COMMISSION DECISION

of 19/03/2008

on a special measure in favour of the occupied Palestinian territory to be financed under budget item 19 08 01 02 of the general budget of the European Communities

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,


Whereas:

(1) Since 2002 the Commission has set priorities for co-operation with the occupied Palestinian territory on an ad hoc basis and Article 13 of Regulation (EC) n° 1638/2006 provides for the adoption of special measures in the event of unforeseen and duly justified needs or circumstances. Given the difficult situation within the occupied Palestinian territory, no strategy paper or multi-annual indicative programme has been established covering 2008.

(2) The criteria set out in Regulation (EC) n° 1638/2006 and conditions for the special measure have been fulfilled.

(3) The Council of General Affairs and External Relations of 19 November 2007 welcomed "the EU Action Strategy submitted by the EU High Representative in full association with the Commission, which will be the basis for further work by the EU taking into account the results of the Annapolis International meeting.”

(4) The Council of General Affairs and External Relations of 10 December 2007 stated that "The Paris Donors' conference in December will be an important opportunity for the whole international community to back up its commitment to assist in the economic and financial development of a future viable Palestinian State and to provide the necessary support to the post- Annapolis process. In this context, the EU looks forward to the Palestinian Reform and Development Plan. In order to allow for the establishment of a new support mechanism the EU endorses the further extension of the TIM for three months."

The Council of General Affairs and External Relations of 28 January 2008 stated that "The EU is committed to providing substantial financial support for the Palestinian people, and welcomes the work of the Commission to launch a new funding mechanism PEGASE, which will constitute a key channel for EU and other international assistance".

This decision constitutes a financing decision within the meaning of Article 75 (2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities\(^2\), Article 90 of Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of that Regulation\(^3\) and Article 15 of the Internal Rules\(^4\).

The special measure provided for in this decision is in accordance with the opinion of the ENPI Committee set up under Article 26 of Regulation (EC) No 1638/2006, HAS DECIDED AS FOLLOWS:

**Article 1**

The special measure "Contributions to PEGASE and UNRWA" in favour of the occupied Palestinian territory: “PEGASE: Support to Recurrent Expenditures of the PA" (€176 million); “PEGASE: Institution Building – Governance, Social and Economic" (€14 million); "PEGASE: Public Infrastructure Development" (€37 million); “PEGASE: Support to Community Services in East-Jerusalem" (€2 million); "UNRWA: Support to Reform of the SHC Programme and Organisational Development Plan" (€5 million); UNRWA: Contribution to the 2008 Regular Budget" (€66 million), the text of which is set out in the Annex, is approved.

**Article 2**

The maximum contribution of the Community is set at EUR 300 million to be financed from budget line 19 08 01 02 of the general budget of the European Communities for 2008.

**Article 3**

Within the maximum indicative budget of all the specific actions, cumulated changes not exceeding 20\% of the maximum contribution of the Community are not considered to be substantial provided that they do not significantly affect the nature and objectives of the Annual Action Programme.

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The authorising officer may adopt such changes in accordance with the principles of sound financial management.

Done at Brussels, 19 March 2008

For the Commission
Benita FERRERO-WALDNER
Member of the Commission