



Cabinet Société Réaliste Conseil's proposal for a COUNCIL DECISION on a Community position concerning a limited sovereignty on Factoring activities for EU-based Romani communities.

EXPLANATORY MEMORANDUM

In the following proposal for a Council Decision, two main descriptors are used: « Factoring » (a) and « EU-based Romani communities » (b).

(a) « Factoring » (also called accounts receivable financing) shall be understood as a commercial finance activity that consists in the selling of a company's accounts receivable, at a discount, to a factor, who then assumes the credit risk of the account debtors and receives cash as the debtors settle their accounts. No longer depending on the conversion of accounts receivable to cash from the actual payment from their customers, which takes place on typical 30-to-90-day terms, businesses benefit from the acceleration of cash flow by obtaining cash from the factor equal to the face value of the sold accounts receivable, less a factor's fee.

(b) « EU-based Romani communities » (also called Roma or Rroma) are an ethnic group living in several EU communities (significantly in Bulgaria, Czech Republic, France, Germany, Greece, Hungary, Italy, Romania, Slovakia, Spain, United Kingdom). EU Romanies are between 2,524,642 and 6,344,000 people (depending on the type of census).

Proposal for a COUNCIL DECISION on a Community position concerning a monopoly on Factoring activities for EU-based Romani communities.

THE COUNCIL OF THE EUROPEAN UNION,
Having regard to the Treaty establishing the European Community,
Having regard to the proposal from Société Réaliste,
Whereas:

- (1) The « EU-based Romani communities » are targets of economic and political discrimination, they are notably less-developed than other EU-based communities, meanwhile the transnational and sporadic dimension of these communities causes problems of traditional political and cultural representation on an EU level;
- (2) Activities of « Factoring » became central in the sustainable development of the EU economy (143% average growth rate of factoring turnover since the year 2001);
- (3) The EU should look at exemplary solutions by which economic activities with limited sovereignty have previously helped evolving under-developed communities, notably in the US context with the Minority Business Enterprise model and more precisely with the 1988's Indian Gaming Regulatory Act (IGRA), setting the terms for how Native American tribal entities are permitted to operate gambling businesses on Indian reservations free of state regulation;
- (4) Self-financed ways of political representation shall be found having regard to the mission and statuses of The Council of the European Union which is founding international partner organization of the Decade of Roma Inclusion, beside the World Bank, the Open Society Institute, the United Nations Development Program, the Council of Europe Development Bank, the Contact Point for Roma and Sinti Issues of the Office for Democratic Institutions and Human Rights of the Organization for Security and Co-operation in Europe, the European Roma Information Office, the European Roma and Travellers Forum, the European Roma Rights Centre and the Roma Education Fund.

HAS DECIDED AS FOLLOWS:

The position to be adopted by the European Community is that a Roma Factoring Regulatory Act (RFRA) shall be ratified as soon as the EU Roma Roving Parliament (see EU2RP Act, COM(2007) 368 final) will be constituted. This act shall set the terms for how Roma European entities are permitted to operate Factoring businesses free of tax and regulation. The overall benefits of these activities shall be awarded to: i/ the development and consolidation of RFRA-related activities; ii/ the funding of the EU Roma Roving Parliament; iii/ the funding of programmes for the Sustainable Development of EU-based Romani communities.

Done at Paris, Thursday 28 June 2007.