

COMMISSION OF THE EUROPEAN COMMUNITIES

COM (89) 62 final

Brussels, 2 March

1989

Amendment to the
Proposal for a

COUNCIL REGULATION (ECSC, EEC, EURATOM)

implementing the Decision of 24 June 1988 on the system of the Communities'
own resources

(presented by the Commission in accordance with
Article 149(3) of the EEC Treaty and the second
subparagraph of Article 119 of the Euratom Treaty)

Explanatory memorandum

On 22 September 1988 the Commission sent the Council a proposal for a Regulation implementing the Decision of 24 June 1988 on the system of the Communities' own resources.¹ This Regulation is to replace Council Regulation (ECSC, EEC, Euratom) No 2891/77 of 19 December 1977,² as amended by Council Regulation (ECSC, EEC, Euratom) No 1990/88 of 30 June 1988.³

The Council has consulted Parliament and the Court of Auditors on this proposal. The Court of Auditors gave its opinion on 17 November 1988;⁴ Parliament adopted its opinion on 13 December 1988.⁵

The Commission is proposing the following amendments to its initial proposal in the light of Parliament's opinion:

1. Parliament wants to impose on Member States a requirement to inform the Commission not only of their rules for establishing and making available own resources but also those for the collection of these resources.

The Commission considers that precise information about all the national provisions for the collection of own resources could make it easier to inspect these resources and proposes that Article 4(1)(b) be amended as requested by Parliament.

2. Parliament proposes that the accounts for own resources kept by each Member State should be broken down by type of resource according to the Commission's nomenclature.

The Commission is in agreement with Parliament's proposal. It is essential that the Member States break down their accounts of own resources in accordance with the combined nomenclature of the European Communities which entered into force on 1 January 1988⁶ if they are to provide the detailed information which the Commission needs in order to be able to compare estimates with outturns and improve its methods for forecasting own resources.

The Commission therefore proposes that Article 6(1) be amended as suggested by Parliament.

¹OJ C 255, 1.10.1988.

²OJ L 336, 27.12.1977.

³OJ L 176, 7.7.1988.

⁴OJ C 313, 8.12.1988.

⁵OJ C 12, 16.1.1989.

⁶Council Regulation (EEC) No 2658/87 of 23 July 1987; OJ L 256, 7.9.1987.

3. Parliament is a strong advocate of tougher measures to combat fraud and irregularities affecting own resources.

It accordingly proposes that the Member States should not only provide the Commission with a regular summary of frauds and irregularities of major importance but should at the same time be required to report any shortcomings in the monitoring arrangements and state what measures have been taken to avoid any repetition of such cases of fraud and irregularities.

The Commission is entirely in agreement with Parliament: it therefore proposes that appropriate provisions be added to Article 6(3).

4. In its concern to safeguard the Communities' financial interests, Parliament recommends that the Member States be obliged to apply for prior authorization from the Commission when, in exceptional cases, they intend to abandon the recovery of certain amounts of own resources for reasons other than force majeure.

The Commission shares Parliament's concern; it would add that the prior-authorization requirement would ensure that all Member States are treated equally.

It is therefore proposed that Article 17(2) be amended as requested by Parliament.

5. The Commission proposes to amend Article 18(5) as requested by Parliament to specify the frequency and contents of the Commission reports.

II

(Preparatory Acts)

COMMISSION

Amendment to the proposal for a Council Regulation (ECSC, EEC, Euratom) implementing the Decision of 24 June 1988 on the system of the Communities' own resources ⁽¹⁾

COM(89) 62 final

(Submitted by the Commission in accordance with Article 149 (3) of the EEC Treaty and the second subparagraph of Article 119 of the Euratom Treaty on 8 March 1989)

(89/C 80/15)

1. Article 4 (1) (b) is amended to read as follows:

'(b) of its laws, regulations, administrative provisions and accounting procedures for establishing and **collecting** own resources and making them available to the Commission.'

2. Article 6 (1) is amended to read as follows:

'1. Accounts for own resources shall be kept by the Treasury of each Member State or by the body appointed by each Member State. **These accounts** shall be broken down by type of resource **in accordance with the combined nomenclature of the European Communities provided for by Council Regulation (EEC) No 2658/87 ⁽²⁾**.'

3. The following is added to the final subparagraph of Article 6 (3):

'**and shall indicate any shortcomings in the monitoring arrangements and the measures taken to avoid any repetition of such cases of fraud and irregularities.**'

4. Article 17 (2) is amended to read as follows:

'2. Member States shall be freed from the obligation to place at the disposal of the Commission the amounts corresponding to established entitlements solely if, for reasons of *force majeure*, these amounts have not been collected.

Moreover, in exceptional cases, **the Commission may authorize Member States** not to make these amounts available to it if, after a detailed examination of the relevant details of the case, it is found that recovery is definitively impossible, for reasons beyond their control. Cases involving amounts of over ECU 10 000 must be mentioned in the report referred to in paragraph 3.'

5. Article 18 (5) is amended to read as follows:

'5. The Commission shall report to Parliament and to the Council **every three years on the progress made in adapting national laws and regulations and on the functioning of the inspection arrangements.**'

⁽¹⁾ OJ No C 255, 1. 10. 1988, p. 5

⁽²⁾ OJ No L 256, 7. 9. 1987, p. 1.

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