

MEDITERRANEAN

COUNCIL REGULATION

on the application of the Mediterranean Financial
Protocols (Algeria, Morocco, Tunisia, Egypt,
Lebanon, Jordan, Syria, Malta and Cyprus)

RULES OF PROCEDURE

of the Article 6 Committee set up within the
Commission

RULES OF PROCEDURE

of the Article 9 Committee set up under the auspices
of the European Investment Bank (EIB)

1 January 1987

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COUNCIL REGULATION (EEC) No 3973/86

of 22 December 1986

concerning the application of the Protocols on
financial and technical co-operation concluded between the
Community and Algeria, Morocco, Tunisia, Egypt, Lebanon,
Jordan, Syria, Malta and Cyprus

COUNCIL REGULATION (EEC) No 3973/86

of 22 December 1986 (*)

concerning the application of the Protocols on financial and technical co-operation concluded between the Community and Algeria, Morocco, Tunisia, Egypt, Lebanon, Jordan, Syria, Malta and Cyprus

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 209 and 235 thereof,

Having regard to the Regulations concerning the conclusion of the Protocols on financial and technical co-operation between the European Economic Community and Algeria⁽¹⁾, Morocco⁽²⁾, Tunisia⁽³⁾, Egypt⁽⁴⁾, Lebanon⁽⁵⁾, Jordan⁽⁶⁾, Syria⁽⁷⁾, Malta⁽⁸⁾ and Cyprus⁽⁹⁾, hereinafter referred to as "Protocols",

Having regard to the proposal from the Commission,

Having regard to the Opinion of the European Parliament,

Having regard to the Opinion of the Court of Auditors⁽¹⁰⁾,

(*) OJ No L 370, 30.12.1986.

(1) OJ No L 337, 29.11.1982, p. 1.

(2) OJ No L 337, 29.11.1982, p. 29.

(3) OJ No L 337, 29.11.1982, p. 43.

(4) OJ No L 337, 29.11.1982, p. 8.

(5) OJ No L 337, 29.11.1982, p. 22.

(6) OJ No L 337, 29.11.1982, p. 15.

(7) OJ No L 337, 29.11.1982, p. 36.

(8) OJ No L 216, 5. 8.1986, p. 1.

(9) OJ No L 85, 28. 3.1984, p. 37.

(10) OJ No C 302, 27.11.1986, p. 6.

Whereas these Protocols lay down the amount of Community aid granted to each of these countries and contain specific points for each particular case; whereas, however, common implementing rules should be established;

Whereas detailed rules for the administration of aid not covered by the own resources of the European Investment Bank, hereinafter referred to as "the Bank", must be laid down;

Whereas the rules for the administration of financial co-operation should be determined, the procedure for laying down guidelines for aid and for examining and approving it should be established and the detailed rules for supervising the use of that aid should be defined;

Whereas the Treaty has not provided the powers necessary for this purpose other than those under Article 235;

Whereas a Committee of representatives of the Governments of the Member States should be set up at the Commission;

Whereas it should be stipulated that the draft financing decisions drawn up by the Bank for operations not covered by its own resources should be submitted for opinion to a Committee of representatives of the Governments of the Member States;

Whereas work by the Commission and the Bank to apply the Protocols should be harmonized;

Whereas on 16 July 1974 the Council adopted a Resolution on the harmonization and co-ordination of Member States' co-operation policies,

HAS ADOPTED THIS REGULATION:

Article 1

1. In implementing aid to Algeria, Morocco, Tunisia, Egypt, Lebanon, Jordan and Syria, the Commission shall be responsible for applying overall Mediterranean policy and the development co-operation policy defined by the Council and the general guidelines for financial and technical co-operation defined pursuant to the Agreements concluded with these countries and the Protocols.

2. In implementing aid to Malta and Cyprus, the Commission shall be responsible for applying the overall Mediterranean policy and the development co-operation policy defined by the Council and the general guidelines for financial and technical co-operation defined pursuant to the Protocol laying down certain provisions relating to the Agreement establishing an association between the European Economic Community and Malta⁽¹⁾, the Additional Protocol to the Agreement establishing an association between the European Economic Community and the Republic of Cyprus⁽²⁾ and the Protocols on financial and technical co-operation concluded with these countries.

Article 2

1. The appropriations for the financing of aid not covered by the Bank's own resources shall be administered by the Commission, in accordance with the Financial Regulation applicable to the general budget of the European Communities, subject in particular to Articles 9, 10 and 11 of this Regulation and without prejudice to the Bank's powers in administering certain forms of aid.

(1) OJ No L 111, 28. 4.1976, p. 3.

(2) OJ No L 339, 28.12.1977, p. 2.

2. However, the detailed rules for administering the appropriations referred to in paragraph 1, particularly with regard to the appointment of financial implementation bodies and the conditions guaranteeing equal competition, insofar as such rules are necessary for the purpose of implementing the Protocols, shall be adopted by common agreement between the Community and each recipient country.

Article 3

1. As regards Algeria, Morocco, Tunisia, Egypt, Lebanon, Jordan and Syria, a general mandate shall be given to the Bank by the Commission on behalf of the Community, after consultation of the representatives of the Member States, to administer interest-rate subsidies for loans from its own resources, risk-capital operations and special loans in the industrial, energy, mining, tourism and economic infrastructure sectors.

The Commission shall itself administer grants for technical assistance programmes or schemes, in whatever sector, and special loans in sectors other than those mentioned in the general mandate given to the Bank and specified in the first subparagraph.

2. As regards Malta and Cyprus, a general mandate from the Community shall be given to the Bank by the Commission, after consultation of the representatives of the Member States, to administer interest-rate subsidies for loans from its own resources and risk-capital operations and special loans.

The Commission shall itself administer grants for technical assistance programmes or schemes.

3. The mandates given to the Bank in accordance with paragraphs 1 and 2, and in particular the provisions concerning movements of funds and the remuneration for executing the mandate, shall be the subject of an agreement between the Commission and the Bank after consulting the representatives of the Member States. This agreement shall include the provisions set out in Articles 9, 10 and 11.

Operations covered by the mandates established pursuant to paragraphs 1 and 2 and concerning special loans and risk capital shall be undertaken by the Bank on behalf of, and at the risk of, the Community.

The Bank shall act in accordance with the procedures laid down in its Statute and with the rules laid down in the agreement referred to in the first subparagraph.

Article 4

The Commission shall communicate to the Member States at least once a year the information obtained from the recipient countries on the content and prospects of their development plans, the objectives they have set themselves and the projects already known which are likely to attain these objectives.

The Commission shall compile this information in collaboration with the Bank.

The Member States shall at the same time inform the Commission, which shall in turn inform the other Member States, of any bilateral aid to the recipient countries which has been decided on.

Furthermore, the Commission shall forward to the Committee referred to in Article 6 any information available on other bilateral or multilateral aid for the recipient countries.

To this end, and to enable the Member States to be informed, the Commission shall obtain all relevant information on aid provided to the recipient countries.

Article 5

1. The position to be taken by the Community for the purposes of defining the specific objectives of financial and technical co-operation in the Co-operation or Association Councils shall be adopted by the Council acting on a proposal from the Commission, drawn up, in close collaboration with the Bank, on the basis of the information obtained in accordance with Article 4. In the event of disagreement, the Bank shall make its position known to the Council.

2. For the purposes of implementing financial and technical co-operation on the basis of the specific objectives referred to in paragraph 1, the Council shall hold an annual policy debate on the future course of financial co-operation. In so doing, it shall see that due account is taken in particular of the mutual complementarity of the interests involved.

For that policy debate the Commission shall submit to the Council a report drawn up in liaison with the Bank, where the latter is concerned, on the implementation of financial co-operation during the last financial year. The Commission and the Bank shall also notify the Council of the information obtained from the recipient countries on the financing sought and of the operations which the Commission and the Bank intend to submit for opinions to the committees provided for in Articles 6 and 9, in accordance with Articles 7 and 10.

In addition, the Commission and the Bank shall undertake, each for those projects concerning it, an evaluation of the main projects completed in major sectors to establish whether the objectives defined in the appraisal of those projects have been met and to provide guidelines for improving the effectiveness of future aid activities. These evaluation reports shall be made available to all Member States.

Article 6

1. A Committee, hereinafter referred to as the "Article 6 Committee", consisting of representatives of the Governments of the Member States, shall be set up at the Commission.

The Article 6 Committee shall be chaired by a representative of the Commission and its secretarial services shall be provided by the Commission.

A representative of the Bank shall take part in its proceedings.

2. The Council, acting unanimously on a proposal from the Commission, shall adopt the rules of procedure of the Article 6 Committee.

3. The Article 6 Committee shall act by a qualified majority in accordance with Article 148(2) of the Treaty.

4. Within the Article 6 Committee, the votes of the Member States shall be weighted in accordance with Article 148(2) of the Treaty.

Article 7

1. The Article 6 Committee shall give its opinion on draft project or scheme financing decisions submitted to it by the Commission.

2. The draft project or scheme financing decisions shall, in particular, explain the relevance of the projects or schemes concerned to the development prospects of the recipient country or countries and shall assess the effectiveness of each project or scheme by setting the effects it is expected to produce against the resources to be invested in it. Where appropriate, they shall indicate the extent to which the aid already agreed to by the Community for the project or similar projects in that or those countries has been utilized as well as the various external sources helping to finance such projects.

They shall include, in particular, measures aimed at promoting, in accordance with the Protocols, participation by undertakings belonging to recipient countries in carrying out the projects.

Article 8

The Commission shall adopt decisions which shall apply immediately. However, if the Article 6 Committee has not delivered a favourable opinion, these decisions shall forthwith be communicated by the Commission to the Council. In that event the Commission shall defer application of the decisions which it has adopted for not more than three months from the date of such communication.

The Council, acting by a qualified majority, may take a different decision within three months.

Article 9

1. A Committee consisting of representatives of the Governments of the Member States, hereinafter referred to as the "Article 9 Committee", shall be set up at the Bank.

The Article 9 Committee shall be chaired by the representative of the Government of the Member State currently holding the Presidency of the Board of Governors of the Bank; its secretariat shall be provided by the Bank.

A representative of the Commission shall take part in its proceedings.

2. The Council, acting unanimously, shall adopt the rules of procedure of the Article 9 Committee.

3. The Article 9 Committee shall act by a qualified majority in accordance with Article 148(2) of the Treaty.

4. Within the Article 9 Committee, the votes of the Member States shall be weighted in accordance with Article 148(2) of the Treaty.

Article 10

1. The Article 9 Committee shall give its opinion on the draft financing decisions drawn up by the Bank pursuant to Article 3.

The Commission representative shall state the Commission's position on these draft decisions.

The Commission's position shall cover the conformity of the draft decisions with the objectives of financial and technical co-operation laid down in the Agreements or the Protocols and with the general guidelines adopted by the Co-operation or Association Councils.

2. In addition, the Bank shall inform the Article 9 Committee of any loans without interest-rate subsidies which it intends to grant from its own resources.

Article 11

1. The document in which the Bank submits a draft financing decision to the Article 9 Committee shall, in particular, explain the relevance of the projects concerned to the development prospects of the recipient country or countries and, where appropriate, indicate the extent to which loans agreed to by the Bank have been utilized.

2. Where the Article 9 Committee delivers a favourable opinion and the Commission expresses a favourable view in respect of a draft financing decision involving a special loan or risk capital, the draft decision shall be submitted for decision to the Board of Directors of the Bank, which shall act in accordance with the Bank's Statute.

In the absence of a favourable opinion from the Article 9 Committee or in the event of an unfavourable view being expressed by the Commission, the Bank shall either withdraw the draft decision or request the Member State holding the Chair of the Article 9 Committee to refer the matter to the Council as soon as possible.

3. Where, in the absence of a favourable opinion from the Article 9 Committee or in the event of an unfavourable view being expressed by the Commission, the matter is brought before the Council in accordance with the second subparagraph of paragraph 2, the Bank's draft decision shall be submitted to the Council together with the reasoned opinion of the Article 9 Committee or the Commission's view.

The Council shall take its decision by a qualified majority.

If the Council decides to confirm the position taken by the Article 9 Committee or by the Commission, the Bank shall withdraw its proposal.

If, however, the Council is in agreement with the Bank's proposal, the Bank shall implement the procedures laid down in its Statute.

4. The Commission and the Bank shall jointly identify the branches of activity likely to benefit from a loan with an interest-rate subsidy.

Where the Article 9 Committee delivers a favourable opinion in respect of an application for a loan with an interest-rate subsidy, the application shall be submitted for decision to the Board of Directors of the Bank, which shall act in accordance with the Bank's Statute.

In the absence of a favourable opinion from the Article 9 Committee, the Bank shall either withdraw the application or decide to maintain it. In the latter event, the application, together with the reasoned opinion of the Committee, shall be submitted for decision to the Board of Directors of the Bank, which shall act in accordance with the Bank's Statute.

Article 12

1. The Commission shall ensure that the mandates provided for in Article 3 are carried out and that the aid administered directly by it is implemented and ascertain how the projects being implemented and financed by such aid are implemented by the recipient countries or by any other recipients referred to in each of the Protocols concluded with these countries.

2. It shall also ascertain, in close collaboration with the responsible authorities of the recipient country or countries, how projects financed with Community aid are used by the recipients.

3. When conducting the examinations carried out pursuant to paragraphs 1 and 2, the Commission shall examine jointly with the Bank to what extent the objectives defined pursuant to the provisions of the Co-operation Agreements with Algeria, Morocco, Tunisia, Egypt, Lebanon, Jordan and Syria, of the Protocol laying down certain provisions relating to the Agreement establishing an association between the European Economic Community and Malta, of the Additional Protocol to the Agreement establishing an association between the European Economic Community and the Republic of Cyprus, and the Protocols concluded with all the aforementioned countries have been attained.

4. The Commission shall report to the European Parliament and the Council at their request, and at least once a year, on compliance with the terms of paragraphs 1, 2 and 3.

Article 13

This Regulation shall enter into force on 1 January 1987.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 22 December 1986

For the Council
The President

Statements entered in the Council minutes
when the Council adopted the

REGULATION

concerning the application of the Financial Protocols
concluded with Algeria, Morocco, Tunisia, Egypt,
Lebanon, Jordan, Syria, Malta and Cyprus

1. Statement on the scope

"The Council and the Commission state that this Regulation may in no way be regarded as a precedent for implementing Financial Protocols other than those covered by this Regulation.

The procedure for implementing such other Protocols will be adopted later in accordance with the merits of each particular case."

2. Joint statement by the Council and the Commission on Article 2(2)

"1. The detailed administrative rules concerning the conditions guaranteeing equal competition will be established in the framework of the exchanges of letters between the Commission and each recipient country governing the invitation-to-tender procedures.

2. The Commission will periodically inform the Member States of the progress of any negotiations it conducts in this spirit for the adoption of the general conditions applying to the placing and execution of contracts."

3. Statement on the first subparagraph of Article 5(2)

"The Council and the Commission state that, as regards the complementarity of the mutual interests involved, of which due account is to be taken, particular consideration should be given to sensitive sectors of activity within the Community."

4. Statements on the third subparagraph of Article 5(2)

"- The Council and the Commission state that evaluation will be automatic in the case of all projects over 5 MECU directly financed by the Commission

- The European Investment Bank states that the reports referred to in the third subparagraph of Article 5(2) will be made available to the Member States where such reports exist. It would point out that the production of such evaluation reports involves for the Bank the establishment of a specific organization to evaluate the effects of all its operations, and that this can only be done gradually."

COUNCIL DECISION
of 22 December 1986

adopting the Rules of Procedure of the Article 6 Committee
set up within the Commission by Regulation (EEC) No 3973/86
in the context of the Mediterranean Financial Protocols

RULES OF PROCEDURE OF THE ARTICLE 6 COMMITTEE

STATEMENT
by the Council and the Commission

COUNCIL DECISION
of 22 December 1986

adopting the Rules of Procedure of the Article 6 Committee
set up within the Commission by Regulation (EEC) No 3973/86
in the context of the Mediterranean Financial Protocols

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic
Community,

Having regard to Council Regulation (EEC) No 3973/86 of
22 December 1986 on the implementation of the Protocols on Financial
and Technical Co-operation concluded by the Community with Algeria,
Morocco, Tunisia, Egypt, Lebanon, Jordan, Syria, Malta and
Cyprus ⁽¹⁾, and in particular Article 6(2) thereof,

Having regard to the proposal from the Commission,

⁽¹⁾ OJ No L 370, 30.12.1986, p. 5.

Whereas it is for the Council to adopt the Rules of Procedure of the Committee of the representatives of the Governments of the Member States, set up within the Commission by the said Regulation and referred to as the "Article 6 Committee",

HAS DECIDED AS FOLLOWS:

Sole Article

The Rules of Procedure of the Article 6 Committee are hereby adopted as set out in the Annex hereto.

Done at Brussels, 22 December 1986

For the Council
The President

RULES OF PROCEDURE
OF THE ARTICLE 6 COMMITTEE

Article 1

1. The Article 6 Committee, hereinafter referred to as "the Committee", shall comprise the delegations of the Member States hereinafter referred to as "the delegations". The Committee shall be chaired by a representative of the Commission.

A representative of the European Investment Bank, hereinafter referred to as "the Bank", shall participate in the Committee's proceedings.

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

2. Member States shall inform the Commission of the name of the person authorized to exercise the right to vote and of the addresses to which communications to the delegations should be sent.
3. The Committee may take a unanimous decision to hear non-governmental experts.

Article 2

1. The Committee shall meet when convened by its Chairman, either on his own initiative or at the request of a delegation.
2. Any delegation may request that an item be included on the agenda for a Committee meeting.

Article 3

1. The Committee shall deliver, in accordance with Article 6(3) and (4) of Regulation (EEC) No 3973/86, an opinion on:
 - (a) draft financing Decisions for projects or operations, or draft substantial amendments to such draft Decisions, submitted to it by the Commission;
 - (b) draft financing Decisions involving an additional commitment exceeding 20% of the initial commitment laid down in the financing Decision;
 - (c) draft financing Decisions involving overall amounts for operations in the areas of technical co-operation, training and trade promotions; the Commission shall inform the Committee regularly of the utilization of these overall amounts.
2. The documents in which the Commission submits draft financing decisions to the Committee shall contain the data referred to in Article 7(2) of the said Regulation in accordance with a plan which the Commission shall determine on the basis of the Committee's opinion.

Article 4

1. At least three weeks before the scheduled date of a meeting, the Chairman of the Committee shall send to the persons designated pursuant to Article 1(2), to the Permanent Representations of the Member States, the General Secretariat of the Council and to the Bank, in the official languages of the Communities, a draft agenda and the draft financing decisions referred to in Article 3.

2. At least three working days before the scheduled date of the meeting the delegations shall inform the Committee Secretariat in writing of the draft financing decisions on which they are able to agree and which they are proposing for entry - with or without observations or requests for further information - in part A of the draft agenda referred to in paragraph 1, and of those which they consider should be discussed at the meeting and which they are proposing for entry in part B.

In the case of the latter draft financing decisions the delegations shall also transmit by the same date, and wherever possible in writing, their observations and requests for further information, which shall be forwarded to the delegations of the Member States and to the General Secretariat of the Council via the Committee Secretariat.

3. On the basis of the various particulars referred to in paragraph 2, the Chairman of the Committee shall prepare the agenda for the meeting and submit it to the delegations for approval at the start of the meeting.
4. Each delegation shall state its views on the Commission proposals at the Committee meetings.

If a delegation is unable to attend a meeting or if it is required to absent itself during a meeting, it may, exceptionally, either inform the Committee Secretariat of its position on the Commission proposal(s), or delegate its votes to another delegation and inform the Committee Secretariat thereof.

A delegation may represent only one other Member State. The Committee Secretariat shall be informed thereof by the Permanent Representation of that State.

5. A favourable opinion shall be delivered by the Committee on the draft financing decisions for which entry in Part A is confirmed by all delegations, after replies have been given to observations or requests for further information by the delegations.

6. Draft financing decisions still entered in Part B shall be the subject of a discussion following which a vote shall be taken in accordance with Article 6 of Regulation (EEC) No 3973/86.
7. The Committee shall have the option of delivering a favourable opinion on a financing proposal subject to amendments.
8. The Committee may, when assessing a project or action programme, ask for certain points to be elaborated on. In such a case, the financing proposal may be submitted to the Committee a second time.
9. If, after the Committee has delivered a favourable opinion it proves necessary to make significant changes, other than those mentioned in Article 3, to the financing decision submitted to the Committee, the Commission shall inform the Committee, which may discuss them.

Article 5

1. The Commission shall provide the Secretariat for the Committee.
2. Within a maximum period of three weeks the Committee Secretariat shall, under the responsibility of the Chairman, draw up in the official languages of the Communities a record of the main conclusions of the meeting and of the basic positions taken by the delegations. This record shall be considered final when it has been approved by the Committee, either by the written procedure, or at a subsequent meeting.
3. The final record shall be sent to the persons designated pursuant to Article 1(2), to the Permanent Representations of the Member States, to the Bank and to the General Secretariat of the Council.
4. Correspondence concerning the Committee shall be addressed to the Commission, for the attention of the Chairman of the Committee.

5. Persons 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 the Community Institutions.

Article 6

The operating expenditure of the Committee, including the travelling expenses of not more than two persons per Member State or Community Institution, shall be defrayed by the Commission.

STATEMENT

by the Council and the Commission
entered in the Council minutes

"Implementation of Article 6 does not rule out the possibility of combined missions by Member States to obtain information on the spot about the execution of the projects financed. The procedure for any such missions is still to be determined."

COUNCIL DECISION
of 22 December 1986

adopting the rules of procedure of the Article 9 Committee
set up under the auspices of the
European Investment Bank, by Regulation (EEC) No 3973/86
within the framework of the Mediterranean financial protocols

RULES OF PROCEDURE OF THE ARTICLE 9 COMMITTEE

COUNCIL DECISION
of 22 December 1986

adopting the rules of procedure of the Article 9 Committee
set up under the auspices of the
European Investment Bank, by Regulation (EEC) No 3973/86
within the framework of the Mediterranean financial protocols

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic
Community,

Having regard to Council Regulation (EEC) No 3973/86 of 22 December 1986
concerning the application of the Protocols on financial
and technical co-operation concluded between the Community
and Algeria, Morocco, Tunisia, Egypt, Lebanon, Jordan,
Syria, Malta and Cyprus ⁽¹⁾, and in particular Article 9
thereof,

Having regard to the Opinion of the Bank,

⁽¹⁾ OJ No L 370, 30.12.1986, p. 5.

Whereas, in accordance with Article 5 of the Decision of the Representatives of the Governments of the Member States on the provisional location of certain Institutions and Departments of the Communities, all the activities of the European Investment Bank shall be carried out in Luxembourg;

Whereas it is for the Council to adopt the Rules of Procedure of the Committee of Representatives of the Governments of the Member States set up, under the auspices of the European Investment Bank, by the said Regulation and referred to as "the Article 9 Committee",

HAS DECIDED AS FOLLOWS:

Sole Article

The Rules of Procedure of the Article 9 Committee are hereby adopted as they appear in the Annex to this Decision.

Done at Brussels, 22 December 1986

For the Council
The President

RULES OF PROCEDURE
OF THE ARTICLE 9 COMMITTEE

Article 1

1. The Article 9 Committee, hereinafter referred to as the "Committee", shall comprise the delegations of the Member States, hereinafter referred to as "delegations" and of the European Investment Bank (hereinafter referred to as the "Bank").

The Committee shall be chaired by the representative of the Member State currently providing the Chairman of the Board of Governors of the Bank.

A representative of the Commission shall take part in the work of the Committee.

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

2. The Member States shall inform the Bank and the General Secretariat of the Council, through their Permanent Representatives to the European Communities, of the names of those persons authorized to exercise the right to vote and the names and addresses of not more than five persons authorized to receive communications.

3. The Bank, the Commission and the General Secretariat of the Council shall designate their respective representatives, who may be assisted by officials or employees of their institutions. The provisions of paragraph 2 shall apply mutatis mutandis with regard to communications

Article 2

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

Article 3

1. The Committee shall, in accordance with Article 9(3) and (4) of Regulation (EEC) No 3973/86, deliver opinions on applications for loans with interest subsidies and on proposals for financing by special loans or risk capital put forward by the Bank pursuant to Article 2 of the said Regulation.

2. Documents submitted to the Committee shall be prepared by the Bank. In addition to the data referred to in Article 11(1) of Regulation (EEC) No 3973/86, these shall give details of:

- the position of the project, bearing in mind the specific aims of the financial and technical co-operation of the Community, as laid down by the indicative programme,
- the definition of the project,
- its cost and financing plan,
- its general organization,
- its timetable,
- the development objective which it is intended to achieve, the arguments in favour of its implementation and the economic benefits it offers,
- the implications of the project at local, national and, where applicable, regional level.

As a general rule, a technical fact-sheet and work schedule for the project shall be provided in the form of an annex.

Article 4

1. The Committee shall be informed of loans which the Bank is considering granting without interest subsidies.
2. The Committee shall also be informed by the Bank of the state of current or completed projects which have been in receipt of aid managed by the Bank, and, in particular, of any serious difficulties arising during their implementation.

Article 5

1. At least three weeks before the date fixed for a meeting, the Bank shall send to the persons appointed under Article 1(2) and (3) confidential personal copies of the draft agenda, at the same time enclosing the documents referred to in Article 3.
2. At least three working days before the date of the meeting, the delegations of the Member States and the Commission shall inform the Bank by telex of any comments or requests for additional information they may have.
3. The Chairman shall draw up the draft agenda for the meeting and submit it to the delegations at the beginning of the meeting for their approval. Each delegation may at any time request that an item be placed on the agenda for a Committee meeting. Information supplied in this connection may be given orally.
4. A delegation not present at the meeting shall be deemed to have delivered a favourable opinion unless it has, either previously or during the meeting, informed the Chairman otherwise.

Article 6

With the agreement of the Chairman, the opinion of the Committee may also be arrived at by means of a written procedure. The projects shall be deemed to have received the favourable opinion of the Committee if, within three weeks of transmission to their recipients, the Bank does not receive a request to convene the Committee. Where such a request is received, the loan application or the financing proposal in question shall automatically be placed on the agenda for the first Committee meeting following expiry of the above period.

Recipients of communications shall be informed by telex of the use of the written procedure and its results.

Article 7

1. The Committee may accompany its favourable opinion with requests for amendments to the financing proposals submitted by the Bank.
2. The Committee may ask for the appraisal of a project or action programme to be supplemented in certain respects. In this case the financing proposal in particular may be resubmitted to the Committee.
3. The Board of Directors of the Bank shall be informed of opinions delivered by the Committee.

Article 8

1. The Bank shall provide the secretariat of the Committee.
2. Not more than three weeks after the date on which the Committee delivers its opinions, the secretariat shall, on the Chairman's responsibility, draw up minutes of the main conclusions of each meeting of the Committee, together with the fundamental standpoints adopted by the delegations, which it shall send to the addressees referred to in Article 5(1) and in accordance with the same requirements as those stipulated in that Article. The minutes shall be considered final when they have been approved by the Committee, either by means of the written procedure or at a subsequent meeting.
3. Correspondence concerning the Committee shall be addressed to the Chairman of the Committee at the head office of the Bank.
4. Those attending meetings of the Committee shall be required to observe secrecy in respect of the Committee's work and deliberations. Documents relating to such work and deliberations shall be for the exclusive use of their addressees who shall remain responsible for them.

Article 9

1. The Committee's operating expenses - including travelling expenses for two people - or, exceptionally, four people at most - per Member State or Community institution shall be borne by the Bank.
 2. The Bank shall place at the disposal of the Committee the premises and equipment necessary for its operation.
-