

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 132 final

Brussels, 18 March 1982

Recommendation for a

COUNCIL DECISION

amending Decision 70/552/EEC on the rules applicable, in the fields
of export guarantees and finance for export, to certain sub-contracting
in other member countries of the European Communities or in non-member
countries

(submitted to the Council by the Commission)

COM(82) 132 final

EXPLANATORY MEMORANDUM

1. The Council Decision of the 16 December 1970 is based on the principle of the incorporation in national systems of sub-contracts emanating from other member states, and in particular, the automatic inclusion of these in the insurance cover granted to the principal contractor in his own country. On the other hand as concerns financing, the decision envisages only non-discrimination on a reciprocal basis.

2. In practice in almost all cases insurance and finance are arranged in the same country. Hence, incorporation in the insurance cover should generally lead also to inclusion in the financing.
Insurance and finance should be treated in exactly the same way. The concepts of non-discrimination and reciprocity currently applied are not sufficiently precise and can give rise to interpretations which risk destroying the general purpose of the decision.

3. It is therefore proposed to amend the decision in order to
 - a) eliminate the concept of reciprocity as regards financing ;
 - b) introduce clearly the automatic incorporation of a sub-contract in the financing which may be made available to the principal contractor;
 - c) define the concept of non-discrimination which, within the limits fixed by the decision, will stipulate that the same terms will be offered to the principal contractor irrespective of whether national subcontracts or subcontracts originating from another member state are incorporated.

Recommendation for a
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amending Decision 70/552/EEC on the rules
applicable, in the fields of export, guarantees and finance
for export, to certain sub-contracting in other member countries
of the European Communities or in non-member countries.

THE COUNCIL OF THE EUROPEAN COMMUNITIES

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

having regard to the Recommendation from the Commission,

Whereas Council Decision 70/552/EEC ⁽¹⁾ fixes certain rules applicable, in the fields of export guarantees and finance for export, to certain sub-contracting in other Member States of the European Communities or in non-member countries,

Whereas the growing interdependence of the economies of the Member States makes it necessary to reinforce cooperation and to improve common solutions to particular problems which arise, in the field of sub-contracting, through export guarantees and finance for export,

HAS ADOPTED THIS DECISION:

Article 1

Decision 70/552/EEC is hereby amended as follows:

Article 1

1. The first Article is replaced by the following text :

The detailed rules applicable in each Member State to the automatic inclusion of sub-contracts with parties in other member countries of the European Communities or in non-member countries in the cover and the finance which may be granted to the principal contractor are defined in the provision set out in the Annex to this Decision.

2. Point 3 of section II of the Annex is replaced by the following text :

The sub-contracts incorporated in the cover to be made available to the principal contractor according to the procedure referred to above shall be incorporated automatically in the finance which may be made available to the principal contractor.

3. The following point 4 is added to section II of the Annex :

Within the limits fixed by this Decision, the cover and finance offered to the principal contractor will be made available under the same conditions, irrespective of whether national subcontracts or to sub-contracts originating from another Member State are incorporated.

¹⁾ OJ No L 284, 30.12.70, p. 59

Article 2

This Decision shall enter into force on the day of its publication in the Official Journal of the European Communities.

Article 3

This Decision is addressed to the Member States.

Brussels,

For the Council

The President