COUNCIL OF THE EUROPEAN UNION	**Brussels, 26 April 2012**

9092/12

Interinstitutional File:
2012/0052 (NLE)

ACP 59
FIN 286
PTOM 11

"I/A" ITEM NOTE

from:	ACP Working Party
to	Permanent Representatives Committee / Council
No. Cion prop.:	7909/12 - COM(2012) 113 final
Subject:	Proposal for a Council Decision on the position to be taken by the European Union within the ACP-EU Council of Ministers regarding the revision of terms and conditions of investment financing (Chapter 1 of Annex II to the ACP-EU Partnership Agreement)
	- Adoption

1. On 20 March 2012 the Commission forwarded to the Council a Proposal for a Council Decision on the above subject. The proposed modification of Annex II to the ACP-EU Partnership Agreement (Cotonou Agreement) aims at increasing from 10% to 15% the part of the envelope for interest rate subsidies which can be used for projects related technical assistance (TA), in order to provide additional resources that are needed to continue committing new TA operations in the second half of 2012 and contracting new TA operations in 2013.

---

2. The Financial Protocol of the Cotonou Agreement[1] allocates 400 million EUR, in the context of the Investment Facility managed by the EIB, for the financing of interest rate subsidies for the period 2008-2013. Currently, Annex II of Cotonou makes available up to 40 million EUR for technical assistance related projects. By the adoption of this Decision, up to 60 million EUR will be made available[2].

3. On 2 April 2012, the ACP Working Party reached an agreement on the Commission proposal.

4. COREPER is invited to confirm the agreement and to submit the draft Decision, as set out in document 8573/12 after finalisation by the Legal Experts, to the Council which will adopt it, acting unanimously, under the "A" items of its agenda.

_____

---

[1] Annex Ib, paragraph 2c.
[2] It is underlined that, the total amount of the interest rate subsidies envelope of 400 million EUR remains unchanged.