



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 7.5.2001
COM(2001) 246 final

Proposal for a

COUNCIL DECISION

**establishing the position to be adopted on behalf of the Community
in the International Grains Council**

(presented by the Commission)

EXPLANATORY MEMORANDUM

The International Grains Agreement, 1995, is made up of two parts: the Grains Trade Convention, 1995 and the Food Aid Convention, 1995.

The Food Aid Convention of 1995 was renegotiated and covers the period until July 2002. The Grains Trade Convention, 1995 was extended in 1999 for two years. This Convention expires in June 2001 unless it is extended for a period of no more than two years. Since no changes to the current Convention are required, extension may be achieved by decision of the International Grains Council.

Financial implications

The EC-15 contribution to the administrative budget shown under item B7-821 of the European Union budget, will increase slightly in principal and at any event will not exceed the estimated level of 2002. On the contrary, a reduction of the contribution could be envisaged in case of new accessions to the Convention.

Conclusions

The Commission proposes to the Council to authorise the Commission to vote on behalf of the European Community in accordance with Article 33(2) of the Grains Trade Convention in favour of the extension of this Convention for the period from 1 July 2001 to 30 June 2003.

Proposal for a
COUNCIL DECISION

**establishing the position to be adopted on behalf of the Community
in the International Grains Council**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 in conjunction with Article 300(2) thereof,

Having regard to the proposal from the Commission,

Whereas:

The Grains Trade Convention, 1995 was concluded by the Community by Council Decision 96/88/EC¹, amended and extended in June 1999 by Council Decision 1999/C262/01 for a two-year period². This Agreement remains in force until 30 June 2001, unless it is extended beyond that date by decision of the Grains Trade Council for a period of no more than two years. The extension of that agreement is in the interest of the Community. The Commission, which represents the Community in the Grains Trade Convention, should therefore be authorised by a Council Decision to vote in favour of such extension.

HAS DECIDED AS FOLLOWS:

Sole Article

1. The European Community is hereby in favour of the extension of the Grains Trade Convention, 1995 for a further two-year period.
2. The Commission is hereby authorised to express this position within the Grains Trade Council.

Done at Brussels,

*For the Council
The President*

¹ OJ L 21, 27.1.1996, p. 47.

² OJ C 262, 16.9.1999, p. 1.

LEGISLATIVE FINANCIAL STATEMENT

Policy area: External aspects of certain Community policies

Activities: International Agricultural Agreements

TITLE OF ACTION: EUROPEAN COMMUNITY CONTRIBUTION TO THE INTERNATIONAL GRAINS COUNCIL

1. BUDGET LINE + HEADING: ARTICLE B7-821: INTERNATIONAL AGRICULTURAL AGREEMENTS

2. OVERALL FIGURES

2.1. Total allocation for action (Part B): EUR 1.034 million for commitment

2.2. Period of application: 1.7.2001 to 30.6.2003

2.3. Overall multiannual estimate on expenditure (EUR million):

	2002	2003				Total
Commitments	0.517	0.517				1.034
Payments	0.517	0.517				1.034

2.4. Compatibility with the financial programming and the financial perspective

Proposal compatible with the existing financial programming

2.5. Financial impact on revenue:

No financial implications (involves technical aspects regarding implementation of a measure)

3. BUDGET CHARACTERISTICS

Type of expenditure		New	EFTA participation	Participation applicant countries	Heading Financial Perspective
Comp	Diff	NO	NO	NO	4 External action

4. LEGAL BASIS

- Article 133 of the Treaty in conjunction with Article 300(2),
- Council Decision 96/88/EC of 27.1.1996 (OJ L21 of 27.1.1996) and Council Decision 1999/C262/01 (OJ C262 of 16.9.1999).

5. DESCRIPTION AND GROUNDS

5.1. Need for Community intervention

Because of its economic importance, especially in the agricultural sector, the EC must be represented in international agricultural agreements, which represent an important means for following global developments and defending Community interests for the products concerned.

The payment of EC membership contributions enables the objectives of the International Grains Council to be attained. The International Grains Council, which is responsible for administering the Agreements, Grains Trade Convention, 1995 and Food Aid Convention, 1999, promotes the objectives of the Agreements, such as international co-operation, exchange of statistical information, forecasting market trends, etc. It is therefore in the interests of the EC to be a part of the Agreements.

The membership contributions are determined on an annual basis and are due for as long as the EC is a member of the Agreements and in particular for 2 years (1.7.2001 – 30.6.2003).

It is clear that if the EC had to carry out on its own the same actions as are carried out by the IGC, the total cost of these would be much greater than the cost of the membership contributions.

5.2. Actions envisaged and arrangements for budget intervention

The EC pays membership dues on an annual basis for the International Grains Council.

The dues are paid for as long as the EC remains a signatory to the Agreements and at present for 2 years (1.7.2001 – 30.6.2003).

The European Commission and the Member States participate fully in the activities of the IGC and take full advantage of the benefits of membership.

6. FINANCIAL IMPACT

6.1. Total financial impact on Part B

Commitments in EUR million (to the 3rd decimal place)

Breakdown	Year 2002	Year 2003				Total
EC Contribution	0.517	0.517				1.034
TOTAL	0.517	0.517				1.034

7. IMPACT ON STAFF AND ADMINISTRATIVE EXPENDITURE

7.1. Impact on human resources

Types of post		Staff to be assigned to management of the action using existing and/or additional resources		Total	Description of tasks deriving from the action
		Number of permanent posts	Number of temporary posts		
Permanent officials or temporary staff	A	0.2	-	0.2	<i>Preparation for attendance at and follow-up from meetings of the IGC</i>
	B	0.1	-	0.1	
	C	-	-	-	
Other human resources		-	-	-	
Total		0.3	-	0.3	

7.2. Overall financial impact of human resources

Type of human resources	Amount EUR	Method of calculation
Officials	324 000	
Temporary staff		
Other human resources (give budget line)		
Total	324 000	

The amounts are total expenditure for twelve months.

8. FOLLOW-UP AND EVALUATION

8.1. Follow-up arrangements

The Commission services will participate fully in the Administrative Committees and Council of the IGC; these are the bodies responsible for determining budgetary contributions.

A report of these meetings and of the decisions taken at them is published and is freely available to members.

9. ANTI-FRAUD MEASURES

Payments will only be made directly to the bank account of the IGC on receipt of a written request, after verification that the request coincides with the figure agreed by the Council of the International Grains.