I

(Acts whose publication is obligatory)

REGULATION (EC) No 669/2004 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 31 March 2004 amending Council Regulation (EC) No 1734/94 on financial and technical cooperation with the West Bank and the Gaza Strip

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 179 thereof,

Having regard to the proposal from the Commission,

Acting in accordance with the procedure laid down in Article 251 of the Treaty [1],

Whereas:

(1) All efforts should be made to prevent any further deterioration of the Palestinian economy by contributing to the sound management and budgetary equilibrium of the Palestinian Authority and to consolidate that Authority by means of institutional reinforcement.

(2) Requirements for financial aid will continue to be generated in the territories of the West Bank and the Gaza Strip as a result of recent developments in the Middle East Peace Process.

(3) The Community should therefore pursue its aid effort pursuant to Council Regulation (EC) No 1734/94 [2].

(4) Regulation (EC) No 1734/94 should be reviewed by the European Parliament and the Council before the end of 2005 in order to take account of developments in the area, in particular with regard to the implementation of the roadmap for peace (Elements of a performance-based road map to a permanent two-state solution to the Israeli-Palestinian conflict).

(5) Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities' financial interests [3] establishes a common legal framework for all the fields of the Communities' own resources and expenditure. Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities [4] applies to all areas of the Communities' activity without prejudice to the provisions of Community rules specific to different policy areas.

(6) Regulation (EC) No 1734/94 should therefore be amended accordingly,

HAVE ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 1734/94 shall be amended as follows:

1. Article 1 is replaced by the following:

'*Article 1*

1. The Community shall implement financial and technical cooperation with the West Bank and the Gaza Strip with the aim of aiding their achievement of sustainable economic, political and social development. If circumstances allow, implementation shall be based on pluri-annual programmes.

2. The Commission shall provide a report reviewing this Regulation by 31 December 2005 at the latest, taking into account recent developments in the area.';

[1] Opinion of the European Parliament of 29 January 2004 (not yet published in the Official Journal) and Council Decision of 11 March 2004.

[2] OJ L 182, 16.7.1994, p. 4. Regulation as last amended by Regulation (EC) No 1882/2003 of the European Parliament and of the Council (OJ L 284, 31.10.2003, p. 1).

[3] OJ L 312, 23.12.1995, p. 1.

[4] OJ L 292, 15.11.1996, p. 2.