

# COUNCIL

## COUNCIL DECISION

of 22 December 2004

### amending Decision 2000/24/EC to take into account the enlargement of the European Union and the European Neighbourhood Policy

(2005/47/EC)

THE COUNCIL OF THE EUROPEAN UNION,

the Community guarantee and of the commercial risks borne by the EIB.

Having regard to the Treaty establishing the European Community, and in particular Article 181 A thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas:

(1) The Accession Treaties signed on 16 April 2003 entered into force on 1 May 2004.

(2) The report<sup>(1)</sup> prepared by the Commission in accordance with the third subparagraph of Article 1(1) of Council Decision 2000/24/EC of 22 December 1999 granting a Community guarantee to the European Investment Bank against losses under loans for projects outside the Community (Central and Eastern Europe, Mediterranean countries, Latin America and Asia and the Republic of South Africa)<sup>(2)</sup>, concludes that some amendments to that Decision are appropriate, in particular in view of the enlargement of the European Union.

(3) The Copenhagen European Council of 12 and 13 December 2002 concluded that pre-accession support for Turkey will from 2004 be financed under the budget heading 'pre-accession expenditure'.

(4) Since the adoption of Decision 2000/24/EC, the experience of the EIB on the changing practices in the field of investment protection guarantees has shown the need to review the scope of the political risks covered by

(5) Under the risk-sharing scheme the budgetary guarantee should cover, in addition to political risks arising from currency non transfer, expropriation, war or civil disturbance, those arising from denial of justice upon breach of certain contracts by the third country government or other authorities.

(6) Under the risk-sharing scheme, the EIB should secure commercial risks by means of non-sovereign third-party guarantees or by means of any other security or collateral as well as relying on the financial strength of the debtor, in accordance with its usual criteria.

(7) The financial perspective for the period 2000 to 2006 according to the Interinstitutional Agreement of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and improvement of the budgetary procedure<sup>(3)</sup>, envisages a ceiling for the loan guarantee reserve in the Community budget of EUR 200 million (at 1999 prices) per annum.

(8) Close cooperation between the EIB and the Commission should ensure consistency and synergy with the European Union's geographical cooperation programmes and ensure that EIB loan operations complement and strengthen the European Union's policies for those regions.

(9) Decision 2000/24/EC should therefore be amended accordingly,

<sup>(1)</sup> COM(2003) 603.

<sup>(2)</sup> OJ L 9, 13.1.2000, p. 24. Decision as last amended by Decision 2001/778/EC (OJ L 292, 9.11.2001, p. 43).

<sup>(3)</sup> OJ C 172, 18.6.1999, p. 1.

HAS DECIDED AS FOLLOWS:

*Article 1*

Decision 2000/24/EC is amended as follows:

1. Article 1(1) is amended as follows:

(a) paragraph 1 is amended as follows:

(i) the first subparagraph is replaced by the following:

‘The Community shall grant the European Investment Bank (EIB) a global guarantee in respect of all payments not received by it but due in respect of credits opened, in accordance with its usual criteria, and in support of the Community’s relevant external policy objectives, for investment projects carried out in the South-eastern Neighbours, the Mediterranean countries, Latin America and Asia and the Republic of South Africa.’

(ii) in the second subparagraph, the second sentence is replaced by the following:

‘The overall ceiling of the credits opened shall be equivalent to EUR 19 460 million, broken down as follows:

— South-eastern Neighbours:

EUR 9 185 million,

— Mediterranean countries:

EUR 6 520 million,

— Latin America and Asia:

EUR 2 480 million,

— Republic of South Africa:

EUR 825 million,

— Special action supporting the consolidation and intensification of the EC-Turkey Customs Union:

EUR 450 million;

and may be used by 31 January 2007 at the latest. The credits already signed shall be taken into account as a deduction from the regional ceilings.’

(b) Article 1(2) is amended as follows:

(i) the first indent is replaced by the following:

‘— South-eastern Neighbours: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Former Yugoslav Republic of Macedonia, Romania, Serbia and Montenegro, Turkey;’

(ii) in the second indent the words ‘Cyprus’, ‘Malta’ and ‘Turkey’, are deleted.

2. In Article 2, the following subparagraph is added:

‘The Commission shall report on the application of this Decision by 31 July 2006 at the latest.’

*Article 2*

This Decision shall take effect on the day of its adoption.

Done at Brussels, 22 December 2004.

*For the Council*  
*The President*  
C. VEERMAN