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COMMISSION OF THE EUROPEAN COMMUNITIES

COM(73) 2082 final

Brussels, 10 December 1973

Communication from the Commission to the Council
concerning the food aid programme of the Community to the countries of the Sahel and Ethiopia

PROPOSAL FOR A COUNCIL DECISION

on Community financing of certain expenditure in
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PROPOSAL FOR A REGULATION (EEC) OF THE COUNCIL

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laying down general rules for the supply of milk fats as
food aid to the countries of the Sahel and Ethiopia

PROPOSAL FOR A REGULATION (EEC) OF THE COUNCIL

laying down general rules for the supply of milk fats as
food aid to the countries of the Sahel and Ethiopia

PROPOSAL FOR A COUNCIL DECISION

on the opening of negotiations with the countries of the Sahel and with Ethiopia for
the supply of skimmed milk powder and butteroil as emergencies food aid and on the
advance implementation of the agreements negotiated with those countries.

(submitted by the Commission to the Council)

Communication from the Commission to the Council
concerning the food aid programme of the Community to the countries of
the Sahel and Ethiopia

The object of this document is to propose that the Council adopt a set of measures which will constitute a comprehensive food aid programme including gifts of cereals, skimmed milk and butteroil for the countries in Africa most seriously affected by the drought, namely the countries of the Sahel and Ethiopia, which the Community must implement at the beginning of 1974 (1).

Given the special nature of the measures to be taken to ensure that this aid is used in the most efficient manner to assist the distressed populations and in order to carry out as swiftly as possible the work which will enable the Council to take a decision, the Commission considered that these countries should be dealt with separately in a specific proposal. Concurrently with the present proposal, the Commission submitted to the Council its general food aid programmes on milk and butteroil and later on those concerning the 1973/74 cereals scheme.

This document deals with :

I. the countries of the Sahel, and

II. Ethiopia.

(1) If this condition is fulfilled, the products will reach the distressed areas before the start of the rainy season (June-July) and to a large extent, this will avoid the need for exceptional and costly means of transport.

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I.. The countries of the Sahel

I. Aid volume

Introduction

In order to evaluate the amount of food aid which the six countries of the Sahel will require in 1973/74, a joint donors mission composed of the representatives of the main countries or organizations which supply food aid (Canada, United States, France, WFP, IBRD and the EEC) visited these countries, under the aegis of the FAO, during the first two weeks of October 1973.

The main conclusions arrived at in the mission's reports, which were drawn up in conjunction with the EDF's resident supervisors or their representatives, have been forwarded to the authorities of the countries in question and to the officials of the Inter-Governmental Standing Committee to fight Drought in the Sahel. At the moment, these conclusions provide the fullest information available on the present situation in that area.

However, since, at the time of the mission's visit, the harvest of food crops had not been completed and a fortiori had not been systematically evaluated, it should be borne in mind that the overall figures given in these reports and, in particular, the figures concerning cereals production are estimates which may be amended at a later date.

Nonetheless, the conclusions arrived at in these reports clearly show that the size of the food deficit which the countries of the Sahel will again face in 1974 demands that the international community and, consequently, the EEC renew some extensive food aid programmes.

It is proposed that the programmes for the following products be examined in turn :

- cereals
- skim milk powder
- butteroil.

A. Cereals

1. Analysis of requirements

The table in Annex I gives the most important set of figures which constitute the overall balance sheet for cereals and also the net food aid requirements for each of the countries of the Sahel.

Generally speaking, these net requirements were calculated by deducting from the figure for each country's total requirements (1) the following

- local production the volume of which was as inadequate as the one of 1972, which was considerably below average
- imports, estimates of which are similar to last year
- food aid in stock or already promised and not yet supplied.

The conclusions which can be drawn from this analysis reveal that the net food aid requirements of the six countries of the Sahel are at least equal to their 1973 requirements. At the present moment, the total net requirements are estimated at approximately 550.000 metric tons of cereals.

In view of the local production conditions, this deficit seems to affect most of the populations in the Sahel and this perhaps minimizes somewhat the extent of the difficulties which this area is facing. The volume of production given in the annexed table should not be looked upon as being available in its entirety for consumption in 1974 since, in accordance with common practice, a certain volume of production will be used by producers to

(1) calculated on the basis of total population and consumption per capita.

build up or, where possible, replenish family stores.

In this context, there is no doubt that the Community, as indeed all the other donor countries or organizations, must again devote considerable effort in 1974 to supplying the needs of the populations of the Sahel. In this respect, the affected countries have informed the Community of their hope that it would be able to meet most of the requests (1) they addressed to it.

2. Commission proposals

a) Volume of aid

Since food requirements estimates of the six countries of the Sahel for 1974 reveal that the situation is at least as serious as in 1973 and assuring, for want of more detailed information at this stage, that the various other donors will contribute the same amount of aid as last year, the Commission considers that the Community must also supply to those countries the same amount of aid as in 1973.(2)

This means that following the Commission the Community will have to allocate to the countries of the Sahel some 110.000 metric tons of cereals by way of food aid.⁽³⁾ Given that the people most directly affected by the drought number between 5 and 6 millions, this volume of aid would satisfy their normal cereal requirements for approximately six weeks.

(1) Upper Volta 20.000 metric tons, Mali 60.000 metric tons, Niger 42.000 metric tons, Senegal 30.000 metric tons, Mauritania and Tchad.

(2) The amount of cereals supplied in 1973 (107.000 metric tons) did, in fact, correspond to total supplies under 2 food aid programmes, namely those for 1971/72 and 1973/74.

(3) Should the deficit be appreciably higher, it would be necessary to use the unused reserve of the 1973/74 programme.

It should be stressed that such a decision would require exceptional efforts on the part of the Community which is taking into account the exceptionally dramatic situation in those countries since the volume of available Community aid under the 1973/74 programme totals only 580.000 metric tons of cereals and since the level of aid allocated would be considerably less if the same criteria as those used in respect of other countries were applied to the countries of the Sahel.

Given the elements of uncertainty which, for the reasons previously mentioned, accompany the overall estimated of the food deficit arrived at by the joint donor mission, the Commission considered that, for the purpose of determining how much aid each country should receive out of the total of 110.000 metric tons, it was fair to adopt as the criterion the respective numbers of distressed individuals.

The table below which was based on that criterion and on monthly consumption per capita gives the relevant requirements of the various countries.

	<u>No. of recipients</u>	<u>Annual consumption per capita</u>	<u>Requirements for 6 wks consumption</u>
Upper Volta	800.000	175 kg	17.500
Mali	1.000.000	175 kg	22.000
Mauritania	800.000	165 kg	16.500
Niger	1.000.000	192 kg	24.000
Sénégal	600.000		
	1.200.000	175 kg	13.000 - 26.000
Chad	900.000	110 kg	12.000
Total	5.100.000		105.000 - 118.000
	5.700.000		

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On this basis the Commission considers that it must share out the 110.000 metric tons to the Sahel countries as follow :

Upper Volta	15.000 metric tons
Mali	20.000 metric tons
Mauritania	10.000 metric tons
Niger	20.000 metric tons
Senegal	15.000 metric tons
Chad	10.000 metric tons
	90.000 metric tons
Reserve fund	20.000 metric tons
110.000 metric tons	

A reserve fund is proposed to take account of the fact that while on the one hand there are uncertainties of production level estimates or potential aid levels there is on the other hand the possibilities of population movements between the various countries, as was the case on 1973 and this would call for adjustments later on.

b) Detailed arrangements

The Commission proposes that the following arrangements be adopted :

- The general rule must remain that of free distribution. On this matter, however, the Commission should be willing to allow some exemptions on account of the fact that a number of countries have stressed that they should be allowed to sell some of the aid allocated in some urban centres (including some in the distressed areas) in order to combat the effects of speculation which is rampant during a period of short supply and which severely affects the living conditions of those sections of the population with low purchasing power.

As in previous years, there must be agreement that the proceeds of the sale of these products must be used to finance a development project having a high employment potential.

- For the reasons expounded in paragraph II below, the Commission considers that the Community must bear the cost of transporting the cereals to the places of distribution. It also proposes that the Council authorize, if need be, that contracts be negotiated privately for transport from the unloading ports to the places of distribution.
- In order that the products may be dispatched as soon as possible and arrive before the rainy season begins, the Commission requests the Council to authorize the advanced implementation of these measures.
- Furthermore, on the basis of what happened in 1973 (1), it appears that a considerable proportion of the aid in question will have to be supplied in the form of maize or derived products, the remainder being in the form of wheat or wheat flour sorghum and rice.

(1) The 107.000 metric tons supplied in 1973 included 59.400 metric tons of maize, 34.560 metric tons of wheat and 13.000 metric tons of grain sorghum

B. Skimmed milk powder

1. Analysis of requirements

The drought affecting the countries of the Sahel has not only considerably reduced food crops but also in many cases, decimated livestock. It appears that in the Sahel area losses amount in some cases to 80 % of non-migrant livestock and 50 % migrant livestock. One of the consequences of this situation is that the distressed populations do not have at their disposal the quantities of milk necessary to their survival.

The joint donors mission and the Gouvernements (1) of the countries in question have each stressed that food aid programmes should include relatively large gifts of milk products in order to :

- enable the implementation of social distribution programmes administered in general by the national health or educational authorities and designed to supply the necessary amount of proteins to the particularly vulnerable sections of the populations most seriously affected by this shortage, such as children, expectant or nursing mothers and the sick, and
- satisfy the requirements of the distressed nomadic populations.

The Commission considers that the Community's food aid programme for milk and milk products for 1974 must satisfy these requirements as much as possible.

The total milk requirements of the six countries of the Sahel have been evaluated at 28.893 metric tons and are broken down as follows, depending on whether they fall under the social distribution programmes or take the form of gifts to be supplied to the distressed nomadic populations :

(1) The Community has been approached for the following quantities :

Upper Volta 3.500 metric tons, Mali 3.000 metric tons,
Niger 10.000 metric tons, Mauritania and Chad.

	Social distribution		Aid to distressed nomadic population		Total
	Quantities	No. of recipients	Quantities	No. of recipients	
Upper Volta	2.500	210.000	1.000	800.000	3.500
Mali	1.460	200.000	7.300	1.000.000	8.760
Mauritania	-	-	6.000	800.000	6.000
Niger	1.533	200.000	7.300	1.000.000	8.833
Chad	300	-	1.500	900.000	1.800
Total	5.793		23.100	4.500.000	28.893

2. Commission proposals

a) Volume of aid

Of the 80.000 metric tons of skimmed milk powder which the Commission also proposes that the Council supply to meet food aid requests, it appears that 12.000 metric tons must be reserved for the countries of the Sahel.

This gift would :

- enable the bulk of the requirements of the social distribution programmes to be met since it would supply the recipients of aid under these programmes with a daily intake of 20 gr. of skimmed powder for one year;
- provide the distressed nomadic populations within the limits of their requirements amounts of aid based on a daily intake of 20 gr. to 30 gr., in order to secure for them a three month supply.

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The table below gives the volumes proposed by the Commission for each country :

	Social programmes Quantity	Nomadic populations Quantity	Total
Upper Volta	1.600 mt	1.000 mt	2.600 mt
Mali	1.500 mt	1.400 mt	2.900 mt
Mauritania	-	2.000 mt	2.000 mt
Niger	1.500 mt	1.700 mt	3.200 mt
Chad	300 mt	500 mt	800 mt
Total	4.900 mt	6.600 mt	11.500 mt

b) Detailed arrangements

The Commission proposed that the Council adopt the following arrangements :

- free distribution for the 11.500 metric tons of skimmed milk powder;
- the cost of transport to the places of distribution to be borne by the Community;
- authorization, if need be, to contracts to be negotiated privately for transport from the unloading ports to the places of distribution (1);
- authorization for advanced implementation of these measures.

(1) The justifications for these two proposals are given in paragraphe II below, which deals with transport matters.

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C. Butteroil

1. Requirements

Cattle losses in the famine areas lead not only to protein shortage but also to a serious deficiency in calories of lipidic origin for the nomadic and pastoral people.

This is why the joint donor mission and the Governments of the countries concerned (1) have insisted on the need to include lipid products in food aid programmes wherever possible.

The Commission considers that the Community should respond to this need and include in its 1974 butteroil programme a fairly large consignment for the Sahel countries.

Reports of the joint donor mission show that the total requirements of the Sahel countries in oils and fats stand at 22.790 metric tons, broken down as follows :

	Quantity	Population in distress
Upper Volta	6.000 metric tons	2.000.000
Mali	6.840 "	1.880.000
Mauritania	4.000 "	800.000
Niger	5.800 "	1.600.000
Chad	150 "	-
Total :	22.790 "	6.280.000

(1) The Community has been approached for the following quantities :

Upper Volta : 6.000 metric tons, Mali 300 metric tons, Mauritania : 4.000 metric tons, Niger : 5.800 metric tons, Chad.

These figures are based on the estimated number of persons suffering from lipid deficiency and a daily per capita ration of 10 gr.

2. The Commission's proposals

a) Amount

Of the 55.000 metric tons of butter, equivalent to 45.000 metric tons of butteroil, which the Commission elsewhere proposes that the Council assign to meet food aid requirements, 4.700 metric tons should be reserved for the Sahel countries.

The following table shows the amounts proposed for each country within the limits of their requirements based on a daily per capita consumption of ten gr. to cover requirements for 3 months (numbers of recipients based on the report of the joint donor mission).

	Quantity	No. of recipients
Upper Volta	1.800 metric tons	2.000.000
Mali	300 "	1.880.000
Mauritania	1.000 "	800.000
Niger	1.450 "	1.600.000
Chad	150 "	-

b) Detailed arrangements

The Commission proposed that the Council adopt the following arrangements :

(1) For Mauritania the daily per capita ration has been set at 15 gr.

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- Free distribution of the quantities set out above;
- Payment by the Community of transport costs as far as the distribution points (1);
- If the need arises, authorization to negotiate private contracts;
- Authorization to advance the implementation of these measures.

(1) see paragraph II - transports - for explanation

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II. TRANSPORT

Because of the large volume of goods to be dispatched to the distressed populations in 1974, especially during the first six months of the year if they are to arrive before the rainy season, the problem of organizing transport must again be considered as of essential concern to donating countries and agencies.

The Community should not hesitate to allay the beneficiary countries fears in this matter by adopting transport conditions and arrangements which, in coordination with other donors, will make the best use of local transport resources and will deliver the goods to isolated areas before the rains make the roads impassable.

The Commission considers that the Community should :

- a. pay the transport costs for the goods as far as the distribution points;
- b. adopt practical arrangements for these products to be dispatched as smoothly and rapidly as possible.

1. Payment of transport costs

In 1973, the Community paid transport costs to the distribution points in the Sahel countries for the 1972/73 cereal and programme and the skimmed milk powder aid.

The Community adopted this solution in order to :

- a. overcome the financial and payment worries at present facing these countries for the delivery of food aid and in particular for mobilizing all available means of transport on their territory, including, where the need arises private means of transport;

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- b. to mitigate the difficulties facing the administrations of these countries for the practical organization of transport, for if the Community agrees to pay the cost of transport to the distribution point the administrations need only prepare a distribution plan which agents authorized by the Community will be instructed to follow.

Experience in 1973 shows that in general the measures achieved their aims. The Commission therefore feels that the Community should use the same system in 1974.

It therefore proposes to the Council that the Community should agree to pay transport costs as far as the points of distribution for its gifts in cereals, milk powder and butteroil.

2. Practical arrangements

The experience of 1973 has shown that it is not possible to plan detailed food distribution programmes within each receiving country when the Commission adopts the practical arrangements for the mobilization and the sea transport of the products.

Therefore the practical arrangements will differ, depending on :

- the dispatching of the products from the Community to the Africa unloading ports;
- the dispatching of the products from the unloading ports to the distribution points.

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a. Dispatch from the Community to the loading

As soon as the Council has adopted the food aid programme the rhythm of dispatch to the West African ports must be planned, in conjunction with the receiving countries and other donors, on the basis of the ports' reception capacity and the means available for clearing the food towards the areas or countries of the interior.

This above planning is essential to the smooth functioning of the operation, for congestion must be avoided on the transport facilities to the interior and therefore avoid the prolonged stocking at the ports.

On the basis of this programme the Community will be able choose the transport agents by tender on the understanding however that the private contracts can be negotiated in urgent cases as in the case of milk products.

b. Dispatch from the ports into the interior

Dispatch towards the interior of the countries runs into more difficult and complicated problems than sea transport, such as the clearing capacity of the transit and receiving countries, the priorities likely to be given to food aid compared with other types of transport necessary to the economy of the countries and the types of transport available (rail, road, barges and so on).

Arrangements cannot be made until the foodstuff have arrived at the ports. They must be based on :

- the degree of urgency if onward dispatch is very urgent and traditional means of transport are inadequate, more expensive means (about 25 to 30 %) than road transport may have to be used.

- the real cost of the operation; in some case it will be less expensive the Community to use road transport than to bear the high warehousing costs of prolonged storage in the ports (1).

Such decisions normally cannot be made in advance. For this reason and on the lines of what was decided in 1973, the intervention agencies must be able at this stage to negotiate contracts on their own initiatives with local transport agencies.

These measures, of course, call for close cooperation between the authorities of transit and receiving countries, the contractors hired by the intervention agencies, the EDF Resident Supervisors and the fields representatives of other donating countries or bodies.

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If the dispatching can be planned efficiently, it should be possible to avoid any need for such exceptional steps as an airlift. However, it may happen that exceptional circumstances call for air transport.

(1) In most ports storage after unloading is charged after ten days.

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Contingency arrangements should be made for having planes available at very short notice. Coordination machinery could also be set up in the Community. Proposals will be made on this matter later.

Finally, it is worth mentioning that the efficiency of the operation, consisting of having the products at the distressed areas before the rainy season, is achieved only if it is supplemented by adequate storage in those areas. A storage plan should be set up with the cooperation of the recipient countries and which should take into account the population needs, and the existing facilities⁽¹⁾ and those which can be set up in the coming months with the proceeds of the sales of the products or with other sources of financing and particularly those of EDF.

(1) a rough estimate has been made by the multidonor mission

II. Ethiopia

II. ETHIOPIA

Preliminary Remarks

According to the information supplied by the Ethiopian Government and confirmed by other sources (UNDRO, WFP, Food Aid Committee), the food situation in Ethiopia again looks very difficult for 1974. The number of persons (peasants and nomads) affected by drought and needing help until the end of 1974 amounts to about 1.600.000 including 470.000 children under nine.

A. Cereals

1. Requirements

Basic food requirements up to the end of 1974 are between 160.000 and 190.000 metric tons, taking account of local production. As foreign aid so far promised amounts to 53.000 metric tons (1), including 22.000 metric tons which will already be used up by the end of 1973, food requirements in 1974 stand at between 129.000 and 159.000 metric tons.

In order to ensure a regular distribution of food to the distressed population in 1974, 15.000 metric tons of cereals will be needed every month.

2. The Commission's proposal

a. Amount

The Commission accordingly considers that the Community should contribute to the international effort to assist the distressed people of Ethiopia, and proposes an emergency food aid grant to that country of 20.000 metric tons of cereals.

As in the case of the Sahel countries, this quantity will make it possible to meet food needs for about one and a half months.

b. Arrangements

In view of the difficulties now facing the country, the Commission proposes to the Council that :

- the food be distributed free of charge to the distressed population;
- transport costs to the distribution points could where appropriate be met by the Community in the form of a lump-sum contribution.

(1) Including 2.000 mt from Australia, 10.000 mt from the Chinese Red Cross, 10.000 mt from Kenya, 3.000 mt from Sweden, 75 mt from Switzerland (ICRC), 8.000 mt from the United States, 5.000 mt, from the EEC, 15.000 mt from the WFP.

B. Skimmed milk powder

1. Requirements

Because of large cattle losses in the disaster areas, the milk requirements of the population affected will have to be covered entirely by outside assistance.

Milk requirements for 1974 are estimated at 28.800 metric tons. Present commitments by certain donating countries' amount to 184 metric tons.

2. The Commission's proposal

a. Amount

The Commission considers that the Community should help to make up the deficiency by supplying milk to the population groups for whom milk is a basic food i.e. :

- to the 470.000 children;
- to the 566.000 distressed nomads.

The Commission therefore proposes that 2.500 metric tons of skimmed milk powder be supplied to Ethiopia; on the basis of a daily ration of 30 gr., this quantity will provide milk for children and nomads for about 3 months.

b. Arrangements

The Commission proposes that the Council adopt the following arrangements :

- free distribution of the 2.500 metric tons of skimmed milk powder;
- possibility of transport costs payment by the Community to the distribution points, in the form of a lump-sum contribution.

(1) including 10 mt. from Kenya,.....

C. Butteroil

1. Requirements

Ethiopia's herd as that in the Sahel countries has suffered severe losses; Ethiopia has therefore approached the Community for a supply of butteroil to meet the requirements of its population.

2. Commission's proposals

a. Aid amount

The Commission believes that the Community should answer favorably to Ethiopia's Request. The Commission submitted to the Council the proposal for supplying Ethiopia with 1.300 metric tons of butteroil, this quantity being based on a 10 gr. daily intake for 1.600 persons.

b. Practical arrangements

The Commission's proposal to the Council is as follows :

- free distribution of 1.300 metric tons of butteroil
- the possibility of a lump-sum contribution by the Community to cover any transport costs that are incurred in transferring the butteroil to the distribution points.

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Finally, the Commission proposes that the Council,
As regards cereals :

1. approve, by drawing in advance on the 1973/74 programme, the grant of 110.000 metric tons of cereals to the Sahel countries and 20.000 metric tons of cereals to Ethiopia, and adopt the following distribution to the Sahel countries;

Upper Volta	15.000 metric tons
Mali	20.000 "
Mauritania	10.000 "
Niger	20.000 "
Senegal	15.000 "
Chad	10.000 "
	90.000 metric tons
Reserve food stock	20.000 metric tons
	110.000 metric tons.

2. adopt the draft Council decision on Community financing of certain expenditure in respect of food aid supplied under the 1973/74 programme (Annexe II).
3. adopt the proposal for a Council Regulation derogating from Regulation (EEC) n° 1693/72 in respect of procedures laid down for the mobilization of food aid to the countries of the Sahel and Ethiopia (Annex III).

As regards milk products :

4. adopt the proposal for a regulation (EEC n°.....) of the Council laying down general rules for the supply of skimmed milk powder as food aid to the countries of the Sahel and Ethiopia.
5. adopt the proposal for a regulation (EEC) n°..... establishing the general rules for the supply of milk butter-fat under food aid to the countries of the Sahel (Annex VI).
6. adopt the draft Council Decision on the opening of negotiations with the countries of the Sahel and Ethiopia for the supply of skimmed milk powder and butteroil as an emergency food aid measure and the advanced implementation of the agreements concluded with those countries.
7. authorize the advanced carrying out of the whole set of actions.

NNEDS AND REQUIREMENTS TO BE MET BY FOOD AID IN THE SAHEL COUNTRIES 1974

	Upper Volta	Mali	Mauritania	Niger	Senegal	Tchad	Total
1. Total population	5.600.000	5.400.000	1.200.000	4.468.000	4.125.000	3.648.000	24.441.000
2. Annual consumption							
- per capita (kg)	175	175	165	192	175	110-160(a)	-
- total (mt) (b)	980.000	995.000	198.000	859.000	810.000	486.000	4.327.000
3. Expected production(mt)	.	637.000	40.000	636.000	480.000	380.400	.
4. Expected trade imports (mt)	.	60.000	27.000	-	315.000	6.000	.
5. Goods requirements (mt) (2-(3+4))	117.000 (c)	258.000	100.000(e)	223.000	60.000	50.000	808.000
6. Supplies in stock and in shipment (mt)	28.900	92.000	42.000	35.700	40.000	29.000	267.600
7. Net requirements (mt) (5-6)	88.100	166.000	58.000	187.300	20.000	21.000	540.400

(a) 110 kg in northern zone, 160 kg in southern zone

(b) allowing for losses and, where applicable, seeds

(c) based on needs of population suffering severe shortage for 3 to 6 months

(d) the Senegal authorities gave the Commission the figure of 110.000 mt as goods requirements.

(e) the authorities have decided this quantity, minor to the gross needs, by reason of the difficulties of transportation and distribution.

Proposal for a
Council Decision

on Community financing of certain expenditure in respect of
food aid supplied under the 1973/74 programme

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;
Having regard to Council Regulation (EEC) No.1703/72 of 3 August 1972, amending
Regulation (EEC) n° 2052/69 (1) as regards the Community financing of expenditure arising from the implementation of the 1967 Food Aid Convention and laying down rules on the Community financing of expenditure arising from the implementation of the 1971 Food Aid Convention, and in particular Articles 8 (1) and 10 (1) thereof;

Having regard to the proposal from the Commission,

Whereas, in view of the critical situation facing the countries of the Sahel and Ethiopia, the costs of transporting food aid in the form of cereals to the distribution points should be borne by the Community

HAS ADOPTED THIS DECISION

Sole Article

For the purpose of the Community's food aid activities under the 1973/74 programme for Upper Volta, Mali, Mauritania, Niger, Senegal, Chad and Ethiopia, Community financing shall include the cost of delivering the goods to the distribution points. This financing can be met, if provided by the agreement, in the form of a lump-sum contribution.

Done at Brussels,

For the Council

The President

(1) OJ. n° L 180, 9 August 1972, p.1.

Proposal for a
REGULATION (EEC) OF THE COUNCIL

derogating from Regulation (EEC) n° 1693/72 in respect of the
procedures laid down for the mobilization of food aid to the
countries of the Sahel

THE COUNCIL OF THE EUROPEAN COMMUNITIES

Having regard to the Treaty establishing the European Economic
Community;

Having regard to Council Regulation n° 120/67/EEC (1) of 13 June 1967
on the common organization of the market in cereals, as last amended
by Regulation (EEC) n° 1346/73 (2), and in particular Article 22a
thereof;

Having regard to Council Regulation n° 359/67/EEC (3) of 25 July 1967 on
the common organization of the market in rice, as last amended by the
Act (4) annexed to the Treaty (5) concerning the accession of the new
Member States to the European Economic Community and to the European
Atomic Energy Community, signed at Brussels on 22 January 1972, and in
particular Article 23a thereof;

Whereas, in view of the transportation difficulties facing the countries
of the Sahel, it would be advisable to adopt a system for delivering
Community aid which is sufficiently flexible to enable these difficulties
to be overcome as expeditiously as possible when the products arrive in
the port of discharge in Africa;

Whereas, by its decision of.....1973 the Council stipulated that, for
the purpose of the Community's food aid activities for the countries of
the Sahel, Community financing would include the cost of delivering the
goods at the distribution points;

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- (1) J.O. n° 117, 19.6.1967, p.2269/67
(2) J.O. n° L 141, 28.5.1973, p.8
(3) J.O. n° 174, 31.7.1967, p.1
(4) J.O. n° L 73, 27.3.1972, p.14
(5) J.O. n° L 73, 27.3.1972, p.7

Whereas recourse in every case to the tendering procedure provided for in Article 4 (3) of Council Regulation (EEC) n° 1693/72 (1) of 3 August 1972 laying down the criteria for the mobilization of cereals intended as food aid does not enable the desired flexibility and speed to be attained as regards delivery costs between the cif stage and the distribution points; whereas consequently it is advisable to provide for the possibility of having recourse to other procedures, such as direct agreement;

HAS ADOPTED THIS REGULATION :

Article 1

Notwithstanding Article 4 (3) of Regulation (EEC) n° 1693/72, transport from the cif stage to the distribution points of cereals and rice made available to the countries of the Sahel by way of food aid in the context of the 1973/74 programme may be obtained, where necessary by other procedure than a procedure by tender.

Article 2

This Regulation shall enter into force on the day following 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

(1) J.O. n° L 178, 5.8.1972, p.3

Annex IV

Proposal for a

REGULATION-(EEC) OF THE COUNCIL

laying down general rules for the supply of skimmed milk powder
as food aid to the countries of the Sahel and Ethiopia

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation (EEC) n° 804/68 on the common organization of the market in milk and milk products, as last amended by Regulation n° 1411/71 (2), and in particular Article 6(6) thereof;

Having regard to the proposal from the Commission;

Whereas the countries of the Sahel and Ethiopia have made known their requirements as regards skimmed milk powder;

Whereas it will not be possible to dispose of the quantities of skimmed milk powder held by intervention agencies on normal terms during the 1973/74 milk year; whereas 14.000 metric tons of this product can be supplied as food aid;

Whereas to enable effective and as efficient use to be made of the aid, as possible, provision should be made for the financing of the cost of transport to the distribution points and, in case of need, the cost of supply of vitamins to be added to milk;

Whereas the amount to be paid for transport costs in respect skimmed milk powder should be determined by competition amongst interested undertakings established in the Community, whereas the inviting of tenders is a suitable means of achieving this aim, but for the sake of flexibility and speed it may be desirable to carry out emergency operations by means of a procedure decided on by private contract;

(1) OJ. n° L 148, 28 June 1968, p.13

(2) OJ. n° L 148, 3 July 1971, p.4

HAS ADOPTED THIS REGULATION :

Article 1

There shall be put at the disposal of the countries listed below 14.000 tons of skimmed milk powder to be distributed as follows :

Republic of Upper Volta	2.600 metric tons
Republic of Mali	2.900 "
Republic of Mauritania	2.000 "
Republic of Niger	3.200 "
Republic of Chad	.800 "
Empire of Ethiopia	2.500 "

14.000 metric tons.

Article 2

To meet the objectives mentioned in article 1, the Community's financing shall include the cost of labeling, of transport of skimmed milk powder to distribution points and possibly also the cost of supply of vitamins to be added to the milk.

Article 3

The delivery cost up to the CIF stage shall be covered by the usual tendering procedure of the Community; However in emergency cases a recourse can be made to a private arrangement procedure.

Article 4

The cost of transport from the CIF stage to the distribution points shall be covered by the usual tendering procedure, or, if necessary, by recourse to a private arrangement procedure. However, this expenditure can be reimbursed to the recipient country, partly or fully, in the form of a cash contribution, if provided for in the Agreement.

Article 5

This regulation shall enter into force on the third day, following 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

Proposal for a
REGULATION (EEC) OF THE COUNCIL

laying down general rules for the supply of milk fats as food aid to
the countries of the Sahel and Ethiopia

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation (EEC) n° 804/68 (1) of 27 June 1968
on the common organization of the market in milk products, as last amended
by Regulation (EEC) n° 1411/71 (2), and in particular Article 6(6) thereof;

Having regard to the proposal from the Commission;

Whereas the countries of the Sahel and Ethiopia have made known their
requirements as regards milk fats;

Whereas it will not be possible to dispose of the quantities of butter held
by intervention agencies on normal terms during the 1973/74 milk year;
whereas in the unaltered state or in the form of butteroil 7.320 metric
tons of butter or 6.000 metric tons of butteroil can be supplied as food
aid;

Whereas to enable effective use to be made of the aid, provision should
be made for the financing of the cost of transport to the distribution
points;

Whereas the amount to be paid to undertakings manufacturing butteroil and
certain transport costs in respect of butter and butteroil should be deter-
mined by competition amongst interested undertakings established in the
Community;

Whereas the inviting of tenders is a suitable means of achieving this aim,
but for the sake of flexibility and speed it may be desirable to carry
out emergency operations by means of a procedure decided on by private
contract;

(1) OJ n° L 148, 28 June 1968, p.13

(2) OJ n° L 148, 3 July 1971, p.4.

HAS ADOPTED THIS REGULATION :

Article 1

There shall be put at the disposal of the countries of the Sahel and Ethiopia 7.320 metric tons of butter held by intervention agencies in the form of 6.000 tons of butteroil as food aid. The quantities provided for each beneficiary country and the means of financing them are described in the annex to this regulation.

Article 2

The cost of transforming butter into butteroil, packing and transport from the factory to the places of destination are subject to a tendering procedure. However if necessary transport cost from the FOB stage to the point of distribution can be covered by a private arrangement procedure. in so far as it is provided for in the agreement, the cost of transport from the CIF stage to the places of destination can be reimbursed to the recipient country partly or fully in the form of a cash contribution if provided for in the Agreement.

Article 3

The sums to be paid to the undertaking to which a contract is awarded as the result of an invitation to tender or privately shall be due only where

- a) the undertaking satisfies the conditions attached to the invitation to tender; and
- b) the quality and packing of the delivered product are found on inspection to conform to the relevant Community provisions.

Provisions may be made for partial advance payment of such amounts.

Article 4

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 VI

Proposal for a Council Decision on the opening of negotiations with the countries of the Sahel and with Ethiopia for the supply of skimmed milk powder and butteroil as emergencies food aid and on the advance implementation of the agreements negotiated with those countries.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 113, 114 and 228 thereof;

Having regard to the proposal from the Commission;

Whereas supplies of skimmed milk powder and butteroil to Chad, Mali, Mauritania, the Niger, Senegal and Upper Volta, and to Ethiopia are necessary in view of the worsening food situation resulting from extremely unfavourable climatic conditions;

whereas a positive response should be given to these requirements in the form of 14.000 metric tons of skimmed milk powder and 6.000 metric tons of butteroil and whereas the Commission should, for that reason, be authorized to open negotiations with those countries;

whereas, given the urgent nature of those countries' request, the Commission should be authorized to make arrangements for the supply of the skimmed milk powder as soon the negotiations are concluded;

HAS ADOPTED THIS DECISION :

Article 1

The Commission is hereby authorized to open negotiations for the conclusion of agreements for the supply of skimmed milk powder and butteroil as food aid between the European Economic Community and the Republics of Chad, Mali, Mauritania, the Niger, Senegal and Upper Volta, and the Empire of Ethiopia.

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It shall conduct these negotiations in accordance with the annexed directives as regards skimmed milk powder and in accordance with Regulation (EEC) n° /73 laying down general rules for the supply of milkfats as food aid to the countries of the Sahel.

Article 2

The Commission is hereby authorized to make arrangements for the supply of the skimmed milk powder and butteroil to the countries referred to in Article 1 as soon as the negotiations are concluded.

Done at Brussels,

For the Council,

The President

Annex

A. Quantities of dispatch

Skimmed powder milk

Republic of Upper Volta	2.600 metric tons
Republic of Mali	2.900 "
Republic of Mauritania	2.000 "
Republic of Niger	3.200 "
Republic of Chad	800 "
Ethiopia	2.500 "

14.000 metric tons

B. Delivery arrangements

The goods shall be made available to the Republics of Upper Volta, Mali, Mauritania, Niger, Senegal and Chad free of charge at the places of destination.

C. Quality standard and packaging

To be defined by agreement between the parties, but at least to comply with the provisions of the Annex to Commission Regulation (EEC) n° 1108/68 of 27 July 1968 (*).

(*) O.J. n° L 184, 29.7.1968, p.34

FINANCIAL ANNEX

Aid

Countries of the Sahel

Ethiopia

I. EXPENDITURE ON FOOD AID PROPERLY SO CALLED (Chapter 90)

A. <u>Cereals</u> (130.000 mt)	27.300.000
- Foodstuff : 110 ⁽¹⁾ x 130.000 = 14.300.000	
- Inland transport cost : 100 x 130.000 = 13.000.000	
B. <u>Powdered milk</u> (14.000 mt)	9.520.000
- Foodstuff : 580 ⁽²⁾ x 14.000 = 8.120.000	
- Inland transport cost : 100 x 14.000 = 1.400.000	
C. <u>Butteroil</u> (6.000 mt)	
- Foodstuff : 870 ⁽³⁾ x 6.000 = 5.220.000	
- Inland transport cost: 100 x 6.000 = 600.000	
D. <u>TOTAL</u>	<u>42.640.000</u>

II. EXPENDITURE UNDER COMMON AGRICULTURAL POLICY

(equivalent to refunds)

- powdered milk : 80 x 14.000 = 1.120.000
- butteroil : 1320 x 6.000 = 7.920.000

9.040.000

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- (1) weighted average threshold price (maize 2/3 1050 ua/mt, wheat 1/3 ua/mt) from January to June 1974
 - (2) current intervention price (650 ua/mt) plus delivery to FOB stage (10 ua/mt) less FOB refund (80 ua/mt)
 - (3) current interned price (2320 ua/mt) plus delivery to FOB stage (10 ua/mt) less FOB refund (1320 ua/mt).