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A7-0445/ 001-001

AMENDMENT 001-001

by the Committee on Foreign Affairs

Report

Libor Rouček

Instrument for Pre-accession Assistance

A7-0445/2013

Proposal for a regulation (COM(2011)0838 – C7-0491/2011 – 2011/0404(COD))

AMENDMENTS BY THE EUROPEAN PARLIAMENT*

to the Commission proposal

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

■ *establishing an* Instrument for Pre-accession Assistance (IPA II)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 212(2) thereof,

Having regard to the proposal from the European Commission,

* Amendments: new or replacement text is marked in *bold italics*, and deletions are indicated by the symbol ■

After transmission of the draft legislative act to the national parliaments,

■

Acting in accordance with the ordinary legislative procedure¹,

Whereas:

- (1) In the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions *entitled* “A Budget for Europe 2020”², the Commission sets the ■ framework for the *financial* instruments *for external relations* of the Union, including the Instrument for Pre-accession Assistance (IPA II).
- (2) As Council Regulation (EC) No 1085/2006³ expires on 31 December 2013 and in order to make the external action of the Union more effective, a framework for planning and delivering external assistance should be maintained for the period 2014–2020. The enlargement policy of the Union should continue to be supported by a specific financial instrument. IPA *II* should therefore be *established*.

¹ *Position of the European Parliament of ... (not yet published in the Official Journal) and decision of the Council of*

² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions *A Budget for Europe 2020*, COM(2011)500 final, 29.6.2011.

³ *Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)* (OJ L 210, 31.7.2006, p. 82).

- (3) Article 49 of the Treaty on European Union provides that any European State which endorses the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, ***including the rights of persons belonging to minorities***, may apply to become a member of the Union.

■ A European State which has applied to join the Union can become a member only when it has been confirmed that it meets the membership criteria agreed at the Copenhagen European Council in June 1993 and provided that the accession does not overstretch the capacity of the Union to integrate the new member. These criteria relate to the stability of institutions guaranteeing democracy, the rule of law, ■ human rights and respect for ■ and protection of ■ minorities, the ***existence of a functioning market economy as well as the capacity to cope with*** competitive pressure ***and market forces within the Union***, and the ability to assume not only the rights but also the obligations under the Treaties, ***including adherence to the aims of political, economic and monetary union***.

- (5) ***The enlargement strategy based on consolidation, conditionality and communication, combined with the Union's capacity to integrate new members, continues to form the basis for a renewed consensus on enlargement.*** The accession process is based on objective criteria and the application of the principle of equal treatment of all ***applicants, with each one being assessed on its own merits***. Progression towards accession depends on ***each applicant's respect for Union values and its capacity*** to undertake the necessary reforms to align its political, institutional, legal, administrative and economic systems with the rules, standards, policies and practices in the Union.

- (5a) ***The enlargement process reinforces peace, democracy and stability in Europe and allows the Union to be better positioned to address global challenges. The transformative power of the enlargement process generates far-reaching political and economic reform in the enlargement countries which also benefits the Union as a whole.***

(6) The European Council has granted the status of candidate country to Iceland, Montenegro, the former Yugoslav Republic of Macedonia, Turkey *and Serbia*. It has confirmed the European perspective *of the Western Balkans. Without prejudice to positions on status or to any future decisions to be taken by the European Council or by the Council, those benefiting from such a European perspective which have not been granted candidate country status may be considered as potential candidates for the sole purpose of this Regulation.*

■ Financial assistance under this Regulation should be granted to *all beneficiaries* listed in Annex I to this Regulation (*“the beneficiaries listed in Annex I”*).

(8) Assistance under this Regulation should be provided in accordance with the enlargement policy framework defined by the *European Council and the Council and taking due account of the Communication on the Enlargement Strategy and the Progress Reports comprised* in the annual enlargement package of the Commission, *as well as of the relevant resolutions of the European Parliament. Assistance is also provided in compliance with the agreements concluded by the Union with the beneficiaries listed in Annex I, and in accordance with* the European *and* Accession Partnerships. Assistance should mainly focus on a *selected* number of policy areas that will help *the beneficiaries listed in Annex I* strengthen democratic institutions and the rule of law, reform the judiciary and public administration, respect fundamental rights and promote gender equality, *tolerance, social inclusion and non-discrimination. Assistance should continue to support their efforts to advance regional, macro-regional and cross border cooperation as well as territorial development, including through implementation of Union macro-regional strategies.* It should also enhance their economic and social development, underpinning a smart, sustainable and inclusive growth agenda ■ *with a particular focus on small and medium-sized enterprises, to attain the targets of* the Europe 2020 strategy and to align progressively with the Copenhagen criteria. The coherence between the financial assistance and the overall progress made in the implementation of the pre-accession strategy should be strengthened.

- (8a)** *In order to take account of changes in the enlargement policy framework or of significant developments in the beneficiaries listed in Annex I, the power to adopt acts in accordance with Article 290 on the Treaty of the Functioning of the European Union should be delegated to the Commission in respect of adapting and updating the thematic priorities for assistance listed in Annex II. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.*
- (8b)** *Strengthening the rule of law, including the fight against corruption and organized crime, and good governance, including public administration reform, remain key challenges in most of the beneficiaries listed in Annex I and are essential for these to come closer to the Union and later to fully assume the obligations of Union membership. In view of the longer term nature of the reforms pursued in these areas and the necessity to build up track records, financial assistance under this Regulation should address the requirements of the beneficiaries listed in Annex I as early as possible.*
- (9)** *The beneficiaries listed in Annex I need to be better prepared to address global challenges, such as sustainable development and climate change, and align with the Union's efforts to address these issues. Union assistance under this Regulation should also contribute to the goal of raising the climate-related proportion of the Union budget to at least 20 %.*
- (9a)** *The Union should also provide support to the transition towards accession for the benefit of all the beneficiaries listed in Annex I based on the experience of its Member States. This cooperation should focus in particular on the sharing of experience acquired by the Member States in the process of reforms.*

(10) The Commission and the Member States should ensure the compliance, coherence, and complementarity of their assistance, in particular through regular consultations and frequent exchanges of information during the different phases of the assistance cycle. ***The necessary steps should also be taken to ensure better co-ordination and complementarity, including through regular consultations, with other donors. The role of civil society should be enhanced both in programmes implemented through government bodies and as a direct beneficiary of Union assistance.***

(12) The ***priorities for action towards meeting objectives in the relevant policy areas which will be supported under this Regulation*** should be defined in indicative strategy papers established by the Commission for the duration of the Union's multiannual financial framework in partnership with the ***beneficiaries listed in Annex I***, based on their specific needs and enlargement agenda, ***in line with the general and specific objectives defined by this Regulation and taking relevant national strategies into due account***. The strategy papers should ***also*** identify the policy areas ***to be supported*** for assistance and, without prejudice to the prerogatives of the budgetary authority, lay down the indicative allocations of funds per policy area, broken down per year, including an estimate of climate related expenditure. Sufficient flexibility should be built in to cater for emerging needs and to give incentives to improve performance. The strategy papers should ensure coherence and consistency with the efforts of ***the beneficiaries listed in Annex I*** as reflected in their national budgets and should take into account the support provided by other donors. In order to take into account internal and external developments, the strategy papers should be revised as appropriate.

(13) It is in the Union's interest to assist *the beneficiaries listed in Annex I* in their efforts to reform *with a view to Union membership. Assistance should be managed with a strong focus on results and with incentives for those who demonstrate their commitment to reform through efficient implementation of pre-accession assistance and progress towards meeting the membership criteria.*

(17) Assistance should continue to make use of the structures and instruments that have proved their worth in the pre-accession process. The transition from direct management of pre-accession funds by the Commission to *indirect* management delegated to the *beneficiaries listed in Annex I* should be progressive and in line with *the respective capacities of those beneficiaries* .

In line with the principle of participatory democracy, parliamentary oversight in each beneficiary listed in Annex I of assistance provided to that beneficiary should be encouraged by the Commission.

(18) *In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers relate to the strategy papers and to the specific rules establishing uniform conditions for implementing this Regulation and* should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council ^[1]. Taking into account the nature of those implementing acts, in particular their policy orientation nature or their financial implications, the examination procedure should in principle be used for their adoption, except for technical implementing measures of a small financial scale. *When establishing the uniform conditions for implementing this Regulation, the lessons learnt from the management and implementation of past pre-accession assistance should be taken into account. These conditions should be amended if developments so require.*

[1] *Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers* (OJ L 55, 28.2.2011, p. 13).

- (19) The *committee* established under this Regulation should be also competent for acts relating to the implementation of the *IPA*, as well as for the implementation of *Article 3 of Council Regulation (EC) No 389/2006*¹.
- (19a) *The Union should seek the most efficient use of available resources in order to optimise the impact of its external action. This should be achieved through coherence and complementarity between Instruments for external action, as well as the creation of synergies between the present Instrument, other Instruments for external action and other policies of the Union. This should further entail mutual reinforcement of the programmes devised under these Instruments.*
- (19b) *Since the objective of this Regulation cannot be sufficiently achieved by the Member States but can rather be better achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.*
- (20) Given the objectives and scope of the assistance provided under this Regulation, the European Economic and Social Committee and the Committee of the Regions *have been* consulted before its adoption.
- (20a) *It is appropriate to ensure a smooth transition without interruption between IPA and IPA II and to align the duration of this Regulation with Council Regulation (EU) No .../...^{2*}. Therefore, this Regulation should apply as from 1 January 2014 until 31 December 2020,*

HAVE ADOPTED THIS REGULATION:

¹ *Council Regulation (EC) No 389/2006 of 27 February 2006 establishing an instrument of financial support for encouraging the economic development of the Turkish Cypriot community and amending Council Regulation (EC) No 2667/2000 on the European Agency for Reconstruction (UL L 65, 7.3.2006, p. 6).*

² *Council Regulation (EU, Euratom) No ... of ... laying down the multiannual financial framework for the years 2014-2020 (OJ L ...)*

* *OJ: please insert the number in the text as well as the date and the OJ publication reference in the footnote of the Regulation in document st11791/13 REV 7.*

TITLE I
GENERAL PROVISIONS

Article 1

General objective

The Instrument for Pre-accession Assistance (“*IPA II*”) **shall support the beneficiaries** listed in Annex *I* in **adopting and** implementing the political, institutional, legal, administrative, social and economic reforms required **by the beneficiaries listed in Annex I to comply with** Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership.

Through such support, IPA II shall contribute to stability, security and prosperity in the beneficiaries listed in Annex I.

Article 2

Specific objectives

1. Assistance under this Regulation shall pursue the **achievement of the** following specific objectives according to the needs of each **of the beneficiaries listed in Annex I as well as** their individual enlargement agenda:
 - (a) Support for political reforms, *inter alia through*:
 - (i) strengthening of **democracy and its** institutions, **including an independent and efficient judiciary, and of** the rule of law, including its implementation;
 - (ii) promotion and protection of human rights and fundamental freedoms, enhanced respect for **the rights of persons belonging to minorities, including lesbian, gay, bisexual, transgender and intersex persons**, promotion of gender equality, non-discrimination and **tolerance, as well as** freedom of the **media and respect for cultural diversity**;
 - (iii) **regional co-operation and good neighbourly relations**;
 - (iv) **promotion of reconciliation, peace building, and confidence building measures**;
 - (v) fight against corruption and organised crime;

- (iv) ***strengthening of*** public administration **■** and good governance ***at all levels***;
- (iva) ***capacity building measures for improving law enforcement, border management and implementation of migration policy, including the management of migration flows***;
- (v) development of civil society **■** ;
- (va) ***improvement of social dialogue and strengthening of the capacities of social partners***;
- (b) Support for economic, social and territorial development, with a view to **■** smart, sustainable and inclusive growth, *inter alia* through:
 - (i) **■** achievement of Union standards in the economy, ***including a functioning market economy, as well as fiscal*** and economic governance;
 - (ii) economic reforms necessary to ***be able to*** cope with competitive pressure and market forces ***existing in*** the Union, while ***contributing to the achievement of*** social and environmental goals;
 - (iii) fostering ***of*** employment, ***and labour mobility, promotion of quality job creation and development of*** human capital;
 - (iv) ***promotion of*** social and economic inclusion, in particular of minorities and vulnerable groups, ***including persons with disabilities, refugees and displaced persons***;

- (iva) *fostering of an inclusive and integrated education system and preservation and restoration of cultural heritage;*
- (v) development of physical capital, *including* improvement of *infrastructure, and* connections with Union and regional networks;
- (va) *strengthening of research, technological development and innovation capacity;*
- (c) Strengthening of the ability of *the beneficiaries listed in Annex I at all levels* to fulfil the obligations stemming from *Union* membership by supporting progressive alignment with and adoption, implementation and enforcement of the *Union acquis, including preparation for management of Union* structural, cohesion, agricultural and rural development funds ■ .
- (d) *Strengthening* regional integration and territorial cooperation involving *the beneficiaries listed in Annex I*, Member States and, where appropriate, third countries within the scope of Regulation (EU) No .../... *of the European Parliament and of the Council*^{1*}.

¹ *Regulation (EU) No .../... of the European Parliament and of the Council of ... establishing a European Neighbourhood Instrument (OJ L...).*
^{*} *OJ: please insert the number in the text as well as the date and the OJ publication reference in the footnote of the Regulation in document 2011/0405 (COD).*

2. Progress towards *the* achievement of the specific objectives set out in paragraph 1 shall be *monitored and assessed on the basis of pre defined, clear, transparent and, where appropriate, country specific and measurable* indicators that cover *inter alia*:
- (a) Progress in the areas of *strengthening* democracy, the rule of law *and an independent and efficient justice system*, the respect *for* human rights, *including the rights of persons belonging to minorities and vulnerable groups, fundamental freedoms, gender equality and women's rights, the fight against corruption and organised crime, as well as reconciliation, good neighbourly relations and refugee return, and in particular, the establishment of track-records in these areas;*
 - (b) Progress in *socio-economic and fiscal* reforms, *addressing structural and macro-economic imbalances*; the soundness and effectiveness of social and economic development strategies, progress towards smart, sustainable and inclusive growth *and the creation of an inclusive and integrated education, quality training and employment*, including through public investments supported by IPA II; *progress towards creating a favourable business environment;*
 - (c) *Progress in aligning the* body of legislation ■ with the *Union acquis, including a track record of its implementation*; progress in Union-related institutional reform, including transition to decentralised management of the assistance provided under this Regulation;

- (d) *Progress in building-up and strengthening good governance, the administrative, institutional and absorption capacities at all levels, including adequate human resources, needed to adopt and enforce the acquis-related legislation;*
- (e) The ■ regional and territorial cooperation initiatives and the evolution of trade flows.

The indicators shall be used for monitoring, *assessment* and review of performance, as appropriate. *The Commission's annual reports mentioned in Article 3a shall be taken as a point of reference when assessing the results of IPA II assistance. The relevant performance indicators shall be defined and included in the strategy papers and programmes referred to in Articles 6 and 7 and shall be established so as to enable progress to be assessed objectively over time and, where appropriate, across programmes.*

Article 3

Policy areas

1. Assistance under this Regulation shall mainly address the following policy areas:
 - (a) *reforms in preparation for Union membership and related institution-* and capacity building;
 - (b) *socio-economic and* regional development;

- (c) employment, social policies, *education, promotion of gender equality*, and human resources development;
- (d) agriculture and rural development;
- (e) regional and territorial cooperation.

▀ Assistance under *all* policy areas referred to in paragraph 1 *of this Article* shall support the *beneficiaries listed in Annex I* in attaining the general and specific objectives set out in Articles 1 and 2, *in particular through policy reforms, approximation of laws, capacity building and investments.*

Where appropriate, particular attention shall be paid to good governance, the rule of law and the fight against corruption and organised crime.

3. Assistance under the policy areas referred to in points (b) *to* (e) of paragraph 1 may include *inter alia* financing of the type of actions provided for under Regulation (EU) .../... of the European Parliament and of the Council^{1*}, Regulation (EU) .../... of the European Parliament and of the Council^{2*}, Regulation (EU) XXXX/201X of the European Parliament and of the Council^{3*}, Regulation (EU) .../... of the European Parliament and of the Council^{4*} and Regulation (EU) .../... of the European Parliament and of the Council^{5*}.
4. Assistance under the policy area referred to in point (e) of paragraph 1, may in particular finance multi-country or horizontal actions as well as cross-border, transnational and interregional cooperation actions.

¹ ***Regulation (EU) No .../2013 of the European Parliament and of the Council of ... on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006*** (OJ L ...).

* OJ: please insert the number in the text as well as the date and the OJ publication reference in the footnote of the Regulation in document PE-CONS 83/13.

² ***Regulation (EU) No .../2013 of the European Parliament and of the Council of ... on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006*** (OJ L ...).

* OJ: please insert the number in the text as well as the date and the OJ publication reference in the footnote of the Regulation in document PE-CONS 82/13.

³ ***Regulation (EU) No .../2013 of the European Parliament and of the Council of ... on the European Social Fund and repealing Council Regulation (EC) No 1081/2006*** (OJ L ...).

* OJ: please insert the number in the text as well as the date and the OJ publication reference in the footnote of the Regulation in document PE-CONS 87/13.

⁴ ***Regulation (EU) No .../2013 of the European Parliament and of the Council of ... on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal*** (OJ L ...).

* OJ: please insert the number in the text as well as the date and the OJ publication reference in the footnote of the Regulation in document PE-CONS 81/13.

⁵ ***Regulation (EU) No .../2013 of the European Parliament and of the Council of ... on support for rural development by the European Agricultural Fund for Rural Development and repealing Council Regulation (EC) No 1698/2005*** (OJ L ...).

* OJ: please insert the number in the text as well as the date and the OJ publication reference in the footnote of the Regulation in document PE-CONS 93/13.

Article 3a

Framework for assistance

1. *Assistance under this Regulation shall be provided in accordance with the enlargement policy framework defined by the European Council and the Council and taking due account of the Communication on the Enlargement Strategy and the Progress Reports comprised in the annual enlargement package of the Commission, as well as of the relevant resolutions of the European Parliament. The Commission shall ensure coherence between the assistance and the enlargement policy framework.*
2. *Assistance shall be targeted and adjusted to the specific situation of the beneficiaries listed in Annex I, taking into account further efforts needed to meet the membership criteria as well as the capacities of those beneficiaries. Assistance shall be differentiated in scope and intensity according to needs, commitment to reforms and progress in implementing these reforms. It shall mainly be directed towards helping the beneficiaries listed in Annex I to design and implement sector reforms. Sector policies and strategies shall be comprehensive and shall contribute to the attainment of the specific objectives set out in Article 2(1) of this Regulation.*
3. *In accordance with the specific objectives set out in Article 2(1), the thematic priorities for providing assistance according to the needs and capacities of the beneficiaries listed in Annex I are set out in Annex II. Each of these thematic priorities may contribute to the attainment of more than one specific objective.*

4. ***In accordance with the specific objective set out in point (d) of Article 2(1) of this Regulation, assistance shall support cross-border cooperation, both between the beneficiaries listed in Annex I and between them and Member States or countries under the European Neighbourhood Instrument, with a view to promoting good neighbourly relations, fostering Union integration and promoting socio-economic development. The thematic priorities for assistance for territorial cooperation are set out in Annex III.***

Article 4

Compliance, coherence and complementarity

1. Financial assistance under this Regulation shall be consistent with Union policies. It shall comply with the agreements concluded by the Union with the ***beneficiaries listed in Annex I*** and respect commitments under multilateral agreements to which the Union is a party.
 - 1a. ***The Commission shall, in liaison with Member States, contribute to the implementation of Union commitments towards increased transparency and accountability in the delivery of assistance, including by publicly disclosing information on assistance volume and allocation, ensuring that data is internationally comparable and can be easily accessed, shared and published.***
2. The Commission, the Member States and the European Investment Bank shall ***co-operate in ensuring coherence and strive to avoid duplication between assistance*** provided under this Regulation and other assistance provided by the Union, the Member States and the European Investment Bank, ***including through regular and inclusive meetings for co-ordination of the assistance.***

3. The Commission, the Member States *and the European Investment Bank* shall ensure coordination of their respective assistance programmes to increase effectiveness and efficiency in the delivery of assistance and to prevent double funding in line with the established principles for strengthening operational coordination in the field of external assistance, and for the harmonisation of policies and procedures, *notably the international principles on aid effectiveness*. Coordination shall involve regular consultations and frequent exchanges of information during the different phases of the assistance cycle, in particular at field level and shall constitute a key step in the programming processes of the Member States and the Union.
4. In order to increase effectiveness and efficiency in the delivery of assistance and to prevent double funding, the Commission shall, in liaison with the Member States, take the necessary steps to ensure better coordination and complementarity with multilateral and regional organisations and entities, such as international financial institutions, United Nations agencies, funds and programmes, and non-Union donors.
5. When preparing, implementing and monitoring assistance under this Regulation, the Commission shall in principle act in partnership with the *beneficiaries listed in Annex I*. The partnership shall *include*, as appropriate, competent national **■** and local authorities, *as well as* civil society *organisations*. *Coordination among the relevant stakeholders should be encouraged by the Commission.*
The capacities of civil society organisations shall be strengthened, including, as appropriate, as direct beneficiaries of assistance.

TITLE II
STRATEGIC PLANNING

■
Article 6

Strategy papers

1. Assistance under this Regulation shall be provided on the basis of country or multi-country indicative strategy papers (■ "strategy papers"), established for the duration of the Union's multiannual financial framework, by the Commission in partnership with the *beneficiaries listed in Annex I*.
2. The strategy papers shall *define the priorities for action towards meeting the specific or regional objectives in the relevant* policy areas ■ referred to in Article 3, which will *be supported* under this Regulation *in line* with the *general and specific* objectives referred to in *Articles 1 and 2*. ■ *The strategy papers shall be adopted in accordance with the framework for assistance set out in Article 3a and taking into due account relevant* national strategies ■ .
3. The strategy papers shall include the indicative allocation of Union funds per policy area, as applicable, broken down per year *and shall* allow for addressing emerging needs, *without prejudice to the possibility of combining assistance in different policy areas. The strategy papers shall include the indicators for assessing the progress with regard to the targets set therein.*

4. *The Commission shall make an annual assessment of the implementation of the strategy papers and their continued relevance in the light of the evolution of the policy framework referred to in Article 3a. The Commission shall inform the committee referred to in Article 12(1) of the results of this assessment and may propose revisions of the strategy papers and/or of the programmes and measures referred to in Article 7 as appropriate.* The strategy papers shall *also* be reviewed at mid-term and revised as appropriate. ■
5. The Commission shall adopt the strategy papers and any revision thereof in accordance with the examination procedure referred to in Article [16(3)] of the Regulation (*EU*) *No .../... of the European Parliament and of the Council*^{1*}.

¹ Regulation (EU) .../... of the European Parliament and of the Council of ... establishing common rules and procedures for the implementation of the Union's instruments for external action (OJ L ...).

* OJ: please insert the number in the text as well as the date and the OJ publication reference in the footnote of the Regulation in document 2011/0415 (COD).

TITLE III
IMPLEMENTATION

Article 7

Programming

Union assistance under this Regulation shall be implemented ***directly, indirectly or in shared management*** through programmes and measures as referred to in Articles [2] and [3] of the Regulation (EU) No .../...* and in accordance with specific rules establishing uniform conditions for implementing this Regulation, in particular as regards management structures and procedures, which the Commission shall adopt in accordance with ***Article 11a*** of this Regulation. Implementation shall, as a rule, take the form of annual or multiannual, country specific or multi-country programmes ***as well as cross-border co-operation programmes*** established in accordance with the strategy papers referred to in Article 6 and drawn up by the ***respective beneficiaries listed in Annex I*** and/or the Commission, as appropriate.

Any programming or reviews of programmes taking place after the publication of the Mid-term report referred to in Article [17] of the Regulation EU No .../...* shall take into account the results, findings and conclusions of it.

* OJ: please insert the number in the text of the Regulation in document 2011/0415 (COD).

* OJ: please insert the number in the text of the Regulation in document 2011/0415 (COD).

Article 8

Framework and subsidiary agreements

1. The Commission and the **respective beneficiaries listed in Annex I** shall conclude framework agreements on the implementation of assistance.
2. Subsidiary agreements concerning the implementation of assistance may be concluded between the Commission and the **respective beneficiaries listed in Annex I or their** implementing authorities, as required.

Article 9

Cross-instrument provisions

1. In duly justified circumstances and in order to ensure the coherence and effectiveness of Union financing or to foster regional cooperation, the Commission may decide to extend the eligibility of programmes and measures referred to in Article 7 to countries, territories and regions which otherwise would not be eligible for financing pursuant to Article 1, where the programme or measure to be implemented is of a global, regional or cross border nature.
2. The European Regional Development Fund shall contribute to programmes or measures established under this **Regulation** for cross-border cooperation between **the beneficiaries listed in Annex I** and Member States. The amount of the contribution from the European Regional Development Fund shall be determined pursuant to Article 4 of Regulation (EU) No .../... **■** *. The provisions of **this** Regulation shall apply to the use of this contribution.

* OJ: please insert the number in the text of the Regulation in document PE-CONS 81/13.

3. Where appropriate, the IPA **II** may contribute to transnational and interregional cooperation programmes or measures that are established and implemented under the provisions of Regulation (EU) No .../...* and in which ***the beneficiaries listed in Annex I*** participate.
4. Where appropriate, the IPA **II** may contribute to cross-border cooperation programmes or measures that are established and implemented under Regulation (EU) No .../...* and in which ***the beneficiaries listed in Annex I*** participate.
- 4a. ***Where appropriate, the IPA II may contribute to programmes or measures which are introduced as part of a macro-regional strategy, and in which the beneficiaries listed in Annex I are involved.***

TITLE IV FINAL PROVISIONS

Article 10

Delegation of powers to the Commission

The Commission shall be empowered to adopt delegated acts in accordance with Article 11 to amend Annex II to this Regulation █. ***In particular, following the publication of the Mid-term report, as referred to in Article [17] of Regulation (EU) No .../...*, and based upon the recommendations contained in the mid-term review report, the Commission shall adopt a delegated act amending Annex II to this Regulation by 31 March 2018.***

* OJ: please insert the number in the text of the Regulation in document PE-CONS 81/13.

* OJ: please insert the number in the text of the Regulation in document 2011/0405 (COD).

* OJ: please insert the number in the text of the Regulation in document 2011/0415 (COD).

Article 11

Exercise of the *delegation*

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The **power to adopt delegated acts referred to in Article 10** shall be conferred on the Commission until 31 December 2020.
3. The delegation of **power referred to in Article 10** may be revoked at any time by the European Parliament or by the Council. A decision **to revoke** shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. A delegated act **adopted pursuant to this Article** shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of **two** months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by **two** months at the initiative of the European Parliament or **of** the Council.

Article 11a
Adoption of further implementing rules

In addition to the rules in Regulation (EU) No .../..., specific rules establishing uniform conditions for implementing this Regulation shall be adopted in accordance with the examination procedure referred to in Article [16(3)] of Regulation (EU) No .../...*.*

Article 12

Committee

1. *An IPA Committee shall be established composed of representatives of the Member States and chaired by a representative of the Commission ("IPA II Committee"). The IPA II Committee shall assist the Commission with regard to all policy areas referred to in Article 3. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.*

3. *The IPA II Committee shall be competent for legal acts and commitments under Regulation (EC) No 1085/2006. In addition, the IPA committee shall also be competent for the implementation of Article 3 of Regulation (EC) No 389/2006.*

* OJ: please insert the number in the text of the Regulation in document 2011/0415 (COD).

* OJ: please insert the number in the text of the Regulation in document 2011/0415 (COD).

Article 12a

Performance Reward

1. *The strategy papers referred to in Article 6 shall provide that an appropriate amount of assistance should remain available to reward an individual beneficiary listed in Annex I for:*
 - (a) *particular progress of the beneficiaries listed in Annex I made towards meeting the membership criteria,*
and/or
 - (b) *efficient implementation of pre-accession assistance achieving particularly good results with respect to the specific targets set in the relevant strategy paper.*

2. *Where the progress made and/or the results achieved by a beneficiary listed in Annex I remain significantly below the agreed levels set out in the strategy papers, the Commission shall adjust the allocations proportionately, in accordance with the examination procedure referred to in Article [16(3)] of Regulation (EU) No .../...*.*
3. *An appropriate amount shall be set aside for this purpose and allocated on the basis of an assessment of performance and progress over a period of several years but not later than in 2017 and 2020, respectively. The performance indicators as referred to in Article 2(2) of this Regulation and specified in the strategy papers shall be taken into account.*
4. *The indicative allocation of Union funds in the strategy papers referred to in Article 6 shall take into account the possibility to allocate the additional funds concerned on the basis of performance and/or progress.*

Article 14

The financial envelope

1. The financial *envelope* for the implementation of this Regulation for the period from 2014 to 2020 **is set at EUR 11 698 668 000** (current prices). Up to 4% of the financial *envelope* shall be allocated to cross-border cooperation programmes between **the beneficiaries listed in Annex I** and EU Member States, **in line with their needs and priorities**.
2. The annual appropriations shall be authorised by the **European Parliament and the Council** within the limits of the **multiannual financial framework**.

* OJ: please insert the number in the text of the Regulation in document 2011/0415 (COD).

3. As referred to in *paragraph 2 of Article 13* of the Regulation (EU) No .../... of the European Parliament and of the Council^{1*}, in order to promote the international dimension of higher education, an indicative amount of EUR **1 680 000 000** from the different external instruments (Development Cooperation Instrument, European Neighbourhood Instrument, Instrument for Pre-accession Assistance, Partnership Instrument), will be allocated to actions of learning mobility to or from non-EU countries and to cooperation and policy dialogue with authorities/institutions/organisations from these countries. The provisions of the Regulation (EU) No .../...* will apply to the use of those funds.
- The funding will be made available through **two** multiannual allocations only covering the first **four** years and the remaining **three** years respectively. This funding will be reflected in the multiannual indicative programming of these instruments, in line with the identified needs and priorities of the countries concerned. The allocations can be revised in case of major unforeseen circumstances or important political changes in line with the **Union** external priorities.

¹ *Regulation (EU) No .../... of the European Parliament and of the Council of ... (OJ L ...).*

* OJ: please insert the number and complete the title in the text as well as the date and the OJ publication reference in the footnote of the Regulation in document 2011/0371 (COD).

* OJ: please insert the number in the text of the Regulation in document 2011/0371 (COD).

Article 15

Entry into force

This Regulation shall enter into force on the ■ day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2014 ***until 31 December 2020***.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at

For the European Parliament

For the Council

The President

The President

- Albania
- Bosnia and Herzegovina
- Iceland
- Kosovo*
- Montenegro
- Serbia
- Turkey
- The former Yugoslav Republic of Macedonia

█

* *This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.*

Thematic priorities for assistance

Assistance may, as appropriate, address the following thematic priorities:

- a) Compliance with the principle of good public administration and economic governance. Interventions in this area shall aim at: strengthening of public administration, including professionalisation and de-politicisation of the civil service, embedding meritocratic principles and ensuring adequate administrative procedures; enhancing the capacity to strengthen macroeconomic stability and supporting progress towards becoming both a functioning market economy and a more competitive economy; supporting the participation in the multilateral fiscal surveillance mechanism of the Union and a systematic cooperation with international financial institutions on fundamentals of economic policy as well as strengthening public financial management;*
- b) Establishing and promoting from an early stage the proper functioning of the institutions necessary for securing the rule of law. Interventions in this area shall aim at: establishing independent, accountable and efficient judicial systems, including transparent and merit based, recruitment, evaluation and promotion systems and effective disciplinary procedures in case of wrongdoing; ensuring the establishment of robust systems to protect the borders, manage migration flows and provide asylum to those in need; developing effective tools to prevent and fight organised crime and corruption; promoting and protecting human rights, rights of persons belonging to minorities – including Roma as well as lesbian, gay, bisexual, transgender and intersex persons – and fundamental freedoms, including freedom of the media.*
- c) Strengthening the capacities of civil society organisations and social partners' organisations including professional associations in beneficiaries listed in Annex I and encourage networking among Union based organisations and those of beneficiaries listed in Annex I at all levels, enabling them to engage in an effective dialogue with public and private actors.*
- d) Investments in education, skills and lifelong learning. Interventions in this area shall aim at: promoting equal access to quality early-childhood, primary and secondary education; reducing early school-leaving; adapting vocational education and*

training (VET) systems to labour market demands; improving the quality and relevance of higher education; enhancing access to lifelong learning, and support investments in education and training infrastructure particularly with a view to reducing territorial disparities and fostering non-segregated education.

- e) Fostering of employment and supporting labour mobility. Interventions in this area shall aim at sustainable integration of young people not in employment, education or training (NEET) into the labour market, including through measures stimulating investments for quality job creation, as well as supporting the integration of unemployed, and encouraging higher participation in the labour market of all under-represented groups. Other key areas of intervention shall be support to gender equality, adaptation of workers and enterprises to change, the establishment of a sustainable social dialogue and modernisation and strengthening of labour market institutions.*
- f) Promoting social inclusion and combating poverty. Interventions shall aim at integration of marginalised communities such as the Roma; combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation; and enhancing access to affordable, sustainable and high quality services, such as health care and social services of general interest, including through the modernisation of social protection systems.*

- g) Promoting sustainable transport and removing bottlenecks in key network infrastructures in particular investing in projects with high European added value. The identified investments should be prioritised according to their contribution to mobility, sustainability, reduced greenhouse gas emissions, relevance to connections with Member States, and coherently with the Single European Transport Area.*
- h) Improving private sector environment and competitiveness of enterprises including smart specialisation as key drivers of growth, job creation and cohesion. Priority shall be given to projects which improve the business environment.*
- i) Strengthening research, technological development and innovation in particular through improving the research infrastructure, an enabling environment and promotion of networking and collaboration.*
- j) Contributing to security and safety of food supply and maintenance of diversified and viable farming systems in vibrant rural communities and the countryside.*
- k) Increasing ability of the agri-food sector to cope with competitive pressure and market forces as well as to progressively align with the Union rules and standards, while pursuing economic, social and environmental goals in balanced territorial development of rural areas.*
- l) Protecting and improving the quality of the environment and contributing to the reduction of greenhouse gas emissions, increased resilience to climate change and climate action governance and information. IPA II funding shall promote policies to support the shift towards a resource-efficient, safe and sustainable low-carbon economy.*
- m) Promoting reconciliation, peace-building and confidence building measures.*

Thematic priorities for assistance for territorial cooperation

Assistance for cross-border cooperation may, as appropriate, address the following thematic priorities:

- a) Promoting Employment, labour mobility and social and cultural inclusion across the border through, inter alia: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of immigrants' communities and vulnerable groups; investments for public employment services; support investments in public health and social services;*
- b) Protecting the environment, promoting climate change adaptation and mitigation, risk prevention and management through, inter alia: joint actions for environmental protection; promoting sustainable use of natural resources, resource efficiency, renewable energy sources and the shift towards a safe and sustainable low-carbon economy; promoting investments to address specific risks, ensuring disaster resilience and developing disaster management systems and emergency preparedness;*
- c) Promoting sustainable transport and improving public infrastructures by way of, inter alia: reducing isolation through improved access to transport, information and communication networks and services; investing in cross-border water, waste and energy systems and facilities;*
- d) Encouraging tourism and cultural and natural heritage.*
- e) Investing in youth, education and skills through, inter alia: developing and implementing joint education, vocational training, training schemes and infrastructure supporting joint youth activities;*
- f) Promoting local and regional governance and enhancing the planning and administrative capacity of local and regional authorities;*
- g) Enhancing competitiveness, business environment and the development of small and medium-sized enterprises, trade and investment through, inter alia: promotion and support to entrepreneurship, in particular small and medium-sized enterprises; development of local cross-border markets and*

internationalisation;

- h) Strengthening research, technological development, innovation and information and communication technologies through, inter alia: promoting the sharing of human resources and facilities for research and technology development.*

IPA funding may also finance, as appropriate, the participation of beneficiaries listed in Annex I in transnational and interregional cooperation programmes under the Structural Funds' European Territorial Cooperation goal and in cross-border cooperation programmes under the European Neighbourhood Instrument. In these cases, the scope of the assistance is established in accordance with the regulatory framework of the relevant instrument (European Structural and Investment Funds or the European Neighbourhood Instrument).
