

9th April 1991

SPEAKING NOTES ON THE COMPLETION OF THE STATUTE

Governors have completed the Statute as it would apply from Stage Three; transitional provisions to be included in a separate Chapter VIII of the Statute will be prepared when the political decisions on the content of Stage Two and on the transition have been made.

The completion of the Statute involved in particular the preparation of draft Articles on the complex question of income allocation. There was broad agreement in the Committee, although one Governor would have preferred to leave the issue open and to lay down only a procedure on how to decide the income allocation at a later stage. Governors are in agreement that monetary income (the "seignorage") shall be subject to allocation since it is derived from the System's single monetary policy; the measurement of such income is technically challenging but there is broad agreement on the basic features of the scheme. The allocation of income is in accordance with a key which is based on real criteria (GDP and/or population) with the weights assigned to the criteria to be decided by the political authorities; on the whole, the provisions on income (i.e. both the measurement and the allocation) are based on objective indicators, which ensure a high degree of automaticity and leave no scope for discretion.

The Governors also reviewed and finalised the "General Provisions" of the Statute, which govern the general aspects of the System and ensure that it can perform its role as an independent entity.

Finally, the Committee agreed on a simplified amendment procedure which will enable the System to take the initiative, when a need arises to alter specific, purely operational Articles

of the Statute. All other amendments would have to follow the procedure of Treaty revisions under Article 236, i.e. approval by all Member States and ratification by their parliaments.

The finalised Statute will soon be transmitted to the Presidency of the Community and represent the Committee's contribution to the IGC.