

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(80) 402 final

Brussels, 18 July 1980

DRAFT RULES OF PROCEDURE OF THE EUROPEAN DEVELOPMENT FUND COMMITTEE

COM(80) 402 final

EXPLANATORY MEMORANDUM

Article 17 of the Internal Agreement on the financing and administration of Community aid concluded on 20 November 1979 within the framework of the second Lomé Convention establishes, under the auspices of the Commission, a Committee, called the EDF Committee, composed of representatives of the Governments of the Member States. The role of the Committee is to give its opinion on project financing proposals or on action programmes which are submitted to it by the Commission. The Committee is chaired by a Commission representative and its secretariate shall be provided by the Commission.

Article 17 paragraph 2 of the Internal Agreement declares that the Council, acting unanimously, shall adopt the rules of procedure of the EDF Committee. It is thus in this context that this proposal for rules of procedure is presented.

This proposal takes over the main provisions of the preceding rules of procedure of the EDF Committee (Lomé 1).

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RULES OF PROCEDURE

of the European Development Fund Committee

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Second ACP-EEC Convention of Lomé, hereinafter called the "Convention", signed on 31 October 1979, and in particular the provisions thereof on financial and technical cooperation,

Having regard to the Internal Agreement on the Financing and Administration of Community aid, signed on 20 November 1979, hereinafter called the "Internal Agreement", and in particular Article 17(1) thereof setting up a European Development Fund Committee, hereinafter called the "Committee",

Whereas a Council Decision on the association of the overseas countries and territories with the European Economic Community, hereinafter called the "Decision", is envisaged, and whereas it will include provisions on financial and technical cooperation ;

Whereas it is for the Council to adopt the Rules of Procedure of the Committee,

HAS ADOPTED THESE RULES OF PROCEDURE :

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Article 1

1. The Committee shall comprise the delegations of the Member States and be chaired by a representative of the Commission.

A representative of the European Investment Bank, hereinafter called the "Bank", shall take part in the Committee's work.

A representative of the General Secretariat of the Council shall attend the Committee's meetings as an observer.

2. The Member States shall inform the Commission and the General Secretariat of the Council of the names of the persons authorized to exercise the right to vote and of the addresses to which communications to the delegations should be sent.

The representatives of the Commission and of the Bank may be assisted by officials of their Institutions.

Article 2

The Committee shall meet when convened by its Chairman, either on his own initiative or at the request of a delegation.

Article 3

1. The Committee shall, under the conditions laid down in Article 17(3) and (4) of the Internal Agreement, deliver an opinion :

- a) on financing proposals concerning the projects and programmes referred to in Article 93 of the Convention and in the corresponding provisions of the Decision as well as the emergency aid referred to in Article 137 of the Convention which are eligible for financing by means of grants, special loans or the resources of the special financing facility provided for in Article 51 of the Convention ;

- b) on financing proposals for an additional commitment exceeding 15% of the initial commitment laid down in the financing decision ;
 - p) on proposals for substantial amendments regarding the execution of a project for which a commitment has already been made.
2. Pursuant to Article 114(1) of the Convention and the corresponding provisions of the Decision, financing proposals may deal with multi-annual programmes or overall amounts where the financing concerns training schemes, micro-project programmes and technical cooperation and trade promotion schemes.
 3. Similarly, pursuant to Article 114(2) and the corresponding provisions of the Decision, financing proposals may deal with sets of projects and programmes involving a limited amount in a specific sector.
 4. Financing decisions relating to the programmes and overall amounts referred to in paragraph 2 shall be taken by the Chief Authorizing Officer. The Committee shall be informed periodically of operations undertaken under this heading.

Financing proposals shall be drawn up by the Commission's departments in accordance with a model laid down by the Committee on a proposal from the Commission.

Pursuant to Article 110(3) of the Convention and the corresponding provisions of the Decision, financing proposals shall include in particular an estimated timetable for implementation of the project.

For projects or programmes eligible for financing by means of a special loan or the special financing facility, a draft mandate to be given to the Bank regarding the recovery of the principal and the interest thereon of special loans or of amounts accorded under the special financing facility shall be annexed to the financing proposal.

Statement on Article 3(5). This model was adopted at the Committee meetings held on 14 November 1978 and 6 February 1979.

Article 4

At the meetings of the Committee, each delegation shall give its opinion on the Commission's proposals. Should a delegation have to absent itself during a meeting it may, as an exceptional measure, inform the Committee's secretariat of its position on any of these proposals.

Article 5

1. The Committee shall be informed of any delays or difficulties in executing projects or programmes which might give rise to consultations as provided for in Article 3(1)(b) and (c).
2. The Committee shall also be informed :
 - a) in accordance with Article 20 of the Internal Agreement, of requests for financing officially submitted to the Commission ;
 - b) in accordance with Article 21 of the Internal Agreement, of the results of work periodically done by the Commission on the evaluation of projects which are being carried out or have been completed .
3. The information provided in accordance with paragraphs 1 and 2 may be discussed if any delegation so requests.

Article 6

1. At least three weeks before the date fixed for the meeting the Chairman of the Committee shall send to the delegations, the Permanent Representations of the Member States, the Bank and the General Secretariat of the Council a draft agenda in the official languages of the Communities, together with the Commission's proposals relating to such agenda.

2. Information memoranda drawn up pursuant to Article 5 shall be sent, in the official languages of the Communities, to the delegations, the Permanent Representations of the Member States, the Bank and the General Secretariat of the Council as soon as possible before the meeting of the Committee.
3. At least three working days before the date of the meeting the delegations shall inform the Committee's secretariat in writing of the proposals to which they are already able to agree and which they propose for entry in part A, with or without observations or a request for further information, of the agenda referred to in the first paragraph and of those which it considers should be discussed at the meeting and which it is proposing for entry in part B.

By the same date the delegations shall, in the case of the latter projects, also transmit, wherever possible in writing, their observations and requests for additional information.

The additional information and the replies to the observations made will be given, by the Committee's secretariat, wherever possible in writing, before the meeting.

4. On the basis of the above particulars, the Chairman shall draw up the draft agenda for the meeting and submit it to the delegations for approval at the start of the meeting. A favourable opinion shall be delivered by the Committee without discussion on the financing proposals entered in part A by all delegations, after replies have been given to any observations by the delegations or requests for additional information.

Article 7

1. For the purpose of consulting the Committee, the Chairman may have recourse to an expedited procedure whereby the three-week period specified in Article 6(1) is reduced to seven days from the date on which the financing proposals are dispatched. This procedure shall apply to projects or programmes of an urgent nature.
2. Depending on the degree of urgency that is considered to exist, the Committee may either take a decision on-the-spot or give its opinion by means of the written procedure provided for in Article 8 within one as opposed to three weeks or take a decision at its next meeting.

Article 8

1. The opinion of the Committee may be sought by means of a written procedure. Should the Committee not have delivered an unfavourable opinion within three weeks, proposals shall be considered to be approved. In the event of the Committee delivering an unfavourable opinion, it shall examine the proposals in question at a forthcoming meeting.
2. Notification of recourse to written procedure shall be telexed to the relevant bodies.

Article 9

The following procedures shall apply to the emergency aid referred to in Article 137 of the Convention :

1. The financing proposal shall be telexed to the Committee. Should the Committee not have delivered an unfavourable opinion within two working days, the proposal shall be considered to be approved. In the event of the Committee delivering an unfavourable opinion, it shall examine the proposal in question at its next meeting.
2. Where the circumstances call for immediate aid, the Commission is authorized to commit, up to a ceiling of 1 million units of account, the amounts necessary for covering operations of the utmost urgency, without prejudice to the presentation later of any supplementary financing proposals.

The Chairman shall inform the Committee forthwith of such commitments.

Article 10

1. The Committee may deliver a favourable opinion on a financing proposal subject to amendments. Account shall be taken of these amendments when the opinion is placed before the Commission, as provided for in paragraph 4.
2. The Committee may request that certain points in the appraisal of a project or programme be re-examined. In that event, the financing proposal may be submitted to the Committee a second time.
3. Any Member State may request that an item be included on the agenda for a Committee meeting. Information supplied regarding the item may be given orally.
4. The opinions delivered by the Committee shall be forwarded to the Commission by the Chairman.

Article 11

In the context of Article 113(3) of the Convention and Article 18(3) of the Internal Agreement, the Committee shall meet as an ad hoc committee to hear the representatives of the ACP State or States concerned.

Article 12

1. The Commission shall provide the secretariat for the Committee and for the ad hoc Committee referred to in Article 11.
2. The secretariat shall draw up under the Chairman's responsibility and in the official languages of the Communities, a summary of the main conclusions of each meeting of the Committee and of the basic positions taken by the delegations, within three weeks at the latest of the date of the Committee's opinion. This summary shall be considered final when it has been approved by the Committee either by written procedure or at a subsequent meeting. It shall be sent to the Commission by the Chairman.

3. Each final summary shall be sent to the delegations and Permanent representations of the Member States, the Bank and the General Secretariat of the Council.
4. Whenever the ad hoc Committee meets, a special summary shall be drawn up, approved and distributed under the same conditions as the summaries of meetings of the Committee. If representatives of States other than those referred to in Article 1(1) or representatives of bodies referred to in Article 94 of the Convention have been granted a hearing at the meeting of the ad hoc committee, they shall also receive this special summary.
5. Correspondence concerning the Committee shall be addressed to the Commission, for the attention of the Chairman of the Committee. Correspondence addressed to the delegations of Member States shall also be sent to the Permanent Representation of the relevant country.
6. Those attending meetings of the Committee shall be required to observe the secrecy of the Committee's work and deliberations. Documents relating to such work and deliberations may be communicated only to the relevant departments of the Member States and of the Community Institutions.

Article 13

1. The operating expenditure of the Committee and of the ad hoc committee, including the travelling expenses of not more than four persons per Member State or Community Institution delegation, shall be charged to the General Budget of the European Communities.
2. The Commission shall place at the disposal of the Committee the premises and facilities necessary for its work.

Done at Brussels,

1980

For the Council
The President