



2018/0247(COD)

30.10.2018

*****I**

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council
establishing the Instrument for Pre-accession Assistance (IPA III)
(COM(2018)0465 – C8-0274/2018 – 2018/0247(COD))

Committee on Foreign Affairs

Rapporteur: Knut Fleckenstein, José Ignacio Salafranca Sánchez-Neyra

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ▯ symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	5
EXPLANATORY STATEMENT.....	39

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council establishing the Instrument for Pre-accession Assistance (IPA III) (COM(2018)0465 – C8-0274/2018 – 2018/0247(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2018)0465),
 - having regard to Article 294(2) and Article 212(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0274/2018),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of ...¹
 - having regard to the opinion of the Committee of the Regions of ...²
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs and also the opinions of the Committee on International Trade, the Committee on Budgets, the Committee on Environment, Public Health and Food Safety, the Committee on Regional Development and the Committee on Civil Liberties, Justice and Home Affairs (A8-0000/2018),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The objectives of an instrument for pre-accession ***are substantially distinct***

Amendment

(2) The objectives of an instrument for pre-accession ***derive both from the***

¹
²

*from the general objectives of Union external action as this instrument aims to prepare the **beneficiaries** listed in Annex I for future membership of the Union and support their accession process. It is therefore essential to have a dedicated instrument in support of enlargement, while ensuring its complementarity with the general objectives of Union external action and in particular with the Neighbourhood, Development and International Cooperation Instrument (NDICI).*

*principles of Union’s external action enshrined in Article 21 of the Treaty on European Union (TEU) and the distinct nature of the instrument, which aims to prepare the **beneficiaries** listed in Annex I (“**beneficiaries**”) for future membership of the Union and support their accession process. It is therefore essential to have a dedicated instrument in support of enlargement, while ensuring its complementarity with the general objectives of Union external action and in particular with the Neighbourhood, Development and International Cooperation Instrument (NDICI).*

Or. en

Amendment 2

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) Article 49 *of the Treaty on European Union (TEU)* provides that any European state which respects 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, and commits to promote these values, 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 established at the Copenhagen European Council in June 1993 (the ‘Copenhagen criteria’) and provided that the Union has the capacity to integrate the new member. The Copenhagen criteria relate to the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities, the*

Amendment

(3) Article 49 TEU provides that any European State which respects 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, and commits to promote these values, may apply to become a member of the Union. *Those values are common to Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail.*

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.

Or. en

Amendment 3

Proposal for a regulation Recital 4 a (new)

Text proposed by the Commission

Amendment

(4 a) Any European State which has applied to join the Union can become a member of the Union only where it has been confirmed that it fully meets the accession criteria established at the Copenhagen European Council in June 1993 (the ‘Copenhagen criteria’) and provided that the Union has the capacity to integrate the new member. The Copenhagen 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 the pursuit of the aims of political, economic and monetary union.

Or. en

Amendment 4

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) Assistance should also be provided in compliance with the agreements concluded by the Union with the beneficiaries ***listed in Annex I***. Assistance should mainly focus on assisting the beneficiaries ***listed in Annex I*** to 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 also support the key principles and rights as defined in the European Pillar of Social Rights. 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 and economic governance, underpinning a smart, sustainable and inclusive growth agenda, including through implementation of regional development, agriculture and rural development, social and employment policies and the development of the digital economy and society, also in line with the flagship initiative Digital Agenda for the Western Balkans.

Amendment

(7) Assistance should also be provided in compliance with the agreements concluded by the Union with the beneficiaries. Assistance should mainly focus on assisting the beneficiaries to strengthen democratic institutions and the rule of law, reform the judiciary and public administration, respect fundamental rights, ***including the rights of persons belonging to minorities***, and promote gender equality, tolerance, social inclusion, ***respect for internationally agreed labour standards on workers' rights*** and non-discrimination. Assistance should also support ***adherence by the beneficiaries to the key principles and rights as defined in the European Pillar of Social Rights, to the social market economy and convergence towards the social acquis***. 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 and economic governance, underpinning a smart, sustainable and inclusive growth agenda, including through implementation of regional development, agriculture and rural development, social and employment policies and the development of the digital economy and society, also in line with the flagship initiative Digital Agenda for the Western Balkans.

Or. en

Amendment 5

Proposal for a regulation Recital 8 a (new)

Text proposed by the Commission

Amendment

(8 a) Actions under the instrument established by this Regulation should also contribute to assisting the beneficiaries in the progressive alignment with the Common Foreign and Security Policy (CFSP), which constitutes an integral part of the accession process.

Or. en

Amendment 6

Proposal for a regulation Recital 12

Text proposed by the Commission

Amendment

(12) In accordance with the principle of participatory democracy, parliamentary oversight in each beneficiary **listed in Annex I** should be **encouraged** by the Commission.

(12) In accordance with the principle of participatory democracy, **the strengthening of parliamentary capacities and** parliamentary oversight in each of the beneficiaries should be **promoted** by the Commission.

Or. en

Amendment 7

Proposal for a regulation Recital 13

Text proposed by the Commission

Amendment

(13) The beneficiaries **listed in Annex I** need to be better prepared to address global challenges, such as sustainable

(13) The beneficiaries need to be better prepared to address global challenges, such as sustainable development and climate

development and climate change, and align with the Union's efforts to address those issues. Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the Sustainable Development Goals (SDGs), this Programme should contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. Actions under this Programme **are expected** to contribute 16 % of the overall financial envelope of the Programme to climate objectives. Relevant actions will be identified during the Programme's preparation and implementation, and the overall contribution from this Programme should be part of relevant evaluations and review processes.

change, and align with the Union's efforts to address those issues. Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the Sustainable Development Goals (SDGs), this Programme should contribute to mainstream climate action in the Union's policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. Actions under this Programme **should aim** to contribute 16 % of the overall financial envelope of the Programme to climate objectives, **striving to achieve the goal that climate-related spending reaches 30 % of MFF expenditure by 2027**. Relevant actions will be identified during the Programme's preparation and implementation, and the overall contribution from this Programme should be part of relevant evaluations and review processes.

Or. en

Amendment 8

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) The Commission and the Member States should ensure 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 coordination and complementarity, including through regular consultations, with other donors. The role of civil society should be enhanced both in programmes implemented through government bodies

Amendment

(16) The Commission and the Member States should ensure compliance, coherence, **consistency** 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 coordination and complementarity, including through regular consultations, with other donors. The role of **diverse independent** civil society **organisations**

and as a direct beneficiary of Union assistance.

and different types and levels of local authorities should be *adequately* enhanced both in programmes implemented through government bodies and as a direct beneficiary of Union assistance.

Or. en

Amendment 9

Proposal for a regulation Recital 17

Text proposed by the Commission

(17) The priorities for action towards meeting objectives in the relevant policy areas which will be supported under this Regulation should be defined in a programming framework established by the Commission for the duration of the Union multiannual financial framework for the period from 2021 to 2027 in partnership with the beneficiaries *listed in Annex I*, based on the enlargement agenda and their specific needs, in line with the general and specific objectives defined by this Regulation and taking relevant national strategies into due account. The programming framework should identify the areas to be supported through assistance with an indicative allocation per area of support, including an estimate of climate-related expenditure.

Amendment

(17) The priorities for action towards meeting objectives in the relevant policy areas which will be supported under this Regulation should be defined in a programming framework established by the Commission for the duration of the Union multiannual financial framework for the period from 2021 to 2027. ***Those priorities should be defined*** in partnership with the beneficiaries, based on the enlargement agenda and their specific needs, in line with the general and specific objectives defined by this Regulation and taking relevant national strategies ***and the pertaining resolutions of the European Parliament*** into due account. ***That partnership should include, as appropriate, competent authorities, as well as civil society organisations. The Commission should encourage cooperation among the relevant stakeholders and donor co-ordination.*** The programming framework should identify the areas to be supported through assistance with an indicative allocation per area of support, including an estimate of climate- ***and gender equality***-related expenditure. ***The power to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to***

the Commission in respect of supplementing this Regulation by adopting the IPA programming framework and its review by 30 June 2025.

Or. en

Amendment 10

Proposal for a regulation

Recital 18

Text proposed by the Commission

(18) 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.

Amendment

(18) It is in the *common* interest *of the Union and* the beneficiaries *to assist* the beneficiaries' efforts to reform *their political, legal and economic systems* 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. *Assistance should be allocated according to the performance-based approach in line with the "fair share" principle and clear consequences in cases of serious deterioration in the respect for human dignity, freedom, democracy, equality, the rule of law and human rights.*

Or. en

Amendment 11

Proposal for a regulation

Recital 18 a (new)

(18 a) Without prejudice to the budgetary procedure and the provisions on suspension of aid in international agreements with beneficiaries, the power to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of amending Annex I to this Regulation in order to suspend or partially suspend Union assistance. That power should be used where a beneficiary fails to respect the principle of democracy, the rule of law, human rights and fundamental freedoms or violates the commitments taken in the relevant agreements concluded with the Union. Where the Commission finds that the reasons justifying the suspension of assistance no longer apply, it should be empowered to adopt delegated acts to amend Annex I in order to reinstate Union assistance.

Or. en

Amendment 12

Proposal for a regulation Recital 19

Text proposed by the Commission

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

Amendment

(19) The transition from direct management of pre-accession funds by the Commission to indirect management by the beneficiaries should be progressive and in line with the respective capacities of those beneficiaries. ***The transition to indirect management by the beneficiaries should be suspended in specific policy or programme areas in case those capacities significantly decrease or if such***

management results in an inefficient use of the Union funds, giving rise to significant shortcomings in respect of relevant obligations. Such a decision should give due consideration to any possible negative economic and social consequences. Assistance should continue to make use of the structures and instruments that have proved their worth in the pre-accession process.

Or. en

Amendment 13

Proposal for a regulation Recital 31 a (new)

Text proposed by the Commission

Amendment

(31 a) All funding allocations under this Regulation should be carried out in a transparent, effective, accountable, depoliticised and non-discriminatory manner, including by means of an equitable distribution reflecting the needs of the regions and local municipalities. The Commission, the High Representative of the Union for Foreign Affairs and Security Policy (“HR/VP”), and in particular Union delegations should monitor closely that these criteria are met and the principles of transparency, accountability and non-discrimination are respected in the allocation of funds.

Or. en

Amendment 14

Proposal for a regulation Recital 31 b (new)

Text proposed by the Commission

Amendment

(31 b) The Commission, the HR/VP, and in particular Union delegations and the beneficiaries should enhance the visibility of the Union's pre-accession assistance in order to communicate the added value of the Union's support. The recipients of Union funding should acknowledge the origin of the Union's funding and ensure its proper visibility. IPA should contribute to financing communication actions for promotion of the results of the Union's assistance to multiple audiences in the beneficiaries.

Or. en

Amendment 15

Proposal for a regulation

Article 2 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

(1 a) 'Fair share principle of assistance' means complementing the performance-based approach with a corrective allocation mechanism, in cases where assistance provided to the beneficiary would otherwise be disproportionately low or high as compared to the other beneficiaries, taking into account the needs of the population affected and the relative progress on reforms related to the opening of accession negotiations or progress therein;

Or. en

Amendment 16

Proposal for a regulation Article 3 – paragraph 1

Text proposed by the Commission

1. The general objective of IPA III shall be to support the beneficiaries ***listed in Annex I*** in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries to comply with Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership, thereby contributing to their stability, security and prosperity.

Amendment

1. The general objective of IPA III shall be to support the beneficiaries in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries to comply with Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership, thereby contributing to their stability, security and prosperity ***as well as to the strategic interests of the Union.***

Or. en

Amendment 17

Proposal for a regulation Article 3 – paragraph 2 – introductory part

Text proposed by the Commission

2. IPA III shall have following specific objectives:

Amendment

2. IPA III shall have ***the*** following specific objectives:

Or. en

Amendment 18

Proposal for a regulation Article 3 – paragraph 2 – point a

Text proposed by the Commission

(a) To strengthen the rule of law, democracy, the respect of human rights,

Amendment

(a) To strengthen the rule of law, democracy, the respect of human rights,

fundamental rights and international law, civil society and security as well as improve migration management including border management;

fundamental rights and international law, **social cohesion, gender equality**, civil society and security as well as improve migration management including border management;

Or. en

Amendment 19

Proposal for a regulation

Article 3 – paragraph 2 – point c

Text proposed by the Commission

(c) To shape the rules, standards, policies and practices of the beneficiaries **listed in Annex I** in alignment to those of the Union and to reinforce reconciliation and good neighbourly relations, as well as people to people contacts and communication;

Amendment

(c) To shape the rules, standards, policies and practices of the beneficiaries in alignment to those of the Union and to reinforce **conflict prevention, reconciliation, peace-building, confidence-building, mediation** and good neighbourly relations, as well as people to people contacts and communication;

Or. en

Amendment 20

Proposal for a regulation

Article 3 – paragraph 2 – point d

Text proposed by the Commission

(d) To strengthen economic and social development including through increased connectivity and regional development, agriculture and rural development and social and employment policies, to reinforce environmental protection, increase resilience to climate change, accelerate the shift towards a low-carbon economy and develop the digital economy and society.

Amendment

(d) To strengthen economic and social development **and cohesion** including through increased connectivity and regional development, agriculture and rural development and social and employment policies, to reinforce environmental protection, increase resilience to climate change, accelerate the shift towards a low-carbon economy and develop the digital economy and society.

Amendment 21**Proposal for a regulation
Article 4 – paragraph 1***Text proposed by the Commission*

1. The financial envelope for the implementation of IPA III for the period 2021-2027 shall be EUR **14 500 000 000** in current prices.

Amendment

1. The financial envelope for the implementation of IPA III for the period 2021-2027 shall be EUR [...] in current prices.

Or. en

Amendment 22**Proposal for a regulation
Article 5 – paragraph 5***Text proposed by the Commission*

5. The [ERDF]³² shall contribute to programmes or measures established for cross-border cooperation between the beneficiaries **listed in Annex I** and Member States. These programmes and measures shall be adopted by the Commission in accordance with Article 16. The amount of the contribution from IPA-CBC shall be determined pursuant to Article 10 (3) of [ETC Regulation]. IPA-Cross Border Cooperation programmes shall be managed in accordance with [ETC Regulation].

Amendment

5. The [ERDF]³² shall contribute to programmes or measures established for cross-border cooperation between the beneficiaries and **one or more** Member States. These programmes and measures shall be adopted by the Commission in accordance with Article 16. The amount of the contribution from IPA-CBC shall be determined pursuant to Article 10 (3) of [ETC Regulation], **with a maximum threshold for an IPA III contribution set at 85 %**. IPA-Cross Border Cooperation programmes shall be managed in accordance with [ETC Regulation].

³² COM(2018) 372 final Proposal for a Regulation of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion

³² COM(2018) 372 final Proposal for a Regulation of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion

Amendment 23**Proposal for a regulation
Article 6 – paragraph 1***Text proposed by the Commission*

1. The enlargement policy framework defined by the European Council and the Council, the agreements that establish a legally binding relationship with the beneficiaries ***listed in Annex I***, as well as relevant resolutions of the European Parliament, communications of the Commission or joint Communications of the Commission and the High Representative of the Union for Foreign Affairs and Security Policy, shall constitute the ***overall*** policy framework for the implementation of this regulation. The Commission shall ensure coherence between the assistance and the enlargement policy framework.

Amendment

1. The enlargement policy framework defined by the European Council and the Council, the agreements that establish a legally binding relationship with the beneficiaries, as well as relevant resolutions of the European Parliament, communications of the Commission or joint Communications of the Commission and the High Representative of the Union for Foreign Affairs and Security Policy, shall constitute the ***comprehensive*** policy framework for the implementation of this regulation. The Commission shall ensure coherence between the assistance and the ***overall*** enlargement policy framework. ***The HR/VP shall ensure overall political coordination of the Union’s external action, its unity, consistency and effectiveness, including by means of this Regulation. The European External Action Service (“EEAS”) shall therefore coordinate programming under this Regulation and contribute to the management cycle for this Regulation, on the basis of the policy objectives set out in Article 3.***

Amendment 24

Proposal for a regulation Article 6 – paragraph 2

Text proposed by the Commission

2. Programmes and actions under this Regulation shall mainstream climate change, environmental protection and gender equality and shall, where applicable, address interlinkages between Sustainable Development Goals³³, to promote integrated actions that can create co-benefits and meet multiple objectives in a coherent way.

33

https://ec.europa.eu/europeaid/policies/sustainable-development-goals_en

Amendment

2. Programmes and actions under this Regulation shall mainstream climate change, environmental protection, ***migration, security, social and regional cohesion*** and gender equality and shall, where applicable, address interlinkages between Sustainable Development Goals³³, to promote integrated actions that can create co-benefits and meet multiple objectives in a coherent way. ***They shall aim to contribute 16 % of the overall financial envelope to climate objectives.***

33

https://ec.europa.eu/europeaid/policies/sustainable-development-goals_en

Or. en

Amendment 25

Proposal for a regulation Article 6 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The Commission shall submit to the Parliament the relevant programming documents in due time prior to the start of the programming period. Those documents shall mention the indicative allocations foreseen per thematic window and, where available, per country/region, covering expected results and the choice of assistance arrangements.

Amendment 26

**Proposal for a regulation
Article 6 – paragraph 4 b (new)**

Text proposed by the Commission

Amendment

4 b. The Commission, the HR/VP and in particular the Union delegations in beneficiaries , shall involve relevant civil society organisations at all stages of the assistance cycle, including the initiation, development and implementation of programmes, and shall ensure that appropriate steps are taken to enhance the capacities of those organisations to play their part in that process to the fullest extent.

Or. en

Amendment 27

**Proposal for a regulation
Chapter III – Title**

Text proposed by the Commission

Amendment

IMPLEMENTATION

***PROGRAMMING FRAMEWORK AND
IMPLEMENTATION***

Or. en

Amendment 28

**Proposal for a regulation
Article 7 – paragraph 1**

Text proposed by the Commission

1. ***Assistance under IPA III shall be based on*** an IPA programming framework ***for the delivery of*** the specific objectives referred to in Article 3. The IPA programming framework shall be established by the Commission for the duration of the Union's multiannual financial framework.

Amendment

1. ***This Regulation shall be supplemented by*** an IPA programming framework ***establishing further provisions on how*** the specific objectives referred to in Article 3 ***shall be pursued***. The IPA programming framework shall be established by the Commission for the duration of the Union's multiannual financial framework, ***subject to paragraph 3 of this Article***.

Or. en

Amendment 29

Proposal for a regulation Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment 30

Proposal for a regulation Article 7 – paragraph 2 – subparagraph 1

Text proposed by the Commission

The IPA programming framework shall take relevant national strategies and sector policies into due account.

Amendment

1a. The annual appropriations shall be authorised by the European Parliament and by the Council within the limits of the multiannual financial framework for the period from 2021 to 2027.

Or. en

Amendment

The IPA programming framework shall take relevant ***resolutions of the European Parliament and*** national strategies and sector policies into due account.

Amendment 31**Proposal for a regulation
Article 7 – paragraph 3***Text proposed by the Commission*

3. Without prejudice to paragraph 4, the IPA programming framework **shall be adopted by the Commission** by means of **an implementing act. That implementing act shall be adopted in accordance with the examination procedure of the Committee referred to in Article 16.**

Amendment

3. Without prejudice to paragraph 4, **the Commission shall adopt** the IPA programming framework, **including the arrangements to enact the “fair share” principle**, by means of **a delegated act in, accordance with Article 14. The IPA programming framework shall expire by 30 June 2025. The Commission shall adopt a new IPA programming framework by 30 June 2025, based on the mid-term evaluation referred to in Article 32 of [Regulation NDICI] and taking into account relevant resolutions of the European Parliament. The IPA programming framework may also be reviewed, where necessary, for effective implementation, in particular where there are substantive changes in the policy framework referred to in Article 6 and taking into account relevant resolutions of the European Parliament.**

Or. en

Amendment 32**Proposal for a regulation
Article 7 – paragraph 5***Text proposed by the Commission*

(5) The IPA programming framework shall **include indicators** for assessing progress with regard to attainment of the

Amendment

5. The IPA programming framework shall **take into account clear and verifiable performance indicators set out in Annex IV to this Regulation** for

targets set therein.

assessing progress with regard to attainment of the targets set therein. ***The performance-based approach under this Regulation shall be the subject to a regular exchange of views in the European Parliament and in the Council.***

Or. en

Amendment 33

Proposal for a regulation Article 7 a (new)

Text proposed by the Commission

Amendment

Article 7a

Suspension of Union assistance

1. Where a beneficiary fails to respect the principle of democracy, the rule of law, human rights and fundamental freedoms or violates the commitments taken in the relevant agreements concluded with the Union, the Commission shall be empowered, in accordance with Article 14, to adopt a delegated act to amend Annex I to this Regulation in order to suspend or partially suspend Union assistance. In the event of a partial suspension, the programmes for which the suspension applies shall be indicated.

2. Where the Commission finds that the reasons justifying the suspension of assistance no longer apply, it shall be empowered to adopt a delegated act, in accordance with Article 14 to amend Annex I in order to reinstate Union assistance.

Or. en

Amendment 34

Proposal for a regulation Article 8 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission may, in specific policy areas or programmes, revert from indirect management with a beneficiary country (IMBC) to indirect management by the entrusted entities other than an IPA III beneficiary or to direct management in the event of the beneficiary's failure to observe the principles of democracy, the rule of law and respect for human rights and fundamental freedoms or violation of the commitments taken in the relevant agreements concluded with the Union.

Or. en

Amendment 35

Proposal for a regulation Article 8 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The Commission shall keep the European Parliament fully involved on issues related to the planning and the implementation of measures pursuant to this Article, including any envisaged substantial changes or allocations.

Or. en

Amendment 36

Proposal for a regulation Article 8 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. Disbursement of the general or sector budget support shall be conditional upon satisfactory progress being made towards achieving the objectives agreed with a beneficiary.

The Commission shall apply the budget support conditionality criteria set out in the Article 23(4) of [NDICI Regulation]. It shall take steps to reduce or suspend the Union funding through budget support in cases of systemic irregularities in the management and control systems or unsatisfactory progress being made in achieving the objectives agreed with the beneficiary.

Reintroduction of assistance following the suspension referred to in Article 8 (2b) shall be accompanied by a targeted assistance to national audit authorities.

Or. en

Amendment 37

Proposal for a regulation Chapter VI – Title

Text proposed by the Commission

Amendment

MONITORING **AND** EVALUATION

MONITORING, **REPORTING,**
EVALUATION **AND**
COMMUNICATION

Or. en

Amendment 38

Proposal for a regulation Article 12 – paragraph 4

Text proposed by the Commission

4. In addition to the indicators referred to in Annex IV, the enlargement reports shall be taken into account in the results framework of IPA III assistance.

Amendment

4. In addition to the indicators referred to in Annex IV, the enlargement reports, ***the Commission's assessments of the Economic Reform Programmes, and relevant resolutions of the European Parliament*** shall be taken into account in the results framework of IPA III assistance.

Or. en

Amendment 39

Proposal for a regulation Article 12 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. The Commission shall submit and present the interim and final evaluation reports referred to in Article 32 of [NDICI Regulation] to the European Parliament and the Council. Those reports shall be made public.

Or. en

Amendment 40

Proposal for a regulation Article 12 – paragraph 5

Text proposed by the Commission

Amendment

5. In addition to Article 129 of the Financial Regulation on the protection of the financial interests of the Union, under

5. In addition to Article 129 of the Financial Regulation on the protection of the financial interests of the Union, under

indirect management, beneficiaries ***listed in Annex I*** shall report the irregularities including fraud which have been the subject of a primary administrative or judicial finding, without delay, to the Commission and keep the latter informed of the progress of administrative and legal proceeding. Reporting shall be done by electronic means, using the Irregularity Management System, established by the Commission.

indirect management, beneficiaries shall report the irregularities including fraud which have been the subject of a primary administrative or judicial finding, without delay, to the Commission and keep the latter informed of the progress of administrative and legal proceeding. Reporting shall be done by electronic means, using the Irregularity Management System, established by the Commission. ***The Commission shall support the development in the beneficiaries of parliamentary control and audit capacities and increased transparency and public access to information. The Commission, the HR/VP and in particular Union delegations in the beneficiaries shall ensure that all funding allocations under indirect management are carried out in a transparent, depoliticised and non-partial manner, including equitable distribution, reflecting the needs of the regions and local municipalities.***

Or. en

Amendment 41

Proposal for a regulation Article 14 – paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts as referred to in ***Article 13*** shall be conferred on the Commission.

Amendment

2. The power to adopt delegated acts as referred to in ***Articles 7(3), 7a (new), 13 and 15*** shall be conferred on the Commission.

Or. en

Amendment 42

Proposal for a regulation Article 15 – paragraph 1

Text proposed by the Commission

1. Specific rules ***establishing uniform conditions for implementing this Regulation in particular*** in relation to the structures to be set up in preparation for accession and to rural development assistance, shall be adopted ***in accordance with the examination procedure referred to in Article 16.***

Amendment

1. Specific rules in relation to the structures to be set up in preparation for accession and to rural development assistance, shall be adopted ***by means of a delegated act.***

Or. en

Amendment 43

Proposal for a regulation Article 16 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

(5 a) The European Parliament shall designate an observer for each meeting of the IPA Committee.

Or. en

Amendment 44

Proposal for a regulation Article 17 – paragraph 1

Text proposed by the Commission

1. ***Articles 36 and 37 of [Regulation NDICI] shall apply.***

Amendment

1. ***When providing financial assistance under this Regulation, the Commission, the HR/VP and in particular the Union delegations in the beneficiaries shall take all necessary measures in order***

to ensure the visibility of the Union's financial support, including monitoring recipients' compliance with those requirements. IPA-financed actions shall be subject to the requirements set out in the Communication and Visibility Manual for EU External Actions. The Commission shall adopt guidance for Union funded projects on visibility and communication actions for each beneficiary.

Or. en

Amendment 45

Proposal for a regulation Article 17 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall take measures to strengthen strategic communication and public diplomacy for communicating the values of the Union and highlighting the added value of the Union's support.

Or. en

Amendment 46

Proposal for a regulation Article 17 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. The recipients of Union funding shall acknowledge the origin of the Union funding and ensure its proper visibility by:

(a) providing a statement highlighting the support received from the Union in a

visible manner on documents and communication material relating to the implementation of the funds, including on a official website, where such a website exists;

(b) promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.

The Commission shall implement information and communication actions relating to this Regulation, as well as the actions set out by it and the results achieved. Financial resources allocated to this Regulation shall also contribute to the corporate communication of the political priorities of the Union, insofar as those priorities are directly related to the objectives referred to in Article 3 and in Annexes II and III.

Or. en

Amendment 47

Proposal for a regulation Article 19 – paragraph 2

Text proposed by the Commission

It shall apply from 1 January 2021.

Amendment

It shall apply from 1 January 2021 *until 31 December 2027.*

Or. en

Amendment 48

Proposal for a regulation Annex II – paragraph 1 – point a

Text proposed by the Commission

(a) Establishing and promoting from an early stage the proper functioning of the institutions necessary in order to secure the rule of law. Interventions in this area shall aim at: establishing independent, accountable and efficient judicial systems, including transparent and merit-based recruitment and promoting judicial cooperation, evaluation and promotion systems and effective disciplinary procedures in cases 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, trafficking in human beings, migrants smuggling, money laundering/financing of terrorism 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 fundamental freedoms, including freedom of the media and data protection.

Amendment

(a) Establishing and promoting from an early stage the proper functioning of the institutions necessary in order to secure the rule of law. Interventions in this area shall aim at: establishing independent, accountable and efficient judicial systems, including transparent and merit-based recruitment and promoting judicial cooperation, evaluation and promotion systems and effective disciplinary procedures in cases of wrongdoing; ensuring the establishment of **adequate** systems to protect the borders, manage migration flows and provide asylum to those in need; developing effective tools to prevent and fight organised crime, trafficking in human beings, migrants smuggling, money laundering/financing of terrorism and corruption; promoting and protecting human rights, **gender equality**, rights of persons belonging to minorities including Roma as well as lesbian, gay, bisexual, transgender and intersex persons fundamental freedoms, including freedom of the media and data protection.

Or. en

Amendment 49

Proposal for a regulation
Annex II – paragraph 1 – point c

Text proposed by the Commission

(c) Strengthening economic governance: Interventions shall aim at supporting participation in the economic reform programme (ERP) process and systematic cooperation with international financial institutions on fundamentals of economic policy. Enhancing the capacity to strengthen macroeconomic stability and

Amendment

(c) Strengthening economic governance: Interventions shall aim at supporting participation in the economic reform programme (ERP) process and systematic cooperation with international financial institutions on fundamentals of economic policy. Enhancing the capacity to strengthen macroeconomic stability,

supporting progress towards becoming a functioning market economy with the capacity to cope with competitive pressures and market forces within the Union;

social cohesion and supporting progress towards becoming a functioning market economy with the capacity to cope with competitive pressures and market forces within the Union;

Or. en

Amendment 50

Proposal for a regulation Annex II – paragraph 1 – point d

Text proposed by the Commission

(d) Strengthening the Union and its partners' capacity to prevent conflict, build peace and address pre-and post-crisis including through early warning and conflict-sensitive risk analysis; promoting people to people networking, reconciliation, peace-building and confidence-building measures, supporting capacity building in support of security and development (CBSD) actions.

Amendment

(d) Strengthening the Union and its partners' capacity to prevent conflict, build peace and address pre-and post-crisis including through early warning and conflict-sensitive risk analysis; promoting people to people networking, reconciliation, peace-building and confidence-building measures, ***including setting up the Regional commission for the establishment of facts about war crimes and other serious violations of human rights committed in the former Yugoslavia (RECOM), as well as*** supporting capacity building in support of security and development (CBSD) actions.

Or. en

Amendment 51

Proposal for a regulation Annex II – paragraph 1 – point e

Text proposed by the Commission

(e) Strengthening the capacities of civil society organisations and social partners' organisations, including professional

Amendment

(e) Strengthening the capacities of civil society organisations and social partners' organisations, including professional

associations, in beneficiaries *listed in Annex I* and encouraging networking at all levels among Union-based organisations and those of beneficiaries *listed in Annex I*, enabling them to engage in an effective dialogue with public and private actors.

associations, in beneficiaries and encouraging networking at all levels among Union-based organisations and those of beneficiaries, enabling them to engage in an effective dialogue with public and private actors. *Assistance shall endeavour to be accessible to a variety of organisations in beneficiaries that is as wide as possible.*

Or. en

Amendment 52

Proposal for a regulation Annex II – paragraph 1 – point f

Text proposed by the Commission

(f) Promoting the alignment of partner countries' rules, standards, policies and practices to those of the Union, including state aid rules.

Amendment

(f) Promoting the alignment of partner countries' rules, standards, policies and practices to those of the Union, including *public procurement and* state aid rules.

Or. en

Amendment 53

Proposal for a regulation Annex II – paragraph 1 – point h

Text proposed by the Commission

(h) Fostering quality employment and access to the labour market. Interventions in this area shall aim at: tackling high unemployment and inactivity by supporting sustainable labour market integration in particular of young people (especially those not in employment, education or training (NEET)), women, long-term unemployed and all under-represented groups. Measures shall

Amendment

(h) Fostering quality employment and access to the labour market. Interventions in this area shall aim at: tackling high unemployment and inactivity by supporting sustainable labour market integration in particular of young people (especially those not in employment, education or training (NEET)), women, long-term unemployed and all under-represented groups. Measures shall

stimulate quality job creation and support the effective enforcement of labour rules and standards across the entire territory. Other key areas of intervention shall be to support gender equality, promoting employability and productivity, the adaptation of workers and enterprises to change, the establishment of a sustainable social dialogue and the modernisation and strengthening of labour market institutions such as public employment services and labour inspectorates.

stimulate quality job creation and support the effective enforcement of labour rules and *internationally agreed* standards across the entire territory *including by fostering adherence to the key principles and rights as referred to in the European Pillar of Social Rights*. Other key areas of intervention shall be to support gender equality, promoting employability and productivity, the adaptation of workers and enterprises to change, the establishment of a sustainable social dialogue and the modernisation and strengthening of labour market institutions such as public employment services and labour inspectorates.

Or. en

Amendment 54

Proposal for a regulation Annex II – paragraph 1 – point j

Text proposed by the Commission

(j) Promoting smart, sustainable, inclusive, safe transport and removing bottlenecks in key network infrastructures, by investing in projects with high EU value-added. The investments should be prioritised according to their relevance to TEN-T connections with the EU, contribution to sustainable mobility, reduced emissions, environmental impact, safe mobility, in synergy with the reforms promoted by the Transport Community Treaty.

Amendment

(j) Promoting smart, sustainable, inclusive, safe transport and removing bottlenecks in key network infrastructures, by investing in projects with high EU value-added. The investments should be prioritised according to their relevance to TEN-T connections with the EU, **job creation**, contribution to sustainable mobility, reduced emissions, environmental impact, safe mobility, in synergy with the reforms promoted by the Transport Community Treaty.

Or. en

Amendment 55

Proposal for a regulation Annex II – paragraph 1 – point p

Text proposed by the Commission

(p) Increasing the ability of the agri-food and fisheries sectors 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 and coastal areas.

Amendment

(p) Increasing the ability of the agri-food and fisheries sectors to cope with competitive pressure and market forces as well as to progressively align with the Union rules and standards ***with a view to raising the capacity to exports to the Union market***, while pursuing economic, social and environmental goals in balanced territorial development of rural and coastal areas.

Or. en

Amendment 56

Proposal for a regulation Annex III – paragraph 1– point g

Text proposed by the Commission

(g) promoting local and regional governance ***and*** enhancing the planning and administrative capacity of local and regional authorities;

Amendment

(g) promoting local and regional ***governance, including cross-border cooperation between administrations with a view to fostering reconciliation and peace-building***, enhancing the planning and administrative capacity of local and regional authorities;

Or. en

Amendment 57

Proposal for a regulation Annex III – paragraph 1 – point g a (new)

Text proposed by the Commission

Amendment

(g a) promoting cross-border cooperation between administrations with a view to fostering reconciliation and peace-building, including setting up the Regional commission for the establishment of facts about war crimes and other serious violations of human rights committed in the former Yugoslavia (RECOM).

Or. en

Amendment 58

Proposal for a regulation Annex IV – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

The following list of key performance indicators shall be used to help measure the Union's contribution to the achievement of its specific objectives:

The following list of key performance indicators ***and their annual evolution*** shall be used to help measure the Union's contribution to the achievement of its specific objectives:

Or. en

Amendment 59

Proposal for a regulation Annex IV – paragraph 1 – point 3 a (new)

Text proposed by the Commission

Amendment

3a. The rate and annual evolution of the alignment with the CFSP decisions and measures, as indicated by EEAS.

Or. en

Amendment 60

Proposal for a regulation Annex IV – paragraph 1 – point 5

Text proposed by the Commission

5. Public social security expenditure (percentage of GDP) (source ILO) **or** Employment Rate (*source*: national statistics)

Amendment

5. Public social security expenditure (percentage of GDP), as indicated by ILO, **health expenditure, income inequality, poverty rate**, employment rate **and unemployment rate, as indicated by official national statistics.**

Or. en

Amendment 61

Proposal for a regulation Annex IV – paragraph 1 – point 5 a (new)

Text proposed by the Commission

Amendment

5a. Changes in the GINI coefficient of a beneficiary over time.

Or. en

Amendment 62

Proposal for a regulation Annex IV – paragraph 1 – point 10

Text proposed by the Commission

10. Number of cross-border cooperation programmes **concluded** among IPA beneficiaries and IPA/EU MS (*source* European Commission)

Amendment

10. Number of cross-border cooperation programmes **concluded and implemented** among IPA beneficiaries and IPA/EU MS, **as indicated by the** European Commission.

Amendment 63

Proposal for a regulation Annex IV – paragraph 1 – point 10 a (new)

Text proposed by the Commission

Amendment

10a. The number of new organisations participating in actions and programmes over time.

Or. en

Amendment 64

Proposal for a regulation Annex IV – paragraph 2

Text proposed by the Commission

Amendment

Indicators will, where relevant, be sex disaggregated.

Indicators will, where relevant, be disaggregated **at minimum age and gender level.**

Or. en

EXPLANATORY STATEMENT

Since 2007, the Instrument for Pre-Accession Assistance has been the main financial instrument supporting reforms in the candidate and potential candidate countries, i.e. the six Western Balkan countries and Turkey, aimed at preparing the beneficiaries for the obligations of the EU membership. IPA funding supports the accession process by building up capacities and bringing positive, irreversible, long-term changes in the countries, aiming to become future members of the EU. The legal framework of the second generation of the Instrument for Pre-Accession Assistance (IPA II) approved back in 2014 is set to expire on 31 December 2020.

General remarks

Parliament's position on the overall 2021-2027 financial framework, reflected in the Interim report on the new MFF (2018/0166R(APP)), shapes its stance on the envelope for the IPA III Regulation. The MFF and IPA III should be revised before 2027 in an event of accession(s) to the Union, to take account of the resulting expenditure requirements.

The co-rapporteurs note the proposal to increase the 2021-2027 IPA envelope in nominal terms to EUR 14.5 billion (current prices), but are convinced that a failure to match or exceed the 2014-2020 IPA II allocations in real terms would fail to ensure sufficient funding during the period that is critical to the accession process and implementation of the EU-related reforms.

IPA funding is a long-term investment into the European future the Western Balkans, and efficient use of the EU funds must be secured via stringent control and monitoring to ensure delivery of results and good value for the tax-payers' money.

Without prejudice to the final decision concerning the proposed merger of the most other EU External Financing Instruments (EFIs) under the umbrella of Neighbourhood, Development and International Cooperation Instrument (NDICI), it is important that enlargement policy continues to be financed under a separate dedicated instrument, while ensuring sufficient alignment and coherence between the EFIs. Your co-rapporteurs underline the need for the IPA to remain a standalone instrument due to a specific nature of the enlargement process within the external action, underpinned by the Western Balkans Strategy and the relationship with Turkey.

Your co-rapporteurs are convinced that IPA financing for cross-border co-operation with the EU members states under the European Territorial Cooperation (Interreg) should be limited and monitored to safeguard a more balanced co-contribution. This would ensure that it does not replace, but rather complements and encourages existing or potential cooperation between and among IPA beneficiaries under the thematic priorities established in the Annex III.

Clearer strategic focus

For the candidate countries, the third generation of IPA must be shaped to function as a springboard for implementing the future cohesion framework after they join the EU; for the potential candidates, it must set ground to prepare for the reforms related to the accession negotiations. It is vital to ensure a smooth transition from IPA II to IPA III and, after the accession of new members, from IPA III to the framework of the European Structural and Investment Funds.

The pre-accession assistance must continue supporting cross-cutting, EU-focused political, institutional, legal, administrative and socio-economic reforms in candidate and potential candidate countries. They are based on the Copenhagen criteria, conditionality and progressive alignment to Union's rules, standards and policies.

The funding should be refocused to address specific fundamental needs and overdue essential reforms in each of the countries concerned. Along with a stronger emphasis on the well-established existing IPA priorities, covering the rule of law, fundamental rights, good governance, socio-economic cohesion and a thorough preparation across the 35 chapters of the EU acquis, including the CFSP alignment, the IPA III must strengthen the recipients' resilience across the areas of migration, security, gender equality, climate protection and trade facilitation.

IPA III must also put greater emphasis on the social dimension of the enlargement policy by fostering cohesion and convergence on the rights and principles enshrined in the European Pillar of Social Rights. In addition to a stronger focus on social market economy, social and regional cohesion in the IPA implementation, social dimension needs to be taken into account in the mid-term review of the IPA and assessed via clear and measurable indicators, such as the GINI coefficient.

The EU must refocus efforts on strengthening democratisation by reinforcing capacities of parliaments, civil society and the media, while supporting measures to achieve a genuine political dialogue and reconciliation as a prerequisite for peace. In this respect, the cross-border cooperation, improving dialogue, neighbourly relations, regional connectivity and economic integration, is of a great importance.

Stronger role for the EP

While the role of the Parliament is to provide the general direction and scrutiny of the external financing instruments rather than their "micromanagement", your co-rapporteurs underline the need to safeguard the role of the EP and the duty of the Commission to keep the Parliament regularly, timely and fully involved.

Drawing from the lessons learned from the IPA II mid-term review, your rapporteurs propose to strengthen the involvement of the European Parliament without compromising the speed of decision-making by increasing the use of delegated acts procedure.

Your rapporteurs are also convinced that the programming framework should be subject to "a sunset clause", that would ensure its genuine mid-term review.

It is essential that the EP's positions in areas in which Parliament has its own assistance programmes, such as capacity-building, mediation and election observation, are fully taken into account in the overall programming.

Greater involvement of the civil society and local authorities

It is of a particular importance that funding is allocated in a transparent, effective, accountable, depoliticised and non-discriminatory manner, including equitable distribution reflecting the needs of the regions and local municipalities.

Your co-rapporteurs underline the crucial role played by the EU delegations on the ground in ensuring proper use and visibility of the EU funding and in involving a wide-range of relevant civil society organisations and local authorities during different stages of the assistance cycle.

Performance-based approach

The major change within the proposed programming framework is a shift from per-country allocations to priority-based allocations under a 'fair share' principle, i.e. IPA programming through five 'windows' mirroring specific objectives and performance.

Your co-rapporteurs support the increased flexibility of moving away from country envelopes towards thematic priority 'window' allocations and the performance-based approach. IPA III

programming and performance framework, based on the needs and performance criteria and a fair share principle, should be operationalised and fine-tuned via delegated acts during the course of IPA III preparation, implementation and evaluation.

Enhanced conditionality

While supporting a reinforced performance-based approach, your rapporteurs suggest strengthening the conditionality of IPA assistance by envisaging a possibility of suspending pre-accession assistance in cases of breaches of the principles of democracy, the rule of law, respect for human rights and fundamental freedoms and commitments taken in the relevant agreements concluded with the Union. In this regard, the monitoring, suspension and reinstatement mechanism enshrined in the EU's Generalised Scheme of Preferences (GSP) can serve as an example.

In line with the Articles 2 and 49, and by an analogy with the Article 7 of the Treaty on European Union, the future EU member states should face suspension of the Union assistance for violating fundamental EU values and for backsliding on the rule law. In line with the sound financial management rule under the Financial Regulation (No 966/2012), in accordance with the principles of economy, efficiency and effectiveness, the Commission should also suspend payments in cases of systemic errors, calling into question the legality and regularity of transactions.

The co-rapporteurs recall the need to apply and follow up on conditionality at a political and at a project level and reinforce systematic monitoring and evaluations of sensitive programmes and projects. Annual allocations must be based on a viable monitoring and evaluation framework, to be established through a delegated act, and a thorough performance exercise, reflecting the progress made or a lack of it.

Noting the backlogs and delays in implementation of the IPA I & II, you rapporteurs urge to keep the flexibility to carry-over and re-commit funds already committed, while encouraging the Commission to reconsider reintroducing direct management where appropriate, in particular in order to fight high level corruption and organised crime and to strengthen civil society and reinforce media freedom.

Budget support must be reduced or suspended in cases of systemic irregularities in the management and control systems or unsatisfactory progress being made towards achieving the objectives agreed with the beneficiary countries. Stronger conditionality for the budget support, based on progress in reforms and sound management, must be coupled with a targeted assistance fostering development of parliamentary control, national audit capacities and increased transparency and public access to information.

Enhanced visibility

With IPA support channelled to the countries aiming to become the members of the EU, your co-rapporteurs call for better-targeted communication efforts in order to ensure the visibility of the EU funding, permitting to better follow-up and to capitalise on the EU investment. The Commission, the EU delegations on the ground and the beneficiaries of IPA should improve communication on the results of the EU assistance in order to contribute to better understanding of its benefits to improving lives of citizens.