

II

(Acts whose publication is not obligatory)

COUNCIL

COUNCIL DECISION

of 12 December 1996

granting a Community guarantee to the European Investment Bank against losses under loans for projects of mutual interest in Latin American and Asian countries with which the Community has concluded cooperation agreements (Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, El Salvador, Uruguay and Venezuela; Bangladesh, Brunei, China, India, Indonesia, Macao, Malaysia, Pakistan, Philippines, Singapore, Sri Lanka, Thailand and Vietnam)

(96/723/EC)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 235 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament⁽¹⁾,

Whereas in its meeting on 13 and 14 May 1991 the Council decided, on the basis of a communication from the Commission, on a limited extension of European Investment Bank operations in those third countries with which the Community has concluded cooperation agreements;

Whereas on 8 July 1991 the Council confirmed these guidelines;

Whereas on 19 May 1992 the Council decided on the guidelines to be applied for loans from the Bank granted in the third countries in question;

Whereas the Bank is completing an initial three-year loan programme for these countries pursuant to Decision

93/115/EEC⁽²⁾, with encouraging results according to the Bank's report on this first phase;

Whereas, pursuant to Decision 93/115/EEC, this programme should be renewed;

Whereas the European Council, meeting at Corfu in June 1994 and at Essen in December 1994, confirmed its intention of strengthening cooperation with countries in Asia and the wish to establish a new and extended partnership between the European Community and the Latin American countries;

Whereas the Council and the Commission signed a Solemn Joint Declaration with the Mercosur Member States⁽³⁾ on 22 December 1994 and with Mexico on 2 May 1995 in which the parties expressed their wish to strengthen their relations, committed themselves to initiate negotiations for new agreements and stressed their interest in continuing and strengthening Bank activities in the region; whereas the Council entrusted the Commission on 12 June 1995 with a mandate to negotiate an interregional framework agreement covering economic and trade cooperation with Mercosur;

Whereas the European Community and Vietnam signed a cooperation agreement on 17 July 1995⁽⁴⁾;

⁽²⁾ OJ No L 45, 23. 2. 1993, p. 27.

⁽³⁾ OJ No C 377, 31. 12. 1994, p. 1.

⁽⁴⁾ OJ No L 136, 7. 6. 1996, p. 29.

⁽¹⁾ OJ No C 261, 9. 9. 1996, p. 147.

Whereas the Council has invited the Bank to continue its operations in support of investment projects of mutual interest carried out in those third countries by offering it the guarantee provided for in this Decision;

Whereas this guarantee is subject to the conditions set out in the Council Regulation (EC, Euratom) No 2728/94 of 31 October 1994 establishing a Guarantee Fund for external actions⁽¹⁾;

Whereas the Bank and the Commission will adopt the procedures for granting the guarantee;

Whereas the Treaty does not provide, for the adoption of this Decision, powers other than those of Article 235,

HAS DECIDED AS FOLLOWS:

Article 1

The Community shall grant the European Investment Bank a guarantee of 100 % in accordance with Article 4 in cases where the Bank does not receive the payments due under loans granted in accordance with its usual criteria for projects of mutual interest in those third countries with which the Community has concluded cooperation agreements.

This guarantee shall be restricted to an overall loan ceiling of ECU 275 million to be granted in 1996. If, on 31 December 1996, the loans granted by the Bank have not attained the overall amount referred to above, the period during which this Decision shall remain applicable shall be automatically extended by six months.

The countries concerned by this Decision are: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, El Salvador, Uruguay and Venezuela; Bangla-

desh, Brunei, China, India, Indonesia, Macao, Malaysia, Pakistan, Philippines, Singapore, Sri Lanka, Thailand and Vietnam.

Article 2

The Commission shall inform the European Parliament and the Council every six months of the situation regarding loans signed. To that end, the Bank shall regularly transmit to the Commission the appropriate information.

Article 3

At the end of the loan period, the Commission shall inform the European Parliament and the Council of the loan operations and shall, at the same time, submit an assessment of the operation of the scheme and of coordination between the financial institutions operating in that area.

Article 4

Detailed rules for the application of this Decision shall be laid down in an agreement to be concluded between the Commission and the Bank.

Article 5

This Decision shall take effect on the day of its publication in the *Official Journal of the European Communities*.

Done at Brussels, 12 December 1996.

For the Council

The President

A. DUKES

⁽¹⁾ OJ No L 293, 12. 11. 1994, p. 1.