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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC, EURATOM) No 1552/89

of 29 May 1989

implementing Decision 88/376/EEC, Euratom on the system of the Communities' own resources

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community, and in particular Article 209 thereof,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular Article 183 thereof,

Having regard to Council Decision 88/376/EEC, Euratom of 24 June 1988 on the system of the Communities' own resources (1), and in particular Article 8 (2) thereof,

Having regard to the proposal from the Commission (2),

Having regard to the opinion of the European Parliament (3),

Having regard to the opinion of the Court of Auditors (4),

Whereas in the light of experience gained in applying Council Regulation (EEC, Euratom, ECSC) No 2891/77 of 19 December 1977 implementing the Decision of 21 April 1970 on the replacement of financial contributions from Member States by the Communities' own resources (5), as amended by Regulation (ECSC, EEC, Euratom) No 1990/88 (6), it appears that the provisions of that Regulation must be entirely redrafted;

Whereas the Community must have the own resources referred to in Article 2 of Decision 88/376/EEC, Euratom available in the best possible conditions and accordingly arrangements must be laid down for the States to provide the Commission with the own resources allocated to the Communities;

Whereas traditional own resources are levied by the Member States in accordance with laws, regulations and administrative provisions that are, where necessary, adapted to the requirements of Community regulations;

Whereas the concept of establishment must be defined in respect of the own resources referred to in Article 2 (1) (a) and (b) of the said Decision;

Whereas separate accounts should be kept for entitlements which have not been recovered; whereas these accounts and the submission of a quarterly statement of such accounts should enable the Commission to monitor more closely the action taken by Member States to collect own resources, and particularly those compromised by fraud or irregularities;

Whereas provision should be made, as regards the own resources accruing from value added tax, hereinafter called 'VAT resources', referred to in Article 2 (1) (c) of the said Decision, for Member States to make available to the Community, in the form of constant monthly twelfths, the own resources entered in the budget and subsequently to adjust the amounts made available in accordance with the actual base of VAT resources as soon as it is fully known;

Whereas this procedure is also to apply to the additional resource referred to in Article 2 (1) (d) of the said Decision, hereinafter referred to as 'the additional resource', created in accordance with Council Directive 89/130/EEC, Euratom of 13 February 1989 on the harmonization of the compilation of the gross national product at market prices (7);

Whereas the own resources must be made available in the form of an entry of the amounts due in an account opened for this purpose in the name of the Commission with the Treasury or with the body appointed by each Member State; whereas in order to restrict the movements of funds to that which is necessary for the implementation of the budget, the Community must confine itself to drawing on the abovementioned accounts solely to cover the Commission's cash requirements;

(1) OJ No L 185, 15. 7. 1988, p. 24.
(2) OJ No C 255, 1. 10. 1988, p. 5, and OJ No C 80, 31. 3. 1989, p. 8.
(3) OJ No C 12, 16. 1. 1989, p. 42.
(4) OJ No C 313, 8. 12. 1988, p. 31.
(5) OJ No L 336, 27. 12. 1977, p. 1.
(6) OJ No L 176, 7. 7. 1988, p. 1.
(7) OJ No L 49, 21. 2. 1989, p. 26.

Whereas the balance to be carried forward to the following financial year should be defined;

Whereas, in order to ensure that the Community budget will be financed in all circumstances, the procedure for making available the contributions based on the gross national product, hereinafter referred to as the 'GNP financial contributions', referred to in Article 2 (7) of Decision 88/376/EEC, Euratom should be laid down;

Whereas the Member States must keep at the disposal of the Commission and, where necessary, forward to it the documents and information needed to allow it to exercise the power conferred upon it as regards the Communities' own resources;

Whereas the Member States should conduct the checks and enquiries relating to the establishment and making available of own resources; whereas the Commission should exercise its powers in accordance with this Regulation; whereas the powers of the Commission should be stipulated with regard to the inspection measures on the additional resource;

Whereas close cooperation between Member States and the Commission is likely to facilitate the correct application of this Regulation,

HAS ADOPTED THIS REGULATION:

TITLE I

General provisions

Article 1

The Community's own resources provided for in Decision 88/376/EEC, Euratom, hereinafter referred to as 'own resources' shall be made available to the Commission and inspected as specified in this Regulation, without prejudice to Council Regulation (EEC, Euratom) No 1553/89 of 29 May 1989 on the definitive uniform arrangements for the collection of own resources accruing from value added tax [1] and Directive 89/130/EEC, Euratom.

Article 2

1. For the purpose of applying this Regulation, the Community's entitlement to the own resources referred to in Article 2 (1) (a) and (b) of Decision 88/376/EEC, Euratom shall be established as soon as the amount due has been notified by the competent department of the Member State to the debtor. Notification shall be given as soon as the debtor is known and the amount of entitlement can be calculated by the competent administrative authorities, in compliance with all the relevant Community provisions.

2. Paragraph 1 shall apply when a notification must be corrected.

Article 3

Member States shall take all appropriate measures to ensure that the supporting documents concerning the establishment and the making available of own resources are kept for at least three calendar years, as from the end of the year to which these supporting documents refer.

If verification of these supporting documents by the national administration alone or in conjunction with the Commission shows that a finding to which they relate may have to be corrected, they shall be kept beyond the time limit provided for in the first paragraph for a sufficient period to permit the correction to be made and monitored.

The supporting documents relating to the statistical procedures and bases referred to in Articles 4 and 5 of Directive 89/130/EEC, Euratom shall be kept by the Member States until 30 September of the fourth year following the financial year in question. The supporting documents relating to the VAT resources base shall be kept for the same period.

Article 4

1. Each Member State shall inform the Commission:

(a) of the names of the departments or agencies responsible for establishing own resources and, where appropriate, their status;

(b) of the general provisions laid down by law, regulation or administrative action and those relating to accounting procedure concerning the establishment and collection of own resources and their being made available to the Commission.

2. The Commission shall, at the request of the other Member States, pass to them the information referred to in paragraph 1.

Article 5

The rate referred to in Article 2 (1) (d) of Decision 88/376/EEC, Euratom, which shall be set within the budgetary procedure, shall be calculated as a percentage of the sum of the forecast GNP of the Member States in such manner that it fully covers that part of the budget not financed from customs duties, agricultural levies, VAT resources, financial contributions to supplementary research and technological development programmes, other revenue and, where appropriate, GNP financial contributions. This rate shall be expressed in the budget by a figure rounded off to the fourth decimal place.

[1] See page 9 of this Official Journal.

TITLE II

Accounts for own resources

Article 6

1. Accounts for own resources shall be kept by the Treasury of each Member State or by the body appointed by each Member State and broken down by type of resources.

2. (a) Entitlements established in accordance with Article 2 shall, subject to point (b) of this paragraph, be entered in the accounts at the latest on the first working day after the 19th day of the second month following the month during which the entitlement was established.

(b) Established entitlements not entered in the accounts referred to in point (a) because they have not yet been recovered and no security has been provided shall be shown in separate accounts within the period laid down in point (a). Member States may adopt this procedure where established entitlements for which security has been provided have been challenged and might upon settlement of the disputes which have arisen be subject to change.

(c) VAT resources and the additional resources shall, however, be recorded in the accounts as specified in point (a) as follows:

— the twelfth referred to in Article 10 (3) shall be recorded on the first working day of each month,

— the balances referred to in Article 10 (4) and (7) and the adjustments referred to in Article 10 (6) and (8) shall be recorded annually, except for the particular adjustments referred to in the first indent of Article 10 (6), which shall be recorded in the accounts on the first working day of the month following agreement between the Member State concerned and the Commission.

3. Each Member State shall send the Commission, within the time limits specified in paragraph 2, a monthly statement of its accounts for the entitlements referred to in paragraph 2 (a) and a quarterly statement for the separate accounts referred to in paragraph 2 (b).

From 1 January 1990, each Member State shall send the Commission a half-yarly statement giving a brief description of cases of fraud and irregularities involving entitlements of over ECU 10 000, indicating, where appropriate, measures taken or under consideration in order to prevent the recurrence of cases of fraud and irregularities already detected.

Article 7

Each Member State shall draw up annually a summary account of established entitlements together with a report on the establishment and entry in the accounts of own resources and shall send it to the Commission before 1 May of the year following the financial year in question.

Article 8

Corrections carried out under Article 2 (2) shall be added to or subtracted from the total amount of established entitlements. They shall be recorded in the accounts as specified in Article 6 (2) (a) and (b) and in the statements as specified in Article 6 (3) in accordance with the date of these corrections.

Corrections in respect of cases of fraud and irregularities already notified to the Commission shall be singled out.

TITLE III

Making available own resources

Article 9

1. In accordance with the procedure laid down in Article 10, each Member State shall credit own resources to the account opened in the name of the Commission with its Treasury or the body it has appointed.

This account shall be kept free of charge.

2. The amounts credited shall be converted by the Commission and entered in its accounts in ecus in accordance with Commission Regulation 86/610/EEC, Euratom, ECSC, of 11 December 1986 laying down detailed rules for the implementation of certain provisions of the financial regulation of 21 December 1977 [1].

Article 10

1. After deduction of 10 % by way of collection costs in accordance with Article 2 (3) of Decision 88/376/EEC, Euratom, entry of the own resources referred to in Article 2 (1) (a) and (b) of that Decision shall be made at the latest on the first working day following the 19th day of the second month following the month during which the entitlement was established in accordance with Article 2.

However, for entitlements shown in separate accounts under Article 6 (2) (b), the entry must be made at the latest on the first working day following the 19th day of the second month following the month in which the entitlements were recovered.

[1] OJ No L 360, 19. 12. 1986, p. 1.

2. If necessary, Member States may be invited by the Commission to bring forward by one month the entering of resources other than VAT resources and the additional resource on the basis of the information available to them on the 15th of the same month.

Each entry brought forward shall be adjusted the following month when the entry mentioned in paragraph 1 is made. This adjustment shall entail the negative entry of an amount equal to that given in the entry brought forward.

3. VAT resources, the additional resource — excluding the own resources for the EAGGF monetary reserve — and, where appropriate, GNP financial contributions shall be credited on the first working day of each month, the amounts being one-twelfth of the relevant totals in the budget, converted into national currencies at the rates of exchange of the last day of quotation of the calendar year preceding the budget year, as published in the *Official Journal of the European Communities*.

The entry in respect of the EAGGF monetary reserve referred to in Article 6 of Decision 88/376/EEC, Euratom shall be made on the first working day of the month following the charging to the budget of the expenditure concerned and shall be limited to the said expenditure if charging is effected before the 16th day of the month. If such is not the case, the entry shall be made on the first working day of the second month after charging. By way of derogation from Article 5 of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities [1], as last amended by Regulation (ECSC, EEC, Euratom) No 2049/88 [2], that entry will be taken into account in the financial year to which it relates.

Any change in the uniform rate of VAT resources, in the correction granted to the United Kingdom referred to in Article 5 of Decision 88/376/EEC, Euratom and in its financing, in the uniform rate of the additional resource and, where appropriate, in the GNP financial contributions shall require the final adoption of a supplementary or amending budget and shall give rise to readjustments of the twelfths which have been entered since the beginning of the financial year.

These readjustments shall be carried out when the first entry is made following the final adoption of the amending or supplementary budget if it is adopted before the 16th of the month. Otherwise they shall be carried out when the second entry following final adoption is made. By way of derogation from Article 5 of the Financial Regulation hereafter referred to as the Financial Regulation, these readjustments shall be entered in the accounts in respect of the financial year of the supplementary or amending budget in question.

Calculation of the twelfths for January of each financial year shall be based on the amounts provided for in the draft budget, with the exception of the amounts for financing the EAGGF monetary reserve, referred to in Article 78 (3) of the ECSC Treaty, Article 203 (3) of the EEC Treaty and Article 177 (3) of the EAEC Treaty and converted into national currencies at the rates of exchange of the first day of quotation following 15 December of the calendar year preceding the budget year; the adjustment shall be made with the entry for the following month.

If the budget has not been finally adopted before the beginning of the financial year, the Member States shall enter on the first working day of each month, including January, one-twelfth of the amount of VAT own resources, of the additional resource, with the exception of the amounts for financing the EAGGF monetary reserve, and, where appropriate, of the GNP financial contributions entered in the last budget finally adopted; the adjustment shall be made on the first due date following final adoption of the budget if it is adopted before the 16th of the month. Otherwise, the adjustment shall be made on the second due date following final adoption of the budget.

4. Each Member State shall, on the basis of the annual statement on the VAT resources base provided for in Article 7 (1) of Regulation (EEC, Euratom) No 1553/89, be debited with an amount calculated from the information contained in the said statement by applying the uniform rate adopted for the previous financial year and credited with the 12 payments made during that financial year. However, each Member State's VAT own resources base to which the above rate is applied may not exceed 55 % of its GNP as referred to in the first sentence of paragraph 7 of this Article. The Commission shall work out the balance and shall inform the Member States in time for them to enter it in the account referred to in Article 9 (1) of this Regulation on the first working day of December of the same year.

5. The Commission shall then calculate adjustments to the financial contributions so as to restore, in the light of the actual yield from VAT resources, the original distribution in the budget between the latter and the GNP financial contributions. For the calculation of these adjustments, the balances referred to in paragraph 4 shall be converted into ecus at the rates of exchange applying on the first working day after 15 November preceding the entries provided for in paragraph 4. For each Member State concerned, the total of VAT balances shall be adjusted by the ratio between the financial contributions entered in the budget and the VAT resources. The Commission shall communicate the results of this calculation to the Member States which, during the previous financial year, paid GNP financial contributions so that they can make a credit or debit entry as appropriate in the account referred to in Article 9 (1) on the first working day of December of the same year.

6. Any corrections to the VAT resources base under Article 9 (1) of Regulation (EEC, Euratom) No 1553/89 shall give rise for each Member State concerned whose base, allowing for these corrections, does not exceed 55 % of its

[1] OJ No L 356, 31. 12. 1977, p. 1.
[2] OJ No L 185, 15. 7. 1988, p. 3.

GNP to the following adjustments to the balance referred to in paragraph 4 of this Article:

— the corrections under the first subparagraph of Article 9 (1) of Regulation (EEC, Euratom) No 1553/89 made by 31 July shall give rise to a general adjustment to be entered in the account referred to in Article 9 (1) of this Regulation on the first working day of December of the same year, provided that the corrections apply to years after 1987; otherwise the adjustment shall be made on 1 October of the same year. However, a particular adjustment may be entered before that date if the Member State concerned and the Commission are in agreement,

— where the measures which the Commission takes under the second subparagraph of Article 9 (1) of Regulation (EEC, Euratom) No 1553/89 to correct the base lead to an adjustment of the entries in the account referred to in Article 9 (1) of this Regulation, that adjustment shall be made on the date specified by the Commission pursuant to the said measures.

The changes to GNP referred to in paragraph 8 of this Article shall also give rise to an adjustment of the balance of any Member State whose base, allowing for those corrections, is capped at 55 % of its GNP. The adjustments to be made to the VAT balances by the first working day of December of each year under the preceding subparagraphs of this paragraph shall also give rise to the calculation by the Commission of further adjustments to the GNP financial contributions. The exchange rates to be employed in calculating these further adjustments shall be those used for the initial calculation referred to in paragraph 5.

The Commission shall inform the Member States of these adjustments in time for them to enter them in the account referred to in Article 9 (1) on the first working day of December of the same year.

7. On the basis of figures for aggregate GNP at market prices and its components from the preceding year, supplied by the Member States in accordance with Article 3 (2) of Directive 89/130/EEC, Euratom, each Member State shall be debited with an amount calculated by applying to GNP the uniform rate adopted for the previous financial year, amended, where appropriate, in the light of any use of the EAGGF monetary reserve, and credited with 12 payments made during that previous financial year. The Commission shall work out the balance and shall inform the Member States in time for them to enter it in the account referred to in Article 9 (1) of this Regulation on the first working day of December of the same year.

8. Any changes to the GNP of previous financial years pursuant to Article 3 (2) of Directive 89/130/EEC, Euratom subject to Article 6 thereof, shall give rise for each Member State concerned to an adjustment to the balance established pursuant to paragraph 7. The Commission shall inform the Member States of these adjustments so that they can enter them in the account referred to in Article 9 (1) of this Regulation on the first working day of December of the same year. After 30 September of the fourth year following a given financial year, any changes to GNP shall no longer be taken into account, except on points notified within this time limit either by the Commission or by the Member State.

9. The operations referred to in paragraphs 4 to 8 constitute modifications to revenue in respect of the financial year in which they occur.

Article 11

Any delay in making the entry in the account referred to in Article 9 (1) shall give rise to the payment of interest by the Member State concerned at the interest rate applicable on the Member State's money market on the due date for short-term public financing operations, increased by two percentage points. This rate shall be increased by 0,25 of a percentage point for each month of delay. The increased rate shall be applied to the entire period of delay.

TITLE IV

Management of cash resources

Article 12

1. The Commission shall draw on the sums credited to the accounts referred to in Article 9 (1) to the extent necessary to cover its cash resource requirements arising out of the implementation of the budget.

2. If the cash resource requirements are in excess of the assets of the accounts, the Commission may draw in excess of the total of these assets subject to the availability of appropriations in the budget and within the limit of the own resources entered in the budget. In this event, it shall inform the Member States in advance of any foreseeable excess requirements.

3. In the sole case of default under a loan contracted pursuant to Council Regulations and Decisions, in circumstances in which the Commission cannot activate other measures provided for by the financial arrangements applying to these loans in time to ensure compliance with the Community's legal obligations to its lenders, the provisions of paragraphs 2 and 4 may provisionally be applied, irrespective of the conditions in paragraph 2 in order to service the Community's debts.

4. The difference between the overall assets and the cash resource requirements shall be divided among the Member States, as far as possible, in proportion to the estimated budget revenue from each of them.

5. The Member States, or the body designated by them in accordance with Article 9 (1), shall execute the Commission's payment orders as quickly as possible, and within not more than seven working days of receipt, and shall send the Commission a statement of account within not more than seven working days of completing each transaction.

However, in the case of cash movement transactions, the Member States shall execute the orders within the period requested by the Commission.

TITLE V

Procedure for the application of Article 2 (7) of Decision 88/376/EEC, Euratom

Article 13

1. This Article shall apply where it may be necessary to implement the provisional derogation provided for in Article 2 (7) of Decision 88/376/EEC, Euratom.

2. The GNP at market prices shall be calculated by the Statistical Office of the European Communities, on the basis of statistics prepared according to the European System of Integrated Economic Accounts (ESA), and corresponding, for each Member State, to the arithmetic mean of the first three years of the five-year period preceding the financial year in respect of which the provisions of Article 2 (7) of Decision 88/376/EEC, Euratom have been applied. No account shall be taken of any revisions of statistical data made after the final adoption of the budget.

3. The GNP for each reference year shall be calculated in terms of the ecu on the basis of the average rate of the ecus for the year in question.

4. For such time as the derogation provided for in Article 2 (7) of Decision 88/376/EEC, Euratom applies to one or more Member States, the Commission shall, in its preliminary draft budget, fix the percentage corresponding to the financial contributions of those Member States on the basis of the proportion of their GNP to the sum total of the GNPs of the Member States, and shall determine the amount of that part of the budget to be financed by VAT resources at the uniform rate and by the GNP financial contributions.

These figures shall be approved in accordance with budgetary procedure.

Article 14

1. The definition of GNP at market prices shall be that given in Articles 1 and 2 of Directive 89/130/EEC, Euratom.

2. The figures to be used in calculating the percentage of the GNP financial contributions shall be those supplied pursuant to Article 3 (2) of Directive 89/130/EEC, Euratom, and subject to Article 6 thereof. In the absence of such figures the Statistical Office of the European Communities shall use the data available.

TITLE VI

Procedure for the application of Article 7 of Decision 88/376/EEC, Euratom

Article 15

For the purposes of applying Article 7 of Decision 88/376/EEC, Euratom, the balance of a given financial year shall consist of the difference between:

— all the revenue collected in respect of that financial year, and

— the amount of payments made against appropriations for that financial year increased by the amount of the appropriations for the same financial year carried over pursuant to Articles 6 (1) (b) and (c) and 2 (b) of the Financial Regulation.

This difference shall be increased or decreased on the one hand, by the net amount of appropriations carried over from previous financial years which have been cancelled and, on the other hand, by way of derogation from Article 4 of the Financial Regulation, by:

— payments made in excess of non-differentiated appropriations carried over from the previous financial year under Article 6 (1) of the Financial Regulation as a result of change in ecu rates, and

— the balance resulting from exchange gains and losses during the financial year.

Article 16

The Commission shall, before the end of October in each financial year, make an estimate of the own resources collected for the entire year, on the basis of the data at its disposal at that time.

If appreciable differences from the original estimates appear, the former may give rise to a letter of amendment to the draft budget for the following financial year.

TITLE VII

Provisions concerning inspection measures

Article 17

1. Member States shall take all requisite measures to ensure that the amount corresponding to the entitlements

established under Article 2 are made available to the Commission as specified in this Regulation.

2. Member States shall be free 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. In addition, Member States may disregard this obligation to make such amounts available to the Commission in specific cases if, after thorough assessment of all the relevant circumstances of the individual case, it appears that recovery is impossible in the long term for reasons which cannot be attributed to them. These cases must be mentioned in the report provided for in paragraph 3 if the amounts exceed ECU 10 000, converted into national currency at the rate applying on the first working day of October of the previous calendar year; this report must contain an indication of the reasons why the Member State was unable to make available the amounts in question. The Commission has six months in which to forward, if appropriate, its comments to the Member State concerned.

3. Member States shall notify the Commission, in half-yearly reports, of the outcome of their inspections and of comprehensive information and questions of principle concerning the most important problems arising out of the application of this Regulation and, in particular, matters in dispute.

Article 18

1. Member States shall conduct the checks and enquiries concerning the establishment and the making available of the own resources referred to in Article 2 (1) (a) and (b) of Decision 88/376/EEC, Euratom. The Commission shall exercise its powers as specified in this Article.

2. Accordingly, Member States shall:

— carry out additional inspection measures at the Commission's request. In its request the Commission shall state the reasons for the additional inspection,

— associate the Commission, at its request, with the inspection measures which they carry out.

Member States shall take all steps required to facilitate these inspection measures. Where the Commission is associated with these measures, Member States shall place at its disposal the supporting documents referred to in Article 3.

In order to restrict additional inspection measures to the minimum:

(a) the Commission may, in specific cases, request that certain documents be forwarded to it;

(b) in the monthly statement of accounts referred to in Article 6 (3), the amounts entered in the accounts which relate to irregularities or delays in the establishment, entry in the accounts and making available of own resources, discovered during the inspections referred to above, must be identified by means of appropriate notes.

3. Without prejudice to paragraphs 1 and 2, the Commission may itself carry out inspection measures on the spot. The agents authorized by the Commission for such inspection measures shall have access, in so far as the correct application of this Regulation so requires, to the supporting documents referred to in Article 3 and to any other appropriate document connected with those supporting documents. In a duly substantiated communication, the Commission shall give notice of this inspection in good time to the Member State in which the inspection measure is to take place. Agents of the Member State concerned shall participate in such inspection measures.

4. The inspection measures referred to in paragraphs 1, 2 and 3 shall not prejudice:

(a) the inspection measures undertaken by Member States in accordance with their own provisions laid down by law, regulation or administrative action;

(b) the measures provided for in Articles 206, 206a and 206b of the EEC Treaty and Articles 180, 180a and 180b of the EAEC Treaty;

(c) the inspection arrangements made pursuant to Article 209 (c) of the EEC Treaty and Article 183 (c) of the EAEC Treaty.

5. The Commission shall report every three years to the European Parliament and to the Council on the functioning of the inspection arrangements.

Article 19

Together with the Member State concerned, the Commission shall each year inspect the aggregates provided for errors in compilation, especially in cases notified by the GNP management committee. In doing so it may, in individual cases, also examine calculations and basic statistics, apart from information about individual companies or persons, where no proper assessment would otherwise be possible. The Commission shall respect national legal provisions on the preservation of the confidentiality of statistics.

TITLE VIII

Provisions relating to the Advisory Committee on the Communities' Own Resources

Article 20

1. An Advisory Committee on the Communities' own resources, hereinafter called 'the committee', is hereby set up.

2. The comittee shall consist of representatives of the Member States and of the Commission. Each Member State shall be represented on the committee by not more than five officials.

The chairman of the committee shall be a representative of the Commission. The secretariat services for the committee shall be provided by the Commission.

3. The committee shall adopt its own rules of procedure.

Article 21

1. The committee shall examine the questions raised by its chairman on his own initiative or at the request of the representative of a Member State which concern the application of this Regulation, especially as regards:

(a) the information and reports referred to in Articles 4 (1) (b), 6, 7 and 17 (3);

(b) the cases of *force majeure* referred to in Article 17 (2);

(c) the inspection measures laid down in Article 18 (2).

The committee shall also examine estimates of own resources.

2. At the request of the chairman, the committee shall deliver its opinion within a time limit which the chairman may lay down according to the urgency of the matter in hand, if necessary by taking a vote. The opinion shall be recorded in the minutes; in addition, each Member State shall have the right to ask to have its position recorded in these minutes. The Commission shall take the utmost account of the opinion delivered by the committee. It shall inform the committee of the manner in which its opinion has been taken into account.

TITLE IX

Final provisions

Article 22

The Commission shall, by 1 December 1992 at the latest, submit a report on the implementation of this Regulation and, where appropriate, propose any necessary amendments.

Article 23

Regulation (EEC, Euratom, ECSC) No 2891/77 is hereby repealed.

References to the repealed Regulation shall be construed as references to this Regulation.

Article 24

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

It shall apply from 1 January 1989.

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

Done at Brussels, 29 May 1989.

For the Council

The President

C. ROMERO HERRERA