



**Council of the
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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: Protocol to the Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part, and the Palestine Liberation Organization (PLO) for the benefit of the Palestinian Authority of the West Bank and the Gaza Strip, of the other part, on a Framework Agreement between the European Union and the Palestinian Authority of the West Bank and the Gaza Strip on the general principles for its participation in Union programmes

PROTOCOL
TO THE EURO-MEDITERRANEAN INTERIM ASSOCIATION AGREEMENT
ON TRADE AND COOPERATION BETWEEN
THE EUROPEAN COMMUNITY, OF THE ONE PART,
AND THE PALESTINE LIBERATION ORGANIZATION (PLO)
FOR THE BENEFIT OF THE PALESTINIAN AUTHORITY
OF THE WEST BANK AND THE GAZA STRIP, OF THE OTHER PART,
ON A FRAMEWORK AGREEMENT BETWEEN THE EUROPEAN UNION
AND THE PALESTINIAN AUTHORITY OF THE WEST BANK AND THE GAZA STRIP
ON THE GENERAL PRINCIPLES FOR ITS PARTICIPATION IN UNION PROGRAMMES

THE EUROPEAN UNION, hereinafter referred to as "the Union",

of the one part, and

the Palestinian Authority of the West Bank and the Gaza Strip, hereinafter referred to as "the Palestinian Authority",

of the other part,

hereinafter referred to as "the Parties",

WHEREAS:

- (1) The Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part, and the Palestine Liberation Organization (PLO) for the benefit of the Palestinian Authority of the West Bank and the Gaza Strip, of the other part¹ (the "Interim Association Agreement") was signed on 24 February 1997 and entered into force on 1 July 1997.
- (2) The European Council of 17 and 18 June 2004 welcomed the European Commission's proposals for a European Neighbourhood Policy (ENP) and endorsed the Council conclusions of 14 June 2004.

¹ OJ EU L 187, 16.7.1997, p. 3.

- (3) The Council has repeatedly adopted conclusions in favour of this policy.
- (4) On 5 March 2007 the Council expressed support for the general and global approach, outlined in the European Commission's communication of 4 December 2006, to enable ENP partners to participate in Community agencies and Community programmes on their merits and where the legal bases so allow.
- (5) The Palestinian Authority has expressed its wish to participate in a number of Union programmes.
- (6) The specific terms and conditions regarding the participation of the Palestinian Authority in each Union programme, in particular the financial contribution as well as the reporting and evaluation procedures, should be determined in a memorandum of understanding between the European Commission and the competent authorities of the Palestinian Authority,

HAVE AGREED AS FOLLOWS:

ARTICLE 1

The Palestinian Authority shall be allowed to participate in all current and future Union programmes opened to the participation of the Palestinian Authority in accordance with the relevant legal acts adopting those programmes.

ARTICLE 2

The Palestinian Authority shall contribute financially to the general budget of the Union corresponding to the specific Union programmes in which it participates.

ARTICLE 3

Representatives of the Palestinian Authority shall be allowed to take part, as observers and for the points which concern the Palestinian Authority, in the management committees responsible for monitoring the Union programmes to which the Palestinian Authority contributes financially.

ARTICLE 4

Projects and initiatives submitted by participants from the Palestinian Authority shall, as far as possible, be subject to the same conditions, rules and procedures pertaining to the Union programmes concerned as applied to Member States.

ARTICLE 5

The specific terms and conditions regarding the participation of the Palestinian Authority in each Union programme, in particular the financial contributions to be paid by the Palestinian Authority as well as the reporting and evaluation procedures, shall be determined in a memorandum of understanding between the European Commission and the competent authorities of the Palestinian Authority on the basis of the criteria established by the Union programmes concerned.

If the Palestinian Authority applies for Union external assistance to participate in a given Union programme on the basis of Regulation (EU) No 232/2014 of the European Parliament and of the Council¹ or pursuant to any similar regulation providing Union external assistance to the Palestinian Authority that is adopted in the future, the conditions governing the use of such assistance by the Palestinian Authority shall be determined in a financing agreement in accordance with Regulation (EU) No 232/2014.

¹ Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument (OJ EU L 77, 15.3.2014, p. 27).

ARTICLE 6

Each memorandum of understanding concluded pursuant to Article 5 shall stipulate, in accordance with Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council¹, that financial control, audits or other verifications, including administrative investigations, are to be carried out by, or under the authority of, the European Commission, the European Anti-Fraud Office and the Court of Auditors.

Detailed provisions shall be adopted on financial control and auditing, administrative investigations, recovery, financial penalties and other administrative sanctions, granting the European Commission, the European Anti-Fraud Office, and the Court of Auditors powers equivalent to their powers with regard to beneficiaries or contractors established in the Union.

ARTICLE 7

This Protocol shall apply for the period for which the Interim Association Agreement is in force.

This Protocol shall be signed and approved by the Parties in accordance with their respective procedures.

¹ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ EU L 193, 30.7.2018, p. 1).

Either Party may denounce this Protocol by written notification to the other Party. This Protocol shall cease to apply six months after the date of such notification.

The termination of this Protocol following denunciation by any of the Parties shall have no influence on the checks and controls to be carried out, where necessary, under Articles 5 and 6.

ARTICLE 8

No later than three years after the date of entry into force of this Protocol and every three years thereafter, the Parties may review the implementation of this Protocol on the basis of the actual participation of the Palestinian Authority in Union programmes.

ARTICLE 9

This Protocol shall apply, on the one hand, to the territories in which the Treaty on the Functioning of the European Union is applied and under the conditions laid down in that Treaty, and, on the other hand, to the territory of the West Bank and the Gaza Strip.

ARTICLE 10

This Protocol shall enter into force on the first day of the month following the date on which the Parties notify each other through diplomatic channels of the completion of their procedures necessary for this purpose.

Pending its entry into force, the Parties agree to provisionally apply this Protocol from the date of its signature, subject to its conclusion at a later date.

ARTICLE 11

This Protocol shall form an integral part of the Interim Association Agreement.

ARTICLE 12

This Protocol shall be drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Arabic languages, each of these texts being equally authentic.

Done at Brussels, this ... day of ... in the year

For the European Union

For the Palestinian Authority