

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 250 final.

Brussels, 3 June 1976

Proposal for a

COUNCIL DECISION

amending the Decision of 3 December 1973, on consultation and information procedures in matters of credit insurance, credit guarantees and financial credits

(submitted to the Council by the Commission)

COM(76) 250 final.



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Explanatory memorandum

Annex I - A

Whereas the starting-points had been initially defined by the Berns Union in connection with its own notification system for credits with a duration exceeding five years, the revised definition is intended for more general use and takes into account the special problem of large projects (concept of "commissioning" or "installation of the plant", extension of construction periods, contracts involving "instalments" for delivery and installation, etc.).

In order to avoid disparities in the information and consultation systems in use, both by credit insurance organisations, as well as within the European Economic Community, and since the initial definition had been used in Annex I.A. of the Council Decision on consultation procedures (N° 73/391/EEC), this Annex should be amended in line with the revised definitions.

Annex II

The amendment decided on under the prior consultation procedure of the OECD and concerning the scale of value categories adopted in December 1973, must also be incorporated in the consultation procedures of the European Communities, and this for two reasons:

- firstly, this amendment makes for somewhat stricter conditions and was adopted by the OECD Group after a number of amendments put forward by the Nine had been accepted;
- secondly, a certain degree of conformity between the two systems must be maintained.

Since the revised definition of starting-points is already applicable and since the decision of the OECD Group on Export Credits and Credit Guarantees concerning the new scale of value categories has been adopted with effect from 1 December 1975, the Commission proposes to the Council that it should adopt the Decision the draft of which is annexed hereto.

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Council Decision

**amending the Decision of 3 December 1973
on consultation and information procedures in matters of credit insurance,
credit guarantees and financial credits**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas, by its Decision 73/391/EEC of 3 December 1973, the Council set up
consultation procedures in matters of credit insurance, credit guarantees
and financial credits (1);

Whereas the provisions of the said Decision have applied since
1 January 1974;

Whereas these consultation procedures should be amended in the light of the
experience acquired in applying it ;

HAS DECIDED AS FOLLOWS:

(1) OJ N° L 346, 17 December 1973, p. 1

Article 1

Section A of Annex I to the Annex to Council Decision of 3 December 1973 on consultation and information procedures in matters of credit insurance, credit guarantees and financial credits is hereby amended as follows:

ANNEX I

Community norms which cannot be departed from without consultation

A. Duration of credits

The duration of any credit granted, whether supplier credit or financial credit, must not exceed five years calculated from the following starting-points.

1. Capital goods consisting of individual items usable in themselves: (for example, locomotives): the mean date, or actual dates, on which the buyer is to take physical possession of the goods in his own country;

2. Capital goods for complete plant or factories where the supplier has no responsibility for commissioning:

the date on which the buyer is to take physical possession of the entire goods (excluding spare parts) supplied under the contract;

3. Construction contracts where the contractor has no responsibility for commissioning:

- the date on which the construction has been completed;

4. Installation (or construction) contracts where the supplier (or contractor) has a contractual responsibility for the commissioning:

- the date on which the supplier (or contractor) has completed installation (or construction) and preliminary tests to ensure that it is ready for operation, whether or not the installation (or construction) is handed over to the buyer at that time in accordance with the terms of the contract and irrespective of any continuing commitment which the supplier (or contractor) may have entered into, for example to guarantee its effective functioning or to train local personnel.

5. In the case of paragraphs 2, 3 and 4, where the contract involves the separate execution of individual parts of a project:

- the date of the starting-point for each separate part, or the mean date of those starting-points or, where the supplier has entered into a contract, not relating to the whole project, but to an essential part of it, the starting-point appropriate to the project as a whole.

Article 2

Annex II to the Annex to the said Decision is hereby replaced by the following :

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SCALE OF VALUES TO BE USED

Category I	:	up to	750 000 SDR
Category II	:	from	600 000 to 1 200 000 SDR
Category III	:	from	1 000 000 to 2 200 000 SDR
Category IV	:	from	2 000 000 to 3 200 000 SDR
Category V	:	from	3 000 000 to 5 000 000 SDR
Category VI	:	from	4 800 000 to 7 600 000 SDR
Category VII	:	from	7 400 000 to 11 200 000 SDR
Category VIII	:	from	10 000 000 to 22 000 000 SDR
Category IX	:	from	20 000 000 to 44 000 000 SDR
Category X	:	over	40 000 000 SDR

Article 3

The revised provisions shall apply forthwith and replace those adopted previously by the Council.

Article 4

This Decision is addressed to the Member States.

Done at Brussels,

For the Council

The President