

# HILLMAN

## COMMISSION OF THE EUROPEAN COMMUNITIES

CCM(76) 642 final.

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EXCHANGE

### COMMISSION COMMUNICATION TO THE COUNCIL

on the procedure for implementing food aid in skimmed milk powder  
to certain non-governmental organizations

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CCM(76) 642 final.



I. Explanatory memorandum

1. Within the framework of the second instalment of 95 000 tonnes of the skimmed milk powder food aid programme for 1976, the Council decided on 27 July<sup>1</sup>:

to create a special reserve of 10 000 t for the non-governmental organizations (NGOs), to be delivered fob plus a flat-rate contribution of 80 u.a./t;

and

to include in the general reserve of 8 200 t an additional quantity of 2 000 t for these organizations.

The flat-rate contribution for these quantities could be within a range of 80 to 170 u.a./t. It was stipulated however that these 2 000 additional tonnes could only be released, following a review at expert level, if the NGOs took over the 10 000 t by the end of 1976.

2. At the same time, the Council decided that the procedure for implementing this aid would be established at a later date.

Contacts between the Commission and the NGOs, which began in March and in the course of which the Commission asked the NGOs to draw up a programme for 10 000 t, have continued in order to settle with the NGOs the two main points involved in implementation, namely:

the allocation of the quantities between the NGOs and between the countries of destination;

since there is a large number of NGOs, a negotiation procedure and settling the selection criteria and selection procedure enabling the Community to avoid having to deal with a multiplicity of organizations.

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<sup>1</sup> OJ No L 224 of 16.8.1976, p. 2.

Despite requests from the Commission since April, the position of the NGOs on these two points was only finalised five months later, at the end of September. This explains the delay in transmitting this communication.

II. The Commission's proposals

1. Allocation and procedures relating to the 10 000 t

As a result of discussions between the NGOs and the Commission, the latter has proposed the following allocation:

1. Caritas .....	7 500 t
2. The World Council of Churches (WCC) .....	488 t
3. Oxfam .....	1 215 t
4. Reserve for "Other NGOs".....	797 t

Regarding the choice of recipient countries, the Commission proposes the list of countries in Annex I (column 1) be accepted.

It also proposes that the regional and country amounts for each NGO be adopted. It considers, however, that the country amounts should be regarded only as indicative figures, so that the Commission has the possibility, like other international organizations, of transferring the quantity for one country to another country on the list (column 1 of Annex I) within the regional amount fixed for the NGO in question<sup>1</sup>.

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<sup>1</sup> However see the exception in footnote 1 to Annexes I and II.

As can be seen from the annex, the aid will go mostly to the African countries, in particular Ethiopia, and in the second place to the Asian countries, especially India. In the majority of cases, the aid is intended for free distribution to the needy (children, pregnant women, nursing mothers, old people); in three cases<sup>1</sup> the aid is intended partly for free distribution and partly for development projects (Food-for-Work), and in one case for a development project only<sup>2</sup>.

The reserve of 797 t is intended for NGOs other than Caritas, the World Council of Churches, and Oxfam. However, it should be available for possible use by these three organizations, especially if it is found that between now and the adoption of the next skimmed milk powder food aid programme these quantities have not been used by the other NGOs. The Commission would be authorized to decide on the allocation of the 797 t.

2. Allocation, procedures and flat-rate contribution in respect of the 2 000 t

Although the 10 000 t will not be delivered before the end of 1976, the Commission intends to allocate the 2 000 additional tonnes to Caritas and the World Council of Churches<sup>3</sup>, since these two organizations have given assurances that they will take over the products very shortly after the Council's decision and the relevant official letter has been sent by the Commission (Caritas: at the latest six weeks after the decision and dispatch of the letter).

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<sup>1</sup> Senegal: 250 t (Caritas); Yemen (A.R): 180 t (Caritas);  
India: 1 000 t (Caritas).

<sup>2</sup> El Salvador: 100 t (Caritas).

<sup>3</sup> Oxfam has not been put forward, since its request has been entirely met with the 10 000 t.

As a result of discussions between these NGOs and the Commission, the Commission proposes the following allocation:

1. Caritas ..... 1 715 t
2. The World Council of Churches (WCC) 285 t

The Commission also proposes to undertake, in accordance with the procedure for the allocation of the 10 000 t, the distribution by region and by country requested by Caritas and the World Council of Churches (see Annex II).

The aid, which is essentially centred on the African countries, is intended for free distribution to the needy (children, pregnant women, nursing mothers, old people).

It was suggested the flat-rate contribution towards the cost of transporting the 2 000 t could come within a range of 80 to 170 u.a./t, the amount to be established by reference mainly to the actual cost of transport to be borne by the NGOs.

On the basis of information transmitted by Caritas and the World Council of Churches, and given the possibility of sending a major part of the goods by charter it appears that the average cost of transport for all the quantities allocated to these NGOs could be put at 100 u.a./t. Consequently, the Commission proposes a flat-rate contribution of 100 u.a./t for transporting the 2,000 t. This does not involve any expense additional to the appropriation and programme already decided on by the Council, which had made a provision of 170 u.a./t for transporting the quantities in reserve.

3. The negotiation and selection procedure

a) On the basis of discussions with the NGOs the Commission envisages to establish an ad hoc procedure for 1976 along the following lines, with the understanding that, should new food aid be granted to the NGOs, the question will have to be re-examined:

- The delivery terms for the aid will be the subject of a single letter from the Commission to the NGO Liaison Committee<sup>1</sup>, which will act as intermediary between the Commission and the NGOs.
- For the purpose of the single reply from the NGOs, the Chairman of the Liaison Committee will collect the signatures of the recipient NGOs: Caritas, World Council of Churches (WCC), Oxfam and "Other NGOs", each organization being responsible for the quantities to be allocated to it.

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(1) The NGO Liaison Committee was elected by the representatives of NGOs during the joint Seminar NGOs /Commission the 7-9 January 1976 for a period of one year. It will be renewed by the NGOs Assembly the 19-21 January 1977.

The mandate of this Committee is limited to the maintenance of contacts on the one hand between the NGOs acting in the Nine Member States in the field of development cooperation and on the other hand between the Commission staff and the NGOs.

- b) As regards the group of "Other NGOs", certain criteria which the NGOs will have to meet to receive Community aid should be set in order to avoid too large a number of schemes<sup>1</sup> and consequently a substantial excess of administrative work. The Commission, on the basis of discussions with the NGO Liaison Committee, proposes that the quantity set aside for this group of NGOs (797 t) should be earmarked for non-profit-making institutions and associations with headquarters in the Community with sufficient experience in the field of skimmed milk powder food aid and which are able to carry out the distribution in the country of destination (or to undertake adequate supervision of it), either directly or through a local NGO. The recipient NGOs will be chosen by the Commission, if possible, on the basis of an opinion given by the Liaison Committee.

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<sup>1</sup> It should be noted that ten requests have been submitted so far:

1. Association d'Aide au Tiers Monde (France) - unspecified quantity;
2. World Ministries of India Inc. (India) - 5 t of milk;
3. Gujarat Blind Relief and Health Association (India) - 29 t of milk;
4. Nederlands Lepra Fonds (Netherlands) - 30 t of milk for Colombia;
5. Nutrition Rehabilitation Centre and Bio-Chemical Unit, Government Erskine Hospital, Madurai (India) - 1 t of milk;
6. Stichting Medisch Comité Nederland - Vietnam (Netherlands) - 225 t of milk for Vietnam;
7. Eye Hospital, Sitapur (India) - 84 t of milk;
8. Stichting Hulpactie Pater Frans Schlooz (The Netherlands) - unspecified quantity for India.
9. SEVA SNEHA - Service Amitié (France) - unspecified quantity for India.
10. St Joseph's Leprosy Home, Tuticorn (India) - unspecified quantity.

Additional requests may well be submitted in the near future, since a further twelve charitable organizations bought skimmed milk powder at reduced prices for their food aid programmes.



TO CONCLUDE:

The Commission requests the Council to:

1. Approve the allocation of the 10 000 t<sup>(1)</sup> by recipient organization and country of destination as shown in Annex I and authorize the Commission to modify, if necessary, in accordance with the procedure set out under II.1 of this communication, the distribution by country within the pre-established regional amounts, and to decide on the allocation of the reserve of 797 t;
2. Release the reserve of 2 000 t<sup>(1)</sup>, approve the allocation by recipient organization and country of destination as shown in Annex II, authorize the Commission to modify, if necessary, in accordance with the procedure set out under point II.1 of this communication, the distribution by country within the pre-established regional amounts, and set the flat-rate contribution towards transport costs at 100 u.s./t;
3. Approve the criteria and the selection procedure for the NGOs other than Caritas, the World Council of Churches and Oxfam as set out in point II 3 b) of this communication.

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(1) The allocation of 12 000 t in favour of the NGOs would cost 4.25 Mia. (see Financial Statement).

Allocation of the 10 000 tonnes  
by country of destination and  
recipient organization

(tonnes)

1	2	3	4	5
COUNTRY	TOTAL	CARITAS	WORLD COUNCIL OF CHURCHES	OXFAM
<u>EUROPE</u>	<u>500</u>	<u>500</u>	-	-
Portugal	500	500	-	-
<u>AFRICA</u>	<u>3 328</u>	<u>1 855</u>	<u>273</u>	<u>1 200</u>
Angola	250	240	10	-
Benin	5	-	5	-
Cameroon	25	-	25	-
Ivory Coast	20	-	20	-
Ethiopia	1 630	430	-	1 200
Gabon	1	-	1	-
Kenya	50	50	-	-
Mozambique	135	-	135	-
Rwanda	50	50	-	-
Senegal	550	500	50	-
Sudan	35	35	-	-
Tanzania	350	350	-	-
Togo	5	-	5	-
Zaire	222	200	22	-
<u>MIDDLE EAST</u>	<u>1 525</u>	<u>1 410</u>	<u>115</u>	-
West Bank	90	90	-	-
Egypt	400	400	-	-
Jordan	240	240	-	-
Lebanon	575	500	75	-
Syria	40	-	40	-
Yemen (A.R.)	180	180	-	-
<u>FAR EAST</u>	<u>2 745</u>	<u>2 630</u>	<u>100</u>	<u>15</u>
Bangladesh	155	155	-	-
India	2 395	2 280	100	15
Indonesia	110	110	-	-
Pakistan	50	50	-	-
Philippines	35	35	-	-

1	2	3	4	5
COUNTRY	TOTAL	CARITAS	WORLD COUNCIL OF CHURCHES	OXFAM
<u>L A T I N A M E R I C A</u>	<u>1 105</u>	<u>1 105</u>	-	-
Chile	705	705	-	-
Haiti	(300)	(300)(1)	-	-
El Salvador	100	100	-	-
<u>R E S E R V E</u>	<u>797</u>			
For "Other NGOs"				
<u>T O T A L</u>	10.000	7 500	488	1 215

(1) The proposed allocation in favour of Haiti is subject, as far as the Commission is concerned, to the results of the current examination of the use of direct food aid to Haiti. Should the result be negative, the Commission would be entitled to transfer this amount to the other Latin American countries or to the countries of other regions.

Allocation of the 2 000 tonnes  
by country of destination and recipient organization (tonnes)

1	2	3	4
	Total	Caritas	World Council of Churches
<u>EUROPE</u>	<u>7</u>	-	<u>7</u>
Portugal	7	-	7
<u>AFRICA</u>	<u>1,193</u>	<u>915</u>	<u>278</u>
Angola	50	50	-
Benin	20	20	-
Burundi	30	30	-
Cape Verde	25	25	-
Upper Volta	130	100	30
Mali	310	250	60
Mauritania	60	-	60
Niger	360	300	60
Uganda	20	20	-
Rwanda	20	20	-
Sierra Leone	3	-	3
Sudan	5	-	5
Chad	60	-	60
Zaire	100	100	-
<u>FAR EAST</u>	<u>550</u>	<u>550</u>	-
India	450	450	-
Pakistan	100	100	-
<u>LATIN AMERICA</u>	<u>250</u>	<u>250</u>	-
Haiti	(200) (1)	(200) (1)	-
Jamaica	10	10	-
Paraguay	25	25	-
Dominican Republic	15	15	-
<u>TOTAL</u>	<u>2.000</u>	<u>1.715</u>	<u>285</u>

(1) The proposed allocation in favour of Haiti is subject, as far as the Commission is concerned, to the results of the current examination of the use of direct food aid to Haiti. Should the result be negative, the Commission would be entitled to transfer this amount to the other Latin American countries or to the countries of other regions.

Financial Statement

1. Relevant Budget Heading

921 - item 9211 of 1976 budget (Appropriation of 76.98 Maa)

2. Title of Relevant Heading

Skimmed milk powder food aid programme for 1976

3. Legal Basis

Council decisions of 2-3 March 1976 and 27 July 1976  
(Council Regulation 2018/76 of 27.7.76)

4. Description Purposes and Justification of Action

The allocation of 12 000 t of skimmed milk powder to certain non-governmental organizations for the implementation of their food aid projects in the developing countries.

5. Appropriations

51. Method of calculation

- Raw materials

12 000 t x 271.2<sup>(1)</sup> u.a./t = 3.25 Maa

- Transport (flat-rate contribution)

10 000 t x 80 u.a./t = 0.80 Maa

2 000 t x 100 u.a./t = 0.20 Maa

Total 4.25 Maa

52. Financial consequences

This measure does not represent an additional expenditure insofar as it is covered by the 1976 programme and appropriations already approved.

6. Planned Control System

Financial regulation dated 25.4.1973 for the general budget of the Communities.

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(1) The unitary price of skimmed milk powder kept for the elaboration of the additional budget and corrigendum n° 2 for the 1976 financial year, set by the Council on the 15 September 1976.

