COMMISSION REGULATION (EEC) No 568/77

of 18 March 1977

opening an invitation to tender for the mobilization of common wheat as aid for the People's Republic of Bangladesh

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals [1], as last amended by Regulation (EEC) No 3138/76 [2],

Having regard to Council Regulation (EEC) No 2750/75 of 29 October 1975 laying down the conditions for the mobilization of cereals as food aid [3], and in particular Article 6 thereof,

Whereas on 25 March 1976 the Council of the European Communities declared that by way of Community action it proposed to grant the People's Republic of Bangladesh 150 000 tonnes of common wheat under the 1975/76 food-aid programme ;

Whereas pursuant to Article 3 (3) of Council Regulation (EEC) No 2750/75 the goods may be purchased anywhere on the Community market ;

Whereas the proposed invitation to tender should be for supply of the products delivered in the ship's hold at the port of unloading ;

Whereas tenders may be submitted by tenderers established in any Member State of the Community and may relate to products mobilized anywhere within those Member States ; whereas, in view of the currency situation in the Member States and in order to ensure that the tenders are as comparable as possible, account should be taken of the effect on each tender of the currency situation in the Member State in which the customs export formalities will be completed ;

Whereas the contract should be awarded to the tenderer offering the best terms ;

Whereas in case it should be impossible for reasons of *force majeure* to complete the operation in question within the set time limits, it must be made clear who is to bear any costs resulting therefrom ;

Whereas provision should be made for security to be given to guarantee fulfilment of the obligations arising by virtue of participation in the invitation to tender for the supply of wheat to the People's Republic of Bangladesh ;

Whereas the Belgian intervention agency should be made responsible for the tendering procedure in question ;

Whereas the Commission must be informed quickly of the tenders submitted in response to the invitation and of those accepted by the intervention agency ;

Whereas the Monetary Committee will be consulted ; whereas, in view of the urgency, the measures envisaged should be adopted in accordance with the conditions laid down in Article 3 (2) of Council Regulation No 129 on the value of the unit of account and the exchange rates to be applied for the purposes of the common agricultural policy [4], as last amended by Regulation (EEC) No 2543/73 [5], and in particular Article 3 thereof ;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION :

Article 1

1. Tenders are hereby invited for the supply, by way of Community food-aid action, to the People's Republic of Bangladesh of 150 000 tonnes of common wheat.

2. The tendering procedure shall take place in Belgium in six lots of 25 000 tonnes each.

3. The products shall be mobilized on the Community market.

4. Shipment shall be from a Community port.

5. The invitation to tender provided for in paragraph 1 is for supply of products removed from the ship's hold at the ports of Chittagong and of Chalna.

The recipient country shall bear all costs subsequent to delivery of the goods, including unloading costs (such as unstowing, hoisting and reception) and any lighterage costs.

(1) OJ No L 281, 1. 11. 1975, p. 1.
(2) OJ No L 354, 24. 12. 1976, p. 1.
(3) OJ No L 281, 1. 11. 1975, p. 89.
(4) OJ No 106, 30. 10. 1962, p. 2553/62.
(5) OJ No L 263, 19. 9. 1973, p. 1.

Any demurrage costs or dispatch money at the port of unloading shall be a charge on or for the benefit of the recipient country. The rates and detailed arrangements relating thereto laid down in the contract between the authorized agent of the Community and the carrier must have been agreed upon in advance by the authoriz:d agent and the receiving agent of the recipient country.

6. The product shall be delivered in bulk.

Article 2

1. The decision on tenders received in reponse to the invitation provided for in Article 1 shall be taken on 1 April 1977.

2. The closing date for the receipt of tenders shall be 1 April 1977 at 12 noon.

3. The notice of invitation to tender shall be published in the *Official Journal of the European Communities* not less than nine days before the closing date for submission of tenders.

Article 3

1. The prices offered must be expressed in the currency of the Member State in which the invitation to tender was issued.

2. Tenders must in particular mention the Member State in which the tenderer, in the event of his being declared successful, excepts to complete the customs export formalities for the products concerned.

3. For the purpose of rendering the tenders comparable, the prices shall, where appropriate, be corrected by the monetary compensatory amount and the accession compensatory amount applicable on the closing date for submission of tenders to exports from the Member State mentioned in the tender pursuant to paragraph 2.

Such correction shall be made by:

— increasing prices which mention a Member State whose currency has depreciated or a new Member State,
— reducing prices which mention a Member State whose currency has been revalued.

The monetary compensatory amount shall, where appropriate, be converted into the currency of the Member State in which the invitation to tender is issued using:

— in the case when the currencies concerned are kept at any given moment within a band of 2·25 %, a conversion rate resulting from their central rate,
— in the other cases, the average of the spot rates of the currencies concerned recorded in the Member State in which the invitation to tender is issued during a period from the Wednesday of one week to the Tuesday of the following week being the period immediately preceding the closing date for submission of tenders.

Article 4

The contract shall be awarded to the tenderer offering the best terms, taking into consideration the adjustment referred to in Article 3 (3).

However, if the tenders submitted do not appear to reflect normal market prices and costs, the intervention agency may cancel the invitation to tender.

Article 5

1. The tenderer shall give security in an amount of five units of account per tonne of goods.

It shall be released:

— in the case of all tenderers whose tenders are unsuccessful or are not accepted,
— in the case of the successful tenderer, when the operations concerned have been carried out within the prescribed time limit and on submission of the original export licence duly granted and endorsed by the competent authorities of the Member State mentioned in the tender pursuant to Article 3 (2),
— in the case of the successful tenderer, for quantities not supplied by reason of *force majeure*.

2. The security required under paragraph 1 may be provided in the form of a cash deposit or of a guarantee issued by a credit institution conforming to criteria laid down by each Member State.

Article 6

The common wheat referred to in Article 1 to be supplied to the People's Republic of Bangladesh must be of fair and sound merchantable quality and correspond at least to the standard quality for which the intervention price is fixed, except that the moisture content shall not exceed 14·5 % and that a maximum of 3 % of sprouted grains and 1·5 % of miscellaneous impurities shall be allowed.

Article 7

1. The Belgian intervention agency shall be responsible for operations relating to the invitation to tender provided for by this Regulation.

2. It shall forthwith communicate to the Commission the list of firms which have responded to the invitation to tender, specifying the terms of each tender, together with the name and business name of the successful tenderer.

3. Where the customs export formalities for the mobilized product are completed in a Member State other than that in which the invitation to tender is issued, the intervention agency of the latter Member State shall be responsible for the operations following tendering, including payment to the successful tenderer.

In such case, the intervention agency choosing the successful tenderer shall immediately inform the intervention agency of the Member State concerned and shall supply it with all the information which it may require.

Furthermore, the amount of the successful tender shall be paid after it has been converted using the average of the spot rates referred to in the second subparagraph of Article 3 (3) to the tenderer in the currency of the Member State in which the operations relating to the tendering are completed.

4. The intervention agency shall ask that the tenderer specifies the following information :

(a) after each shipment, a statement giving details of the quantities loaded, the quality of the products and their packaging ;

(b) the date of the departure of the ships ; the expected date of arrival of the products at their destination ;

(c) all possible contingencies which might occur during transportation of the products.

The intervention agency shall transmit the information provided for to the Commission as soon as it is received.

5. When the intervention agency responsible for the operations relating to tendering is not the intervention agency which appoints the successful tenderer, it shall send as soon as possible to the latter the information necessary for releasing the security.

Article 8

This Regulation shall enter into force on the day of 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, 18 March 1977.

For the Commission

Finn GUNDELACH

Vice-President