Economic Times 6-12-186

EEC aid under, Operation Flood ruled out

FROM MALCOLM SUBHAN

. . BRUSSELS, December 5.

EEC food aid in support of Operation Flood Three can be suited out, in the view of senior Community officials here. A formal decision is still awaited, however, and will be taken only after the report of the joint EEC[World Bank evaluation team has been feetived, which should be any day now.

One of its main findings reportedly is that milk production now exceeds demand. Given this surplus, further deliveries of skimmed milk powder and butter oil are unnecessary, according to officials here.

However, there is a willingness to look at other forms of support for Flood Three, such as infrastructure investment, and food aid for similar projects in other areas. A flood-type programme for vegetable oils has been mentioned in this connection, but the EEC needs from proposals.

Operation Flood Itself has been severely criticised by some European voluntary organisations. They maintain that its main beneficiarles have been rich farmers and the urban middle class.

A concerted campaign earlier this year to get the community to withdraw its support made a considerable impact on the European Parliament, whose limited powers do extend to the community's aid budget.