



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 27.9.2004
COM(2004) 609 final

Proposal for a

COUNCIL DECISION

**on the position to be adopted by the Community
within the ACP-EC Council of Ministers on the
amendment of Decision No 1/2003 of the ACP-EC Council of Ministers of 16 May 2003
regarding the accession of the Democratic Republic of Timor-Leste
to the ACP-EC Partnership Agreement**

(presented by the Commission)

EXPLANATORY MEMORANDUM

On 16 May 2003¹, by Decision No 1/2003 of the ACP-EC Council of Ministers, Timor-Leste was accepted as a signatory to the ACP-EC Partnership Agreement, hereinafter called the Cotonou Agreement. The Decision of the ACP-EC Council of Ministers approving its accession stipulated that Timor-Leste would not have immediate access to the resources of the 9th European Development Fund (EDF), but would only benefit, as a temporary special arrangement, from funds earmarked for regional cooperation.

The Council Decision did not take account of the fact that after ratification of the Cotonou Agreement, Timor-Leste will no longer qualify for the development assistance which has been provided until now under EU Council Regulation No 443/92 (the ALA Regulation)². So far Timor-Leste has not ratified the Cotonou Agreement.

In order to enable Timor-Leste to ratify it and become a full Party to the Agreement, the Council of Ministers, by Decision XXX of XXX, adjusted the overall amount of the Community's financial assistance to the ACP States under the 9th EDF to allow Timor-Leste to benefit from EDF funds for the rest of the period covered by the 9th EDF.

Therefore, with the full participation of Timor-Leste in the Agreement, Article 2 of Decision No 1/2003 of the ACP-EC Council of Ministers of 16 May 2003 should be amended to state that Timor-Leste will benefit from the 9th EDF funds for the rest of the period covered by the 9th EDF.

¹ Decision No 1/2003 of the ACP-EC Council of Ministers of 16 May 2003 regarding the accession of the Democratic Republic of Timor-Leste to the ACP-EC Partnership Agreement (O.J. L 141, 7.6.2003, p.25)

² Article 1 of the ALA Regulation: "The Community shall continue and broaden Community cooperation with the Asian and Latin American developing countries, hereinafter referred to as 'the ALA developing countries', which are not signatories to the Lomé Convention (*or mutatis mutandis of the Cotonou Agreement*) and do not benefit from the Community's cooperation policy with Mediterranean third countries....".

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 310 in conjunction with the second subparagraph of Article 300(2) thereof,

Having regard to the proposal from the Commission³,

Having regard to the ACP-EC Partnership Agreement signed in Cotonou on 23 June 2000,

Having regard to the Internal Agreement between the representatives of the Governments of the Member States, meeting within the Council, on the Financing and Administration of Community Aid under the Financial Protocol to the ACP-EC Partnership Agreement,

Whereas:

- (1) By Decision No 1/2003 of the ACP-EC Council of Ministers of 16 May 2003, Timor-Leste was accepted as a signatory to the ACP-EC Partnership Agreement. This Decision stipulated that Timor-Leste would not have immediate access to the resources of the 9th European Development Fund (EDF) but would only benefit, as a temporary special arrangement, from funds earmarked for regional cooperation for the period 2000-2005.
- (2) The Decision of the ACP-EC Council of Ministers did not take into account the fact that after ratification of the Cotonou Agreement Timor-Leste will no longer qualify for the development assistance which has been provided until now under EU Council Regulation No 443/92 (the ALA Regulation).
- (3) Article 62(2) of the Cotonou Agreement states that Parties shall adjust the amounts of resources provided for in the Financial Protocol set out in Annex I after the accession to the Agreement of new ACP States which did not take part in its negotiation. Article 1(5) of the Internal Agreement states that financial resources may also be adjusted, by a decision of the Council acting unanimously, in accordance with Article 62(2) of the ACP-EC Partnership Agreement.

³ OJ C , , p. .

- (4) In order to enable Timor-Leste to ratify the ACP-EC Agreement and become a full Party to the Agreement, the EU Council of Ministers by Decision XXX of XXX, made funds available from the 9th EDF to meet the development needs of Timor-Leste for the rest of the period covered by the 9th EDF,

HAS DECIDED AS FOLLOWS:

Article 1

The Community shall take the following position within the ACP-EC Council of Ministers on the amendment of Decision No 1/2003 of the ACP-EC Council of Ministers of 16 May 2003 regarding the accession of the Democratic Republic of Timor-Leste to the ACP-EC Partnership Agreement, based on the attached draft decision of the ACP-EC Council of Ministers.

Done at Brussels,

*For the Council
The President*

ANNEX

Draft

DECISION OF THE ACP-EC Council of Ministers

amending Decision No 1/2003 of the ACP-EC Council of Ministers of 16 May 2003 regarding the accession of the Democratic Republic of Timor-Leste to the ACP-EC Partnership Agreement

THE ACP-EC COUNCIL OF MINISTERS

Having regard to the ACP-EC Partnership Agreement signed in Cotonou on 23 June 2000, and in particular Article 62(2)(a) thereof,

Whereas:

- (1) By Decision No 1/2003 of the ACP-EC Council of Ministers of 16 May 2003, Timor-Leste was accepted as a signatory to the ACP-EC Partnership Agreement. This Decision stipulated that Timor-Leste would not have immediate access to the resources of the 9th European Development Fund (EDF) but would only benefit, as a temporary special arrangement, from funds earmarked for regional cooperation for the period 2000-2005.
- (2) The Decision of the ACP-EC Council of Ministers did not take into account the fact that after ratification of the Cotonou Agreement Timor-Leste will no longer qualify for the development assistance which has been provided until now under EU Council Regulation No 443/92 (the ALA Regulation).
- (3) Article 62(2) of the Cotonou Agreement states that Parties shall adjust the amounts of resources provided for in the Financial Protocol set out in Annex I after the accession to the Agreement of new ACP States which did not take part in its negotiation.
- (4) In order to enable Timor-Leste to ratify the ACP-EC Agreement and become a full Party to the Agreement, the EU Council of Ministers by Decision XXX of XXX, has made funds available from the 9th EDF to meet the development needs of Timor-Leste for the rest of the period covered by the 9th EDF,

HAS DECIDED AS FOLLOWS:

Article 1

Article 2 of Decision No 1/2003 of the ACP-EC Council of Ministers is replaced by the following:

“Timor-Leste will fully benefit from the resources of the 9th EDF during the remaining period covered by the 9th EDF”.

Article 2

This Decision shall enter into force on the day of its adoption.

Done at Brussels,

*For the ACP-EC Council of Ministers
The President*