	1 100 t
1978	400 t	600 t Antigua 50 t Congo 2 325 t Sudan 3 000 t Yemen (PDR) 5 975 t	6 375 t
1979	6 714 t	700 t Mauritius 600 t Guinea Bissau 1 300 t	8 014 t
1980	6 115 t	, page 1	6 115 t
TOTAL	13 229 t	8 375 t	21 604 t

If these countries subsequently need such aid the Commission can allocate it under the annual programmes.

The Commission has received a request for food aid in the form of skimmed milk powder from the WFP, which has a shortfall of 22 000 t. To maintain normal supplies for its operation until the end of 1981 the WFP will need a total of 117 000 t, not counting any emergency aid.

Total forecast contributions from the various donors amount to 95 000 t, leaving a shortfall of 22 000 t.

If donors do not increase contributions, this means that several "food for work" projects already under way will have to be discontinued.

Under its 1980 food aid programme the Community is giving the WFP 30 000 t of skimmed milk powder, and the same amount will be proposed for the 1981 programme. But more should be done to help the WFP out of its difficulty. Exceptionally, therefore, we propose that it should be allocated a further 15 489 t of skimmed milk powder, representing the balance from the 1977, 1978 and 1979 programmes after cancellation of the operations listed above.

2. Butteroil

The Commission considers that the 45 000 t of butteroil currently provided each year under the food aid programme is inadequate to meet the needs of the developing countries. In the 1981 budget proposals it has therefore repeated its request for an appropriation to enable it to increase this figure by 10 000 t_{\star}

However, in the meantime two countries have not called for the butteroil aid allocated to them. The countries are Yemen PDR (700 t under the 1977 programme and 550 t under the 1978 programme) and Congo (50 t under the 1978 programme).

The Commission considers that these allocations should be cancelled and returned to the respective reserves (1), thus enabling the Community to make more aid available for emergency operations.

PROPOSAL

In the light of the foregoing the Commission proposes that the Council decide to:

- 1. Cancel the aid allocated to the following:
 - a) Skimmed milk powder

1977	programme:	Guinea		450	t
1000	programme:	Yemen PDR		650	2500
1978	programme:	Antigua		600	t
		Congo		50	t
		Sudan	2	325	t
		Yemen PDR	3	000	t
1979	programme:	Mauritius		700	t
		Guinea Bissau		600	+

⁽¹⁾ The butteroil reserves currently stand at: 1977: zero; 1978: zero; 1979: 110 t; 1980: 1 224 t

b) <u>Butteroil</u>

1977 programme: Yemen PDR 700 t

1978 programme: Congo 50 t

Yemen PDR 550 t

2. Reallocate:

a) Skimmed milk powder

To WFP: 15 489 t from the above cancellations and available

reserves under the 1977, 1978 and 1970 programmes

b) Butteroil

To general reserve of 1977 programme: 700 t

To general reserve of 1978 programme: 600 t.

C. FINANCIAL IMPLICATIONS

The proposed operations will involve no extra expenditure since all costs have already been allowed for in the various food aid programmes.

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulations (EEC) Nos 1766/77 (1), 827/78 and 937/79⁽³⁾ laying down general rules for the supply of skimmed-milk powder to certain developing countries and specialized bodies under the 1977, 1978 and 1979 food aid programmes, and to Council Regulations (EEC) Nos 1768/77 (4) $830/78^{(5)}$ and $939/79^{(6)}$ laying down general rules for the supply of milk fats. to certain developing countries and specilized bodies under the 1977, 1978 and 1979 food aid programmes,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EEC) No 1767/77 allocated 900 t of skimmedmilk powder to Guinea and 650 t to Yemen PDR; whereas Council Regulation (EEC) No 828/78⁽⁸⁾ allocated 600 t of skimmed-milk powder to Antigua, 50 t to Congo, 2 325 t to Sudan and 3 000 t to Yemen PDR; whereas Council Regulation (EEC) No 938/79⁽⁹⁾ allocated 700 t of skimmed-milk powder to Mauritius, 600 t to Guinea Bissau and 15 000 t to Vietnam; whereas Council Regulation (EEC) No 1769/77⁽¹⁰⁾ allocated 700 t of butteroil to Yemen PDR; whereas Council Regulation (EEC) No 831/78 (11) allocated 50 t of butteroil to Congo and 550 t to Yemen PDR; whereas with the exception of 450 t supplied to Guinea under the 1977 programme it has not been possible to deliver the abovementioned quantities, which should be returned to the relevant programme reserves;

.... ...

⁽¹⁾ OJ No L 192, 30.7.1977, p.1

⁽²⁾ OJ No L 115, 27.4.1978, p.1

⁽³⁾ OJ No L 119,15.5.1979, p.1

⁽⁴⁾ OJ No L 192, 30.7.1977, p.5

⁽⁵⁾ OJ No L 115, 27.4.1978, p.6

⁽⁶⁾ OJ No L 119, 15.5.1979, p.5 (7) OJ No L 192, 30.7.1977, p.3 (8) OJ No L 115, 27.4.1978, p.3 (9) OJ No L 119, 15.5.1979, p.3

⁽¹⁰⁾ OJ No L 192, 30.7.1977, p.7

⁽¹¹⁾ OJ No L 115, 27.4.1978, p.8

Whereas the WFP has requested food aid in the form of skimmed milk powder; whereas, in view of that body's needs, the Community should provide an additional amount of 15 489 t of skimmed-milk powder as food aid; whereas this total should be obtained from the reserves of these programmes;

Whereas the Annexes to the said Regulations should, accordingly be amended; HAS ADOPTED THIS REGULATION:

Article 1

The annexes to Regulations (EEC) Nos 1767/77, 828/78, 938/79, 1769/77 and 831/78 are hereby amended as shown in the Annex.

Article 2

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

ANNEX

		Country	Quantity
1.	Skimmed milk powder		
	Annex to:		
	Regulation (EEC) No. 1767/77	cancelled YEMEN PDR	
		amended GUINEA WFP 27	900 t becomes 450 t '000 t becomes 28 100 t
	Regulation (EEC) No. 828/78	cancelled ANTIGUA CONGO SUDAN YEMEN PDR	
			000 t becomes 26 375 t 639 t
	Regulation (EEC) No. 938/79	cancelled GUINEA BISSAU MAURITIUS	
			000 t becomes 38 014 t 775 t becomes 13 061 t
2.	Butteroil Annex to:		
	Regulation (EEC) No. 1769/77	cancelled YEMEN PDR	
		amended RESERVE 2	460 t becomes 3 160 t
	Regulation (EEC) No. 831/78	cancelled CONGO YEMEN PDR	
		amended RESERVE 1	440 t becomes 2 040 t