



Brussels, 31.3.2017
COM(2017) 154 final

2017/0070 (NLE)

Proposal for a

COUNCIL DECISION

on the position to be adopted, on behalf of the European Union, in the International Grains Council with respect to the extension of the Grains Trade Convention, 1995

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

- **Reasons for and objectives of the proposal**

The **Grains Trade Convention, 1995** (hereinafter: the “Convention”) was concluded by the Community by Council Decision 96/88/EC¹ until 30 June 1998 and, since then, it has been regularly extended. On each occasion the Convention is extended for a maximum period of two years. It was last extended by decision of the International Grains Council in June 2015 and remains in force until 30 June 2017. A further extension of the Convention by up to two years is in the interest of the Union.

The purpose of this proposal is to seek the Council’s authorisation to the Commission to vote, on behalf of the Union, in favour of the extension of the Convention up to 30 June 2019 in the International Grains Council. The formal decision about the extension of the Convention is scheduled for the 45th Session of the International Grains Council to be held on 5 June 2017.

- **Consistency with existing policy provisions in the policy area**

N/A

- **Consistency with other Union policies**

N/A

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

Article 207 and Article 218(9) of the Treaty on the Functioning of the European Union.

- **Subsidiarity (for non-exclusive competence)**

N/A

- **Proportionality**

N/A

- **Choice of the instrument**

N/A

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

N/A

4. BUDGETARY IMPLICATIONS

The extension of the Convention entails the prolongation of the EU contribution to the administrative budget of the International Grains Council, which covers both the Grains Trade

¹ OJ L 21, 27.1.1996, p. 47.

Convention, 1995 and the Food Assistance Convention. That contribution is budgeted under item 05 06 01 of the EU budget (International agricultural agreements).

5. OTHER ELEMENTS

N/A

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207 in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The Grains Trade Convention, 1995 was concluded by Council Decision 96/88/EC² for a period of three years and has been regularly extended for further periods of two years. The Convention was last extended by Decision of the International Grains Council in June 2015 and remains in force until 30 June 2017. A further extension is in the interest of the Union.
- (2) The Commission, which represents the Union within the International Grains Council, should therefore be authorised to vote in favour of such extension,

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken on behalf of the European Union in the International Grains Council shall be to vote in favour of the extension of the Grains Trade Convention, 1995 for a further period of up to two years from 1 July 2017.

The Commission is hereby authorised to express that position within the International Grains Council.

Article 2

This Decision shall enter into force on the day of its adoption.

² Council Decision 96/88/EC of 19 December 1995 concerning the approval by the European Community of the Grains Trade Convention and the Food Aid Convention, constituting the International Grains Agreement 1995 (OJ L 21, 27.1.1996, p. 47).

Article 3

This Decision is addressed to the Commission.

Done at Brussels,

*For the Council
The President*

<u>FINANCIAL STATEMENT</u>		FinancSt/17/ MK/ig/350345	
		6.221.2017.1 agri.ddg3.g.4(2017)61 3693	
		DATE: 19.01.2017	
1.	BUDGET HEADING: Chapter 05 06 INTERNATIONAL ASPECTS OF 'AGRICULTURE AND RURAL DEVELOPMENT' POLICY AREA 05 06 01 International agricultural agreements	APPROPRIATIONS: B2017 8 105 849 EUR	
2.	TITLE: Proposal for a Council Decision establishing the position to be taken by the European Union within the International Grains Council with respect to the extension of the Grains Trade Convention 1995.		
.	LEGAL BASIS: Article 207 in conjunction with Article 218 (9) of the Treaty on the Functioning of the European Union		
4.	AIMS: Extension of the existing Grains Trade Convention by two more years (1.7.2017 to 30.06.2019).		
5.	FINANCIAL IMPLICATIONS	12 MONTH PERIOD	CURRENT FINANCIAL YEAR 2017
		(EUR million)	(EUR million)
5.0	EXPENDITURE		0.49
	- CHARGED TO THE EU BUDGET (REFUNDS/INTERVENTIONS)		0.41
	- NATIONAL AUTHORITIES		
	- OTHER		
5.1	REVENUE		
	- OWN RESOURCES OF THE EU (LEVIES/CUSTOMS DUTIES)		
	- NATIONAL		
5.0.1	ESTIMATED EXPENDITURE	2019	
5.1.1	ESTIMATED REVENUE	0.42	
5.2	METHOD OF CALCULATION: Based on assumptions on an estimated number of votes of the EU (varies each year), on an estimated amount to be paid per vote in GBP.		
6.0	CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?		YES
6.1	CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?		
6.2	WILL A SUPPLEMENTARY BUDGET BE NECESSARY?		
6.3	WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?		YES
OBSERVATIONS:			
The amount to be effectively paid can vary depending on the final number of votes the EU gets attributed to, the amount to be paid per vote in GBP and on the exchange rate €/ GBP.			