COMMISSION OF THE EUROPEAN COMMUNITIES

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2006/0095 (CNS)

Proposal for a

# COUNCIL DECISION

## on the conclusion of the agreement between the European Community and the Government of the Republic of Bulgaria on the participation of Bulgaria in the work of the European Monitoring Centre for Drugs and Drug Addiction

(presented by the Commission)

# EXPLANATORY MEMORANDUM

## 1. Introduction

The Commission proposes Council Decisions for conclusion, on behalf of the European Community, of the agreements on the participation of three candidate countries, namely Bulgaria, Romania and Turkey, in the European Monitoring Centre for Drugs and Drug Addiction. The Commission negotiated with Bulgaria, Romania and Turkey on the basis of the mandate given to it by the Council. The Commission concluded the negotiations with Bulgaria, Romania and Turkey with the initialling of the draft agreements in 2004.

## 2. Pre-accession strategy

### 2.1. Agenda 2000

In Agenda 2000 the Commission expressed the view that the participation of the candidate countries in programmes implementing the *acquis* would provide "a useful preparation in familiarising the applicant countries and their citizens with the Union's policies and working methods". This is one of the principal means of increasing the candidate countries' capacity to implement, as well as to transpose, the *acquis*.

### 2.2. The European Council Conclusions

The Luxembourg European Council (December 1997) made participation in programmes and Community agencies into an instrument of the enhanced pre-accession strategy, concluding that the candidate countries should be permitted to participate in Community agencies on a case-by-case basis.

As for Turkey, the Helsinki European Council (December 1999) reaffirmed the inclusive nature of the accession process comprising thirteen candidate countries within a single framework with the candidate countries participating in the accession process on an equal footing. Turkey is benefiting from a pre-accession strategy and will have the opportunity to participate in Community programmes and agencies in the context of the accession process.

## 3. Council decision authorising the Commission to conduct negotiations on the participation of candidate countries in the European Monitoring Centre for Drugs and Drug Addiction

On the basis of the Commission proposal SEC (1878) 2000 of 24 July 2000, the Council decided on 19 March 2001 to authorise the Commission to conduct negotiations on the participation of the candidate countries in the European Monitoring Centre for Drugs and Drug Addiction. The objective was to enable the candidate countries to participate in the work of the Centre before their accession to the European Union. The negotiation directives state that the agreements should set out the conditions for the participation of the candidate countries in the work of the Centre. In particular, the agreements should provide that the candidate countries will not enjoy the right to vote at meetings of the Management Board, that they should contribute financially to the activities of the Centre and that appropriate clauses should be included concerning data protection, privileges and immunities to be accorded to the

Centre and the jurisdiction of the European Court of Justice.

## 4. the negotiations

The Commission has, on the basis of the mandate, negotiated with Bulgaria, Romania and Turkey. Draft bilateral agreements have been agreed and Bulgaria, Romania and Turkey and the Community are now proceeding to the ratification of the draft agreements.

## 5. draft agreement

The Commission has agreed with Bulgaria, Romania and Turkey draft agreements granting them conditions for participation in the Centre similar to that governing the participation in the Centre of Norway.

The agreements state that Bulgaria, Romania and Turkey will take part in the Centre's work programme and will satisfy the obligations of Council Regulation (EEC) No 302/93 as amended by Council Regulation (EC) No 3294/94, Council Regulation (EC) No 2220/2000 and Council Regulation (EC) No 1651/2003.

Bulgaria, Romania and Turkey will be linked to the European Information Network on Drugs and Drug Addiction (REITOX) and will share data with the Centre, subject to the data protection requirements of the Community and national laws. Bulgaria, Romania and Turkey will each contribute financially to the Centre to cover the cost of its participation. Bulgaria, Romania and Turkey will also participate in the Management Board of the Centre without the right to vote until such time as they become members of the Union.

The agreements are drafted for an unlimited period until Bulgaria, Romania and Turkey become members of the European Union.

The Parties will approve the agreement in accordance with their own procedures. It will enter into force when both Parties have notified each other that their respective procedures have been completed.

For its part, the Centre will treat Bulgaria, Romania and Turkey as existing Member States, through equal treatment in terms of linkage to the European Information Network on Drugs and Drug Addiction (REITOX) and staffing provisions.

## 6. Conclusion of the agreements

### 6.1. Legal basis

Negotiations enabling the Centre to be opened to the participation of the applicant countries are possible under Article 13 of Council Regulation (EEC) 302/93 on the establishment of the European Monitoring Centre for Drugs and Drug Addiction.

Article 13 comprises the necessary rules on procedure for the opening of the Centre to countries which are not members of the Union but which share the interests of the Community and the Member States in the objectives and work of the Centre. Agreements concluded between such countries and the Community shall follow the procedure in Article 300 of the

Treaty.

The European Commission has, on the basis of the Council negotiation directives, concluded the negotiations with Bulgaria, Romania and Turkey.

In order to proceed, the Commission is now proposing Council Decisions on conclusion of the agreements with the objective of allowing these countries to participate in the work of the European Monitoring Centre for Drugs and Drug Addiction.

### 6.2. Financial implications

According to the concluded negotiations, Bulgaria, Romania and Turkey will contribute financially to the European Monitoring Centre for Drugs and Drug Addiction to cover the cost of extending all Centre activities to these countries.

It is foreseen that Bulgaria, Romania and Turkey will be fully integrated in all Centre activities after a three year phase-in period. The financial contribution is therefore foreseen to increase during this period. Bulgaria, Romania and Turkey can obtain financial assistance from the relevant Community assistance programmes to subsidise part of their financial contribution to the Centre.

When the full work programme of the Centre is implemented, the yearly financial contribution from Bulgaria, Romania and Turkey to the Centre will amount to € 271,000 from each country. From 2008, the sum of € 271.000 will be increased by reference to the rate of increase of the Community subvention to the Centre.

## 7. Benefits of the Agreements

Benefits of the participation of Bulgaria, Romania and Turkey in the Centre are several:

- Participation in the Centre will assist Bulgaria, Romania and Turkey to adopt and implement the *acquis* concerning drugs in preparation for accession.

- Participation in the Centre will enable Bulgaria, Romania and Turkey to become familiar with the decision-making procedures of the Centre and to contribute to the definition of the Work Programme;

- The Centre will be able to extend its reporting on the state of drug use and drug addiction to Bulgaria, Romania and Turkey.

- Participation will help to provide the Centre and its Member States, as well as Bulgaria, Romania and Turkey, with more extensive and better data concerning drugs and drug addiction in Europe. Data provided by Bulgaria, Romania and Turkey will undergo quality assessment and will be widely disseminated through the Centre's Annual Report and internet website.

- Participation will enable the inclusion of Bulgaria, Romania and Turkey in the Early Warning System on New Synthetic Drugs developed by the Centre.

## 8. RECOMMENDATION

Negotiations have been concluded and agreement reached with Bulgaria, Romania and Turkey for their participation in the European Monitoring Centre for Drugs and Drug Addiction Centre on similar conditions as for Norway.

It is therefore possible for the Community to approve the conclusion of the bilateral agreements with Bulgaria, Romania and Turkey for their participation in the European Monitoring Centre for Drugs and Drug Addiction.

2006/0095 (CNS)

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# COUNCIL DECISION

## on the conclusion of the agreement between the European Community and the Government of the Republic of Bulgaria on the participation of Bulgaria in the work of the European Monitoring Centre for Drugs and Drug Addiction

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 152 in conjunction with the first sentence of the first sub-paragraph of Article 300 (2) and the first paragraph of Article 300 (3) thereof,

Having regard to the proposal from the Commission[1],

Having regard to the opinion of the European Parliament[2],

Whereas:

(1) Council Regulation (EEC) No 302/93 of 8 February 1993 on the establishment of a European Monitoring Centre for Drugs and Drug Addiction[3], as amended by Regulation (EC) No 3294/94[4], Regulation (EC) No 2220/2000[5] and Regulation (EC) No 1651/2003[6], provides, in Article 13, that the Centre is to be open to the participation of non-Community countries which share the Community's interests and those of its Member States in the Centre's objectives and work.

(2) The Commission has negotiated on behalf of the Community an Agreement with the Republic of Bulgaria on the participation of Bulgaria in the work of the European Monitoring Centre for Drugs and Drug Addiction.

(3) This Agreement initialled on 9 September 2004 should be approved,

HAS DECIDED AS FOLLOWS:

*Article 1*

The Agreement between the European Community and the Government of the Republic of Bulgaria on the participation of Bulgaria in the work of the European Monitoring Centre for

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1 OJ C , , p. .
2 OJ C , , p. .
3 OJ L 36, 12.2.1993, p. 1.
4 OJ L 341, 30.12.1994, p. 7.
5 OJ L 253, 7.10.2000, p.1
6 OJ L 245, 29.09.2003, p.30

Drugs and Drug Addiction is hereby approved on behalf of the Community.

The text of the Agreement is attached to this Decision.

*Article 2*

The President of the Council is hereby authorised to designate the person empowered to sign the Agreement in order to express the consent of the Community to be bound thereby.

*Article 3*

The President of the Council is hereby authorised to designate the person empowered to transmit the diplomatic note provided for in Article 10 of the Agreement.

*Article 4*

The Decision will be published in the *Official Journal of the European Union.*

Done at Brussels,

*For the Council*
*The President*

## Annex

**Agreement between the European Community and the Government of the Republic of Bulgaria concerning the participation of the Republic of Bulgaria in the European Monitoring Centre for Drugs and Drug Addiction**

The EUROPEAN COMMUNITY of the one part,

And the REPUBLIC OF BULGARIA, hereinafter referred to as "Bulgaria", of the other part

hereinafter referred to as the Contracting Parties

Recalling that the Luxembourg European Council in 1997 made participation in the Community programmes and agencies a way of stepping up the pre-accession strategy.

Considering that the European Community by Council Regulation (EEC) No 302/93[7] as amended by Council Regulations No 3294/94[8] and 2220/2000[9] and 1651/2003[10]("the Regulation"), has established the European Monitoring Centre for Drugs and Drug Addiction ("the Centre");

Whereas the Regulation provides in its Article 13 that the Centre shall be open to the participation of those non-Community Countries which share the Community's interests and those of its Member States;

Whereas Bulgaria shares in the aims and objectives laid down for the Centre in the Regulation because Bulgaria's ultimate objective is to become a member of the European Union;

Whereas Bulgaria subscribes to the description of the tasks of the Centre and to its work method and priority areas as described in the Regulation;

Whereas there exists in Bulgaria an institution suitable to be linked to the European Information Network on Drugs and Drug Addiction;

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7 OJ No L 36, 12. 2. 1993, p.1.
8 OJ No L 341, 30.12.1994, p.7.
9 OJ No L 253, 7.10.2000, p.1.
10 OJ No L 245, 29.09.2003, p.30

HAVE AGREED AS FOLLOWS:

Article 1

Bulgaria shall participate fully in the work of the Centre, on the terms set out in this Agreement.

Article 2

European Information Network on Drugs and Drug Addiction (Reitox)

1. Bulgaria shall be linked to the European Information Network on Drugs and Drug Addiction (Reitox).

2. Bulgaria shall notify the Centre of the main elements of its national information network within 28 days of the entry into force of this Agreement, including its national monitoring centre, and name any other specialised centres which could make a useful contribution to the Centre's work.

Article 3

Management Board

The Management Board of the Centre shall invite a representative of Bulgaria to participate in its meetings. The representative shall participate fully without the right to vote. The Management Board may convoke exceptionally a meeting restricted to representatives of Member States and of the European Commission on issues of interest particular to the Community and its Member States.

The Management Board, in session with representatives of Bulgaria will lay down the detailed arrangements concerning the participation of Bulgaria in the work of the Centre.

Article 4

Budget

Bulgaria shall contribute financially to the activities of the Centre referred to under Article 1 in accordance with the provisions laid down in Annex I to this agreement, which shall form an integral part thereof.

Article 5

Protection and Confidentiality of Data

1. Where on the basis of this Agreement personal data which do not enable natural persons to be identified are forwarded by the Centre to the Bulgarian authorities in accordance with Community and Bulgarian law, such data may be used only for the

stated purpose and under the conditions prescribed by the forwarding authority.

2. Data on drugs and drug addiction provided to the Bulgarian authorities by the Centre may be published subject to compliance with Community and Bulgarian rules on the dissemination and confidentiality of information. Personal data may not be published or made accessible to the public.

3. Designated specialised centres in Bulgaria shall be under no obligation to provide information classified as confidential under Bulgarian legislation.

4. In relation to data supplied by the Bulgarian authorities to the Centre, the latter will be bound by the rules laid down in Article 6 of the Regulation.

Article 6

Legal Status

The Centre shall have legal personality and shall enjoy in Bulgaria the most extensive legal capacity accorded to legal persons under Bulgarian law.

Article 7

Liability

The liability of the Centre shall be governed by the rules laid down in Article 16 of the Regulation.

Article 8

Privileges

Bulgaria shall apply to the Centre the Protocol on the Privileges and Immunities of the European Communities, which, as Annex II to this Agreement, shall form an integral part thereof.

Article 9

Staff Regulations

By way of derogation from Article 12(2)(a) of the Conditions of employment of other servants of the European Communities, Bulgarian nationals enjoying their full rights as citizens may be engaged under contract by the Executive Director of the Centre.

Article 10

Entry into force

This Agreement shall enter into force on the first day of the second month following the date of receipt of the latter diplomatic note confirming that legal requirements of the respective Contracting Party concerning the entry into force of the Agreement have been fulfilled.

Article 11

Validity and Termination

1. This agreement is concluded for an unlimited period of time. It shall expire on Bulgaria's accession to the European Union.

2. Either Contracting Party may denounce this Agreement by a written notification to the other Contracting Party. The Agreement shall cease to be in force six months after the date of such notification.

## ANNEX I

### Financial contribution of Bulgaria to the

### European Monitoring Centre for Drugs and Drug Addiction

1. The financial contribution to be paid by Bulgaria to the budget of the European Union to participate in the European Monitoring Centre for Drugs and Drug Addiction ("the Centre") will progressively increase in a four-year period during which the activities will be phased in by Bulgaria. The financial contributions required are:

| | |
|---|---|
| - during the first year of participation | € 100.000 |
| - during the second year of participation | € 150.000 |
| - during the third year of participation | € 210.000 |
| - during the fourth year of participation | € 271.000 |

From the fifth year of participation, the annual financial contribution to be paid by Bulgaria to the Centre shall be the contribution of the fourth year of participation indexed by the rate of increase of the Community Subvention to the Centre.

2. Bulgaria may partially use Community assistance to pay the contribution to the Centre with a maximum Community contribution of 75% in the first year of participation, 60% in the second year of participation and 50% thereafter. Subject to a separate programming procedure, the requested Community funds will be transferred to Bulgaria by means of a separate financing memorandum. The remaining part of the contribution will be covered by Bulgaria.

3. The contribution of Bulgaria will be managed in accordance with the financial regulation applicable to the general budget of the European Union.

Travel costs and subsistence costs incurred by representatives and experts of Bulgaria for the purposes of taking part in the Centre's activities or meetings related to the implementation of the Centre's work programme shall be reimbursed by the Centre on the same basis as, and in accordance with, the procedures currently in force for the Member States of the European Union.

4. For the first calendar year of its participation Bulgaria will pay a contribution calculated from the date of participation to the end of the year on a pro rata basis. For the following years the contribution will be in accordance with this Agreement.

## ANNEX II

## Protocol on the Privileges and Immunities of the European Communities

THE HIGH CONTRACTING PARTIES,

CONSIDERING that, in accordance with Article 28 of the Treaty establishing a Single Council and a Single Commission of the European Communities, these Communities and the European Investment Bank shall enjoy in the territories of the Member States such privileges and immunities as are necessary for the performance of their tasks,

HAVE AGREED on the following provisions, which shall be annexed to this Treaty.

### CHAPTER I

### PROPERTY, FUNDS, ASSETS AND OPERATIONS OF THE EUROPEAN COMMUNITIES

#### Article 1

The premises and buildings of the Communities shall be inviolable. They shall be exempt from search, requisition, confiscation or expropriation. The property and assets of the Communities shall not be the subject of any administrative or legal measure of constraint without the authorisation of the Court of Justice.

#### Article 2

The archives of the Communities shall be inviolable.

#### Article 3

The Communities, their assets, revenues and other property shall be exempt from all direct taxes.

The Governments of the Member States shall, wherever possible, take the appropriate measures to remit or refund the amount of indirect taxes or sales taxes included in the price of movable or immovable property, where the Communities make, for their official use, substantial purchases the price of which includes taxes of this kind. These provisions shall not be applied, however, so as to have the effect of distorting competition within the Communities.

No exemption shall be granted in respect of taxes and dues which amount merely to charges for public utility services.

#### Article 4

The Communities shall be exempt from all customs duties, prohibitions and restrictions on imports and exports in respect of articles intended for their official use: articles so imported shall not be disposed of, whether or not in return for payment, in the territory of the country

into which they have been imported, except under conditions approved by the government of that country.

The Communities shall also be exempt from any customs duties and any prohibitions and restrictions on import and exports in respect of their publications.

Article 5

*The European Coal and Steel Community may hold currency of any kind and operate accounts in any currency.*

CHAPTER II

COMMUNICATIONS AND LAISSEZ-PASSER

Article 6

For their official communications and the transmission of all their documents, the institutions of the Communities shall enjoy in the territory of each Member State the treatment accorded by that State to diplomatic missions.

Official correspondence and other official communications of the institutions of the Communities shall not be subject to censorship.

Article 7

1. Laissez-passer in a form to be prescribed by the Council, which shall be recognised as valid travel documents by the authorities of the Member States, may be issued to members and servants of the institutions of the Communities by the Presidents of these institutions. These laissez-passer shall be issued to officials and other servants under conditions laid down in the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the Communities.

The Commission may conclude agreements for these laissez-passer to be recognised as valid travel documents within the territory of non-member countries.

2. The provisions of Article 6 of the Protocol on the privileges and immunities of the European Coal and Steel Community shall, however, remain applicable to members and servants of the institutions who are at the date of entry into force of this Treaty in possession of the laissez-passer provided for in that Article, until the provisions of paragraph 1 of this Article are applied.

## CHAPTER III

## MEMBERS OF THE EUROPEAN PARLIAMENT

### Article 8

No administrative or other restriction shall be imposed on the free movement of Members of the European Parliament travelling to or from the place of meeting of the European Parliament.

Members of the European Parliament shall, in respect of customs and exchange control, be accorded:

(a) by their own government, the same facilities as those accorded to senior officials travelling abroad on temporary official missions;

(b) by the Government of other Member States, the same facilities as those accorded to representatives of foreign governments on temporary official missions.

### Article 9

Members of the European Parliament shall not be subject to any form of inquiry, detention or legal proceedings in respect of opinions expressed or votes cast by them in the performance of their duties.

### Article 10

During the sessions of the European Parliament, its Members shall enjoy:

(a) in the territory of their own State, the immunities accorded to members of their parliament;

(b) in the territory of any other Member State, immunity from any measure of detention and from legal proceedings.

Immunity shall likewise apply to Members while they are travelling to and from the place of meeting of the European Parliament.

Immunity cannot be claimed when a Member is found in the act of committing an offence and shall not prevent the European Parliament from exercising its right to waive the immunity of one of its Members.

## CHAPTER IV

## REPRESENTATIVES OF MEMBER STATES TAKING PART IN THE WORK OF THE INSTITUTIONS OF THE EUROPEAN COMMUNITIES

### Article 11

Representatives of Member States taking part in the work of the institutions of the Communities, their advisers and technical experts shall, in the performance of their duties and during their travel to and from the place of meeting, enjoy the customary privileges, immunities and facilities.

This Article shall also apply to members of the advisory bodies of the Communities.

## CHAPTER V

## OFFICIALS AND OTHER SERVANTS OF THE EUROPEAN COMMUNITIES

### Article 12

In the territory of each Member State and whatever their nationality, officials and other servants of the Communities shall:

(a) subject to the provisions of the Treaties relating, on the one hand, to the rules on the liability of officials and other servants towards the Communities and, on the other hand, to the jurisdiction of the Court in disputes between the Communities and their officials and other servants, be immune from legal proceedings in respect of acts performed by them in their official capacity, including their words spoken or written. They shall continue to enjoy this immunity after they have ceased to hold office;

(b) together with their spouses and dependent members of their families, not be subject to immigration restrictions or to formalities for the registration of aliens;

(c) in respect of currency or exchange regulations, be accorded the same facilities as are customarily accorded to officials of international organisations;

(d) enjoy the right to import free of duty their furniture and effects at the time of first taking up their post in the country concerned, and the right to re-export free of duty their furniture and effects, on termination of their duties in that country, subject in either case to the conditions considered to be necessary by the government of the country in which this right is exercised;

(e) have the right to import free of duty a motor car for their personal use, acquired either in the country of their last residence or in the country of which they are nationals on the terms ruling in the home market in that country, and to re-export it free of duty, subject in either case to the conditions considered to be necessary by the government of the country concerned.

### Article 13

Officials and other servants of the Communities shall be liable to a tax for the benefit of the Communities on salaries, wages and emoluments paid to them by the Communities, in accordance with the conditions and procedure laid down by the Council, acting on a proposal from the Commission.

They shall be exempt from national taxes on salaries, wages and emoluments paid by the Communities.

Article 14

In the application of income tax, wealth tax and death duties and in the application of conventions on the avoidance of double taxation concluded between Member States of the Communities, officials and other servants of the Communities who, solely by reason of the performance of their duties in the service of the Communities, establish their residence in the territory of a Member State other than their country of domicile for tax purposes at the time of entering the service of the Communities, shall be considered, both in the country of their actual residence and in the country of domicile for tax purposes, as having maintained their domicile in the latter country provided that it is a member of the Communities. This provision shall also apply to a spouse, to the extent that the latter is not separately engaged in a gainful occupation, and to children dependent on and in the care of the persons referred to in this Article.

Movable property belonging to persons referred to in the preceding paragraph and situated in the territory of the country where they are staying shall be exempt from death duties in that country; such property shall, for the assessment of such duty, be considered as being in the country of domicile for tax purposes, subject to the rights of non-member countries and to the possible application of provisions of international conventions on double taxation.

Any domicile acquired solely by reason of the performance of duties in the service of other international organisations shall not be taken into consideration in applying the provisions of this Article.

Article 15

The Council shall, acting unanimously on a proposal from the Commission, lay down the scheme of social security benefits for officials and other servants of the Communities.

Article 16

The Council shall, acting on a proposal from the Commission and after consulting the other institutions concerned, determine the categories of officials and other servants of the Communities to whom the provisions of Article 12, the second paragraph of Article 13, and Article 14 shall apply, in whole or in part.

The names, grades and addresses of officials and other servants included in such categories shall be communicated periodically to the Governments of the Member States.

CHAPTER VI

PRIVILEGES AND IMMUNITIES OF MISSIONS OF NON-MEMBER COUNTRIES ACCREDITED TO THE EUROPEAN COMMUNITIES

Article 17

The Member State in whose territory the Communities have their seat shall accord the customary diplomatic immunities and privileges to missions of non-member countries accredited to the Communities.

CHAPTER VII

GENERAL PROVISIONS

Article 18

Privileges, immunities and facilities shall be accorded to officials and other servants of the Communities solely in the interests of the Communities.

Each institution of the Communities shall be required to waive the immunity accorded to an official or other servant wherever that institution considers that the waiver of such immunity is not contrary to the interests of the Communities.

Article 19

The institutions of the Communities shall, for the purpose of applying this Protocol, co-operate with the responsible authorities of the Member States concerned.

Article 20

Articles 12 to 15 and Article 18 shall apply to Members of the Commission.

Article 21

Articles 12 to 15 and Article 18 shall apply to the Judges, the Advocates General, the Registrar and the Assistant Rapporteurs of the Court of Justice, without prejudice to the provisions of Article 3 of the Protocols on the Statute of the Court of Justice concerning immunity from legal proceedings of Judges and Advocates General.

Article 22

This Protocol shall also apply to the European Investment Bank, to the members of its organs, to its staff and to the representatives of the Member States taking part in its activities, without prejudice to the provisions of the Protocol on the Statute of the Bank.

The European Investment Bank shall in addition be exempt from any form of taxation or imposition of a like nature on the occasion of any increase in its capital and from the various

formalities which may be connected therewith in the State where the Bank has its seat. Similarly, its dissolution or liquidation shall not give rise to any imposition. Finally, the activities of the Bank and of its organs carried on in accordance with its Statute shall not be subject to any turnover tax.

Article 23

This Protocol shall also apply to the European Central Bank, to the members of its organs and to its staff, without prejudice to the provisions of the Protocol on the Statute of the European System of Central Banks and the European Central Bank.

The European Central Bank shall, in addition, be exempt from any form of taxation or imposition of a like nature on the occasion of any increase in its capital and from the various formalities which may be connected therewith in the State where the Bank has its seat. The activities of the Bank and of its organs carried on in accordance with the Statute of the European System of Central Banks and of the European Central Bank shall not be subject to any turnover tax.

The above provisions shall also apply to the European Monetary Institute. Its dissolution or liquidation shall not give rise to any imposition.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries have signed this Protocol.

Done at Brussels this eighth day of April in the year one thousand nine hundred and sixty-five.

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## FINANCIAL STATEMENT

### 1. Name of the Proposal

Participation of Bulgaria in the European Monitoring Centre for Drugs and Drug Addiction

### 2. Budget heading involved

18 07 01 01: European Monitoring Centre for Drugs and Drugs Addiction — Subsidy under Titles 1 and 2

18 07 01 02: European Monitoring Centre for Drugs and Drugs Addiction — Subsidy under Title 3

### 3. Financial Impact

This proposal has no financial impact on expenditure but has a financial impact on revenue – the effect is as follows:

| Budget Line | Revenue | | Year No |
|---|---|---|---|
| 18-07-01-01/18-07-01-02 | € 100,000 (pro rata) | From entry into force of this agreement until the end of the financial year in which this agreement enters into force | 1 |
| 18-07-01-01/18-07-01-02 | € 150,000 | First full financial year after entry into force of this agreement | 2 |
| 18-07-01-01/18-07-01-02 | € 210,000 | Second full financial year after the entry into force of this agreement | 3 |
| 18 07 01 01/18 07 01 02 | € 271,000 | Third full financial year after the entry into force of this agreement | 4 |

### 4. Anti-Fraud measures

The anti-fraud provisions of the basic budget headings apply to this heading too when adapted to the case of Bulgaria. The payments consist of lump sum amounts and hence the possibility for fraud is extremely limited.

### 5. Other Remarks

None