ACP-EC COTONOU AGREEMENT

AFRICAN, CARIBBEAN AND PACIFIC GROUP OF STATES

COUNCIL OF THE EUROPEAN UNION

Brussels, 18 May 2004

ACP/21/003/04 REV 1

ACP-CE 2115/1/04 REV 1

NOTE

Subject: Decision No 1/2004 of the ACP-EC Council of Ministers of 6 May 2004 on the

use of the reserve of the long-term development envelope as well as resources from the Investment Facility of the ninth European Development Fund for the

establishment of an ACP-EU Water Facility

DECISION No 1/2004 OF THE ACP-EC COUNCIL OF MINISTERS of 6 May 2004

on the use of the reserve of the long-term development envelope as well as resources from the Investment Facility of the ninth European Development Fund for the establishment of an ACP-EU Water Facility

THE ACP-EC COUNCIL OF MINISTERS,

Having regard to the ACP-EC Partnership Agreement signed in Cotonou on 23 June 2000 ("the Agreement") ¹, and in particular paragraph 8 of its Annex I,

Whereas:

(1) At its 2571st Session on 22 March 2004 the EU Council of Ministers agreed on the establishment of a Water Facility for ACP countries and agreed to consider an amount of EUR 500 million out of the conditional EUR 1 billion under the 9th European Development Fund (EDF) for this Water Facility. It also agreed to release immediately a first allocation of EUR 250 million from the conditional EUR 1 billion and to decide by March 2005 on the mobilisation of a second allocation of EUR 250 million and on the use of the remaining EUR 500 million of the conditional EUR 1 billion. The first allocation of EUR 250 million is distributed as follows over the envelopes referred to in paragraph 3 of the 9th EDF Financial Protocol: EUR 185 million to the envelope for support for long-term development, EUR 24 million to the envelope for regional cooperation and integration and EUR 41 million to the Investment Facility.

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¹ OJ L 317, 15.12.2000, p. 376.

- The Commission notified to the ACP Council of Ministers the increase of the 9th EDF (2) intra-ACP allocation by EUR 24 million and proposed that these resources be used for a contribution to an ACP-EU Water Facility.
- To ensure support for the implementation of the EU Water Initiative in ACP countries, it is (3) appropriate to allocate resources to intra-ACP cooperation for a total amount of EUR 500 million, of which a first allocation of EUR 250 million can be made available from the resources released by the EU Council of Ministers. However, the envelope for regional cooperation and integration as defined in paragraph 3(b) of Annex I (Financial Protocol) to the Agreement is exhausted. The necessary resources must therefore be transferred from unallocated resources of the 9th EDF long-term development envelope and from the Investment Facility, referred to in paragraph 3(b) and (c) of the Financial Protocol.
- Article 15 of the Agreement establishes an ACP-EC Council of Ministers with powers to take **(4)** decisions in accordance with the Agreement,

HAS DECIDED AS FOLLOWS:

Article 1

Establishment of an ACP-EU Water Facility

An amount of EUR 226 million, consisting of EUR 185 million from the reserve of the 9th EDF long-term development envelope and EUR 41 million from the 9th EDF Investment Facility, shall be transferred to the intra-ACP allocation under the envelope for regional cooperation and integration, and used for the establishment of an ACP-EU Water Facility. Together with an amount of EUR 24 million already available under intra-ACP cooperation, a total amount of EUR 250 million will thus be made available for the first instalment of the ACP-EU Water Facility.

Article 2

Second instalment

Subject to the release by the EU Council of Ministers of a second allocation of EUR 250 million from the EUR 1 conditional billion under the 9th EDF, this amount shall be used for a second instalment of the ACP-EU Water Facility.

Article 3

In accordance with Article 13(2) of Annex IV to the Agreement, the ACP Council of Ministers requests the Commission to finance support for the ACP-EU Water Facility from intra-ACP cooperation for the amounts referred to in Articles 1 and 2.

Done at Gaborone, 6 May 2004

For the ACP-EC Council of Ministers

The President

Pierre MOUSSA