2011/0406(COD)

13.7.2012

OPINION

of the Committee on Budgets

for the Committee on Development

on the proposal for a regulation of the European Parliament and of the Council establishing a financing instrument for development cooperation.
(COM(2011)0840 – C7-0493/2011 – 2011/0406(COD))

Rapporteur: Jan Kozłowski

PA_Legam

SHORT JUSTIFICATION

The EU is the world's largest donor of development assistance, and together with its Member States it provides more than half of the total aid to developing countries. Furthermore, at the last Millennium Development Goal Summit the EU reconfirmed its intention to keep its leading position in development assistance by pledging to meet the 07.% GNI target by 2015 and to assess progress towards this goal every year.

The present Commission proposal for a regulation establishing a financial instrument for development cooperation will provide the Union with the necessary tools to meet its commitments for the 2014 – 2020 Multiannual Financial Framework. The new DCI will share the goals of its predecessor, notably the objective of eradicating poverty in partner countries and regions. The geographic scope of the new DCI will build on the existing instrument and will provide a better legal basis for the implementation of cross-regional initiatives, such as the Joint Africa – EU Strategy.

Development assistance at Union level is especially valuable due to the impartial position of the EU to deliver external aid and to complement Member States efforts in this direction. In times of austerity, a more coordinated and integrated approach between EU and Member States' policy programming is ever more important to tackle the global challenges more effectively and the current Commission proposal aims at strengthening this cooperation capacity further. Furthermore, the regulatory environment would be simplified for the next programming period, which should provide easier access to financing for beneficiaries. Your rapporteur wants to stress that EU spending of development aid must be measurable, accountable and designed to have maximum impact on poverty eradication.

The Commission also proposes a more differentiated approach to targeting union assistance where it is most needed and where it would have the biggest impact.

Budgetary implication

The Commission proposes an increase of 17.87% in the financial allocations available for the DCI for the next MFF (from EUR 17 474 mln in 2007 – 2013 to EUR 20 597 in 2014 – 2020). Contrary to the current instrument, the new regulation envisages leaving some funds unallocated to tackle unforeseen events and challenges.

The indicative financial allocations for the period 2014 – 2020 are given in Annex VII to the proposal for Regulation, which can be amended or updated by the Commission through a delegated act. Approximately 31.8 % of the DCI global public goods and challenges thematic allocations for the next MFF will be directed towards environment and climate change, 12.7% for sustainable energy measures, 20% will be earmarked of human development, 28.4% for food security and sustainable agriculture, and 7% for migration and asylum. Your rapporteur would like to underline that allocations for fighting climate change should not jeopardise the main tasks and objectives of development cooperation, namely poverty eradication and attainment of the Millennium Development Goals as well as promotion of democracy, human rights, rule of law and good governance. All these are preconditions for establishing a functioning and stable market economy in the developing countries.

A considerable percentage of European development aid is channelled through the Commission while most of aid is directly allocated by Member States. At the same time, the Union is better placed in the position of ensuring predictability of development support and identifying budgets and spending priorities on long term basis than Member States, because of its multiannual planning provided in the MFF. This competitive advantage should be capitalised and any potential overlaps between MS and Union assistance should be avoided.

Additionally, funding for higher education will be provided through the framework of the "Erasmus for All" programme, through 2 multiannual allocations to be reflected in the multiannual indicative programming of the DCI. Your rapporteur would like to replace this indicative amount with a relative percentage in view of the uncertainty concerning the final figures to be allocated to the participating external action instruments.

AMENDMENTS

The Committee on Budgets calls on the Committee on Development, as the committee responsible, to incorporate the following amendments in its report:

Amendment 1

Draft legislative resolution
Paragraph 1 a (new)

Draft legislative resolution	*Amendment*
	1a. Points out that the financial envelope specified in the legislative proposal constitutes only an indication to the legislative authority and cannot be fixed until agreement is reached on the proposal for a regulation laying down the multiannual financial framework for the years 2014-2020;

Amendment 2

Draft legislative resolution
Paragraph 1 b (new)

Draft legislative resolution	*Amendment*
	1b. Recalls its resolution of 8 June 2011 on "Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and

inclusive Europe"[1]; reiterates that sufficient additional resources are needed in the next MFF in order to enable the Union to fulfil its existing policy priorities and the new tasks provided for in the Treaty of Lisbon, as well as to respond to unforeseen events; challenges the Council, if it does not share this approach, to clearly identify which of its political priorities or projects could be dropped altogether, despite their proven European added value;

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[1] Texts adopted, P7_TA(2011)0266.

Amendment 3

Proposal for a regulation
Recital 1 a (new)

Text proposed by the Commission	*Amendment*
	(1a)This Regulation should lay down, for the entire duration of the instrument, a financial envelope constituting the prime reference, within the meaning of point [] of the Interinstitutional Agreement of XX/201Z between the European Parliament, the Council and the Commission on cooperation in budgetary matters and on sound financial management, for the budgetary authority during the annual budgetary procedure.

Amendment 4

Proposal for a regulation
Recital 1 b (new)

Text proposed by the Commission	*Amendment*
	(1b)Improving implementation and quality of spending should constitute guiding principles for achieving the objectives of the instrument while

ensuring optimal use of the financial resources.

Amendment 5

Proposal for a regulation
Recital 1 c (new)

Text proposed by the Commission	*Amendment*
	(1c) It is important to ensure sound financial management of the instrument and its implementation in the most effective and user-friendly manner possible, while also ensuring legal certainty and the accessibility of the instrument to all participants.

Amendment 6

Proposal for a regulation
Recital 4

Text proposed by the Commission	*Amendment*
(4) The Union is founded on the values of democracy, the rule of law, the universality and indivisibility of and respect for human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity and respect for the principles of the UN Charter and international law. It seeks to develop and consolidate commitment to these values in partner countries and regions through dialogue and cooperation.	(4) The Union is founded on the values of democracy, the rule of law, the universality and indivisibility of and respect for human rights and fundamental freedoms, respect for human dignity, ***gender equality,*** the principles of equality and solidarity and respect for the principles of the UN Charter and international law. It seeks to develop and consolidate commitment to these values in partner countries and regions through dialogue and cooperation.

Amendment 7

Proposal for a regulation
Recital 5

Text proposed by the Commission	*Amendment*
(5) The Union also aims to ensure	(5) The Union also aims to ensure

coherence with other areas of its external action. This should be ensured when formulating the Union's development cooperation policy and its strategic planning programming and implementation of measures.	coherence with other areas of its external action ***as well as its internal policies***. This should be ensured when formulating the Union's development cooperation policy and its strategic planning programming and implementation of measures.

Amendment 8

Proposal for a regulation
Recital 5 a (new)

Text proposed by the Commission	*Amendment*
	(5a) With a view to policy coherence for development, it is important that Union non-development policies assist developing countries' efforts in achieving the MDGs in line with Article 208 of the Treaty on the Functioning of the European Union.

Amendment 9

Proposal for a regulation
Recital 6 a (new)

Text proposed by the Commission	*Amendment*
	(6a) Bearing in mind that there is a high level of poverty in lower and middle income countries, special attention should be given to poverty reduction in thematic and geographical programmes available under DCI for these countries, while ensuring complementarity with the Partnership instrument.

Amendment 10

Proposal for a regulation
Recital 8

Text proposed by the Commission	*Amendment*
(8) The Union and the Member States should improve the consistency and the complementarity of their respective policies on development cooperation, in particular by responding to partner countries' and regions' priorities at country and regional level. To ensure that the Union's development cooperation policy and that of the Member States complement and reinforce each other, it is appropriate to provide for joint programming procedures which should be implemented whenever possible and relevant.	(8) The Union and the Member States should improve the consistency**,** ***coordination*** and the complementarity of their respective policies on development cooperation, in particular by responding to partner countries' and regions' priorities at country and regional level. To ensure that the Union's development cooperation policy and that of the Member States complement and reinforce each other, it is appropriate to provide for joint programming procedures which should be implemented whenever possible and relevant.

Amendment 11

Proposal for a regulation
Recital 9

Text proposed by the Commission	*Amendment*
(9) The Union's policy and international action for development cooperation are guided by the MDGs, such as the eradication of extreme poverty and hunger, including any subsequent modifications thereto, and by the development objectives and principles approved by the Union and its Member States, including in the context of their cooperation within the United Nations (UN) and other competent international organisations in the field of development cooperation.	(9) The Union's policy and international action for development cooperation are guided by the MDGs, such as the eradication of extreme poverty and hunger, including any subsequent modifications thereto, and by the development objectives and principles approved by the Union and its Member States, ***and the European Parliament,*** including in the context of their cooperation within the United Nations (UN) and other competent international organisations in the field of development cooperation.

Amendment 12

Proposal for a regulation
Recital 9 a (new)

Text proposed by the Commission	*Amendment*
	(9a) The European Union is strongly committed to gender equality as a human right, a question of social justice and a core value of the Union development policy; gender equality is central in achieving all MDGs; the Council has adopted the EU Plan of Action on Gender equality and Women's Empowerment in Development (2010-2015).

Amendment 13

Proposal for a regulation
Recital 11

Text proposed by the Commission	*Amendment*
(11) Union assistance should focus where it has more impact, having regard to its capacity to act on a global scale and respond to global challenges such as poverty eradication, sustainable and inclusive development and worldwide promotion of democracy, good governance, human rights and the rule of law, its long-term and predictable commitment to development assistance and its role in coordinating with its Member States. To ensure such impact, the principle of differentiation should be applied not only at the level of funds allocation, but also at the level of programming, to ensure that bilateral development cooperation targets partner countries most in need, including fragile states and states with high vulnerability, and with limited capacity to have access to other sources of financing for supporting their own development, having regard to the potential impact of the Union assistance in partner countries. As a consequence, bilateral programming would target such countries, pursuant to the	(11) Union assistance should focus where it has more impact, having regard to its capacity to act on a global scale and respond to global challenges such as poverty eradication, sustainable and inclusive development***,*** worldwide promotion of democracy, good governance, human rights and the rule of law, its long-term and predictable commitment to development assistance and its role in coordinating with its Member States. To ensure such impact, ***each country analysis*** and ***programming should contain a conflict analysis and*** the principle of differentiation should be applied not only at the level of funds allocation, but also at the level of programming, to ensure that bilateral development cooperation targets partner countries most in need, including fragile states and states with high vulnerability, and with limited capacity to have access to other sources of financing for supporting their own development, having regard to the potential impact of the Union

application of objective criteria based on the needs and capacities of these countries, as well as the impact of EU assistance.

assistance in partner countries. As a consequence, bilateral programming would target such countries, pursuant to the application of objective criteria based on the needs and capacities of these countries, as well as the impact of EU assistance. ***To ensure the greatest impact of Union assistance in the world, the implementation of this Regulation should be strictly coordinated with programmes and actions funded under other Regulations establishing external financing instruments, namely Regulation (EU) No [.../...] of the European Parliament and of the Council establishing an Instrument for Stability and Regulation (EU) No [.../...] of the European Parliament and of the Council establishing a financing instrument for the promotion of democracy and human rights worldwide and Regulation EU No [.../...] (COM (2011) 843) of the European Parliament and of the Council establishing a Partnership Instrument for cooperation with third countries.***

Amendment 14

Proposal for a regulation
Recital 12

Text proposed by the Commission	*Amendment*
(12) This Regulation should provide an enabling framework for programming, allowing enhanced ***consistency*** between Union policies by using a joint framework document as a basis for programming. It should enable full alignment with partner countries and regions by relying, where ***appropriate***, on national development plans or similar comprehensive development documents; and pursue a better coordination amongst donors, in particular between the Union and its Member States, through joint	(12) This Regulation should provide an enabling framework for programming, allowing enhanced ***policy coherence for development*** between Union policies by using a joint framework document as a basis for programming. It should enable full alignment with partner countries and regions by relying, where ***possible***, on national development plans or similar comprehensive development documents ***adopted by the partner countries' or regions' parliaments in consultation with their respective civil societies***; and pursue a better coordination amongst donors, in

programming.

particular between the Union and its Member States, through joint programming.

Amendment 15

Proposal for a regulation
Recital 15

Text proposed by the Commission	*Amendment*
(15) Fighting climate change and protecting the environment are among the great challenges which face the Union and where the need for international action is urgent. In accordance with the intent stated in Commission Communication 'A budget for Europe 2020' of 29 June 2011 , this Regulation should contribute to the objective of ***addressing at least 20% of*** the EU budget ***to*** low carbon and climate resilient society, and the global public goods and challenges programme should use ***at least 25%*** of its funds to cover climate change and environment. Actions in these two areas should, wherever possible, be mutually supportive in order to reinforce their impacts.	(15) Fighting climate change and protecting the environment are among the great challenges which face the Union and ***the developing countries, and*** where the need for international action is urgent. In accordance with the intent stated in Commission Communication 'A budget for Europe 2020' of 29 June 2011 , this Regulation should contribute to the objective of ***targeting*** the EU budget ***towards*** low carbon and climate resilient society, and the global public goods and challenges programme should use ***part*** of its funds to cover climate change and environment. Actions in these two areas should, wherever possible, be mutually supportive in order to reinforce their impacts***, notwithstanding the fact that the main objective of this instrument is the achievement of MDGs including fight against poverty***. ***As pledged by the EU in the Copenhagen Accord, resources for mitigation and adaptation in developing countries shall be new and additional.***

Amendment 16

Proposal for a regulation
Recital 16

Text proposed by the Commission	*Amendment*
(16) Commission communication 'Increasing the impact of EU Development Policy: an Agenda for Change' envisages	(16) Commission communication 'Increasing the impact of EU Development Policy: an Agenda for Change' envisages

continued support for social inclusion and human development through at least 20% of the Union's development aid. To contribute to that end, at least 20% of the global public goods and challenges programme should support that area of development.	continued support for social inclusion and human development through at least 20% of the Union's development aid. ***The priority "social inclusion and human development" is to be understood as encompassing basic social services including health and education.*** To contribute to that end, at least 20% of the global public goods and challenges programme should support that area of development.

Amendment 17

Proposal for a regulation
Article 2 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission	*Amendment*
	Aid shall also focus on reinforcing the partner countries' fiscal policy and promoting mobilisation of domestic revenue which shall lead to the reduction of poverty and of aid dependency in the future, while fostering sustainable economic growth and social development.

Amendment 18

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

Text proposed by the Commission	*Amendment*
The achievement of these objectives shall be measured using relevant indicators, in particular MDG 1 for subparagraph (a) and MDGs 1 to 8 for subparagraph (b), and other indicators agreed by the Union and its Member States.	The achievement of these objectives shall be measured using relevant indicators***, including human development indicators***, in particular MDG 1 for subparagraph (a) and MDGs 1 to 8 for subparagraph (b), and other indicators agreed by the ***UN, the*** Union and its Member States.

Amendment 19

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

Text proposed by the Commission	*Amendment*
Without prejudice to point (a), at least 90 % of the expenditure foreseen under the Pan-African and thematic programmes shall fulfil the criteria for ODA established by the OECD/DAC.	***100*** % of the expenditure foreseen under the Pan-African and thematic programmes shall fulfil the criteria for ODA established by the OECD/DAC.

Amendment 20

Proposal for a regulation
Article 2 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. Eligibility criteria for budget support shall be clearly and objectively defined and their strict application shall be ensured and scrutinized by the budgetary authority.

Amendment 21

Proposal for a regulation
Article 3 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The following cross-cutting issues shall be mainstreamed in all programmes: the promotion of human rights, gender equality, women empowerment, nondiscrimination, democracy, good governance, the rights of the child and indigenous peoples' rights, social inclusion and the rights of persons with disabilities, environmental sustainability including addressing climate change and combating HIV/AIDS.	3. The following cross-cutting issues shall be mainstreamed in all programmes: the promotion of human rights, ***entrepreneurship, rights of workers, environmental protection,*** gender equality, women empowerment, nondiscrimination, democracy, good governance, the rights of the child and indigenous peoples' rights, social inclusion and the rights of persons with disabilities, environmental sustainability including addressing climate change and combating HIV/AIDS.

Amendment 22

Proposal for a regulation
Article 3 – paragraph 5

Text proposed by the Commission	*Amendment*
5. In implementing this Regulation, consistency shall be ensured with other areas of Union external action and with other relevant Union policies. To this end, measures financed under this Regulation, including those managed by the EIB, shall be based on the cooperation policies set out in instruments such as agreements, declarations and action plans between the Union and the third countries and regions concerned, and on the Union's decisions, specific interests, policy priorities and strategies.	5. In implementing this Regulation, consistency shall be ensured with other areas of Union external action***, including other relevant Instruments for external action where applicable,*** and with other relevant Union ***internal and external*** policies. To this end, measures financed under this Regulation, including those managed by the EIB, shall be based on the cooperation policies set out in instruments such as agreements, declarations and action plans between the Union and the third countries and regions concerned, and on the Union's decisions, specific interests, policy priorities and strategies.

Amendment 23

Proposal for a regulation
Article 3 – paragraph 6

Text proposed by the Commission	*Amendment*
6. The Commission and the Member States shall seek regular and frequent exchanges of information, including with other donors, and promote better donor coordination and complementarity by working towards joint multiannual programming, based on partner countries' poverty reduction or equivalent strategies, by common implementation mechanisms including shared analysis, by joint donor-wide missions and by the use of co-financing and delegated cooperation arrangements	6. The Commission and the Member States shall seek regular and frequent exchanges of information, including with other ***international, regional and local*** donors, and promote better donor ***consistency,*** coordination and complementarity by working towards joint multiannual programming, based on partner countries' poverty reduction or equivalent strategies, by common implementation mechanisms including shared analysis, by joint donor-wide missions and by the use of co-financing and delegated cooperation arrangements.

Amendment 24

Proposal for a regulation
Article 3 – paragraph 7

Text proposed by the Commission	*Amendment*
7. Within their respective spheres of competence, the Union and the Member States shall promote a multilateral approach to global challenges and, where appropriate, foster cooperation with international organisations and bodies and other bilateral donors.	7. Within their respective spheres of competence, the Union and the Member States shall promote a multilateral approach to global challenges and, where appropriate, foster cooperation with ***local, national and*** international organisations and bodies and other bilateral donors.

Amendment 25

Proposal for a regulation
Article 3 – paragraph 8 – point c

Text proposed by the Commission	*Amendment*
(c) effective and innovative cooperation modalities and instruments as set out in Article 4 of the Common Implementing Regulation **,** such as blending grants and loans and other risk-sharing mechanisms in selected sectors and countries and private-sector engagement, in line with OECD/DAC best practices. These modalities and instruments shall be adapted to the particular circumstances of each partner country or region, with a focus on programme-based approaches, on delivery of predictable aid funding, on the mobilisation of private resources, on the development and use of country systems and on results-based approaches to development including, where appropriate, internationally agreed targets and indicators such as those of the MDGs; and	(c) effective and innovative cooperation modalities and instruments as set out in Article 4 of the Common Implementing Regulation such as blending grants and loans and other risk-sharing mechanisms in selected sectors and countries and private-sector engagement, in line with OECD/DAC best practices ***and based on the common Union standards and best practices on the use of Union funds and reporting, as laid down in the financial rules and other relevant Union legislation***. These modalities and instruments shall be adapted to the particular circumstances of each partner country or region, with a focus on programme-based approaches, on delivery of predictable aid funding, on the mobilisation of private resources, on the development and use of country systems and on results-based approaches to development including, where appropriate, internationally agreed targets and indicators such as those of the MDGs; and

Amendment 26

Proposal for a regulation
Article 3 – paragraph 8 – point d

Text proposed by the Commission	*Amendment*
(d) improved impact of policies and programming through coordination and harmonisation between donors to ***reduce*** overlap and duplication, to improve complementarity and to support donor-wide initiatives.	(d) improved impact of policies and programming through coordination**,** ***consistency*** and harmonisation between donors to ***create synergies and avoid*** overlap and duplication, to improve complementarity and to support donor-wide initiatives.

Amendment 27

Proposal for a regulation
Article 3 – paragraph 10 a (new)

Text proposed by the Commission	*Amendment*
	10a. The Union shall offer particular support to local authorities and non-state actors based in the beneficiary countries.

Amendment 28

Proposal for a regulation
Article 3 – paragraph 10 b (new)

Text proposed by the Commission	*Amendment*
	10b. The Union will include among the recipients of its public procurements and calls for tenders the local and regional authorities, and the non state agents of the beneficiary countries.

Amendment 29

Proposal for a regulation
Article 4 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	Attention shall also be given to fostering private sector development, SMEs and micro-enterprises in the beneficiary countries.

Amendment 30

Proposal for a regulation
Article 6 – paragraph 1

Text proposed by the Commission	*Amendment*
Consistent with the overall purpose and scope, objectives and general principles of this Regulation, actions undertaken through thematic programmes shall add value to and, be complementary to, actions funded under geographic programmes.	Consistent with the overall purpose and scope, objectives and general principles of this Regulation, actions undertaken through thematic programmes shall add value to and, be complementary to, actions funded under geographic programmes. ***Thematic support offered to the countries eligible for geographical support shall not be contradictory to the priority areas set up for those countries.***

Amendment 31

Proposal for a regulation
Article 6 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) the actions address global initiatives supporting internationally agreed goals, or global public goods and challenges, in which case***, by way of derogation from Article 9 of the Common Implementing Regulation,*** they may include actions in Member States, candidate countries and potential candidates and other third countries, as envisaged in the relevant	(b) the actions address global initiatives supporting internationally agreed goals, or global public goods and challenges, in which case they may include actions in Member States, candidate countries and potential candidates***,*** and ***in*** other third countries ***by way of derogation from Article 9 of the Common Implementing Regulation***, as envisaged in the relevant

thematic programme;	thematic programme;

Justification

Derogation would be only in the case of third countries, as Article 9 of the Common Implementing Regulation already provides for Member States, candidate countries and potential candidates

Amendment 32

Proposal for a regulation
Article 8 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The objective of the programme on civil society organisations and local authorities in development shall be to finance initiatives in the area of development by or for civil society organisations and local authorities originating from partner countries, the Union, candidate countries and potential candidates.	1. The objective of the programme on civil society organisations and local authorities in development shall be to finance initiatives in the area of development by or for ***local authorities and*** civil society organisations originating from partner countries, the Union, candidate countries and potential candidates.

Amendment 33

Proposal for a regulation
Article 10 – paragraph 1 – subparagraph 3

Text proposed by the Commission	*Amendment*
The Commission shall adopt the implementing measures laid down in Article 2 of the Common Implementing Regulation on the basis of the programming documents referred to in Articles 11 and 13. In particular circumstances, however, Union support may also take the form of measures not covered in these documents, as provided for in the Common Implementing Regulation.	The Commission shall adopt the implementing measures laid down in Article 2 of the Common Implementing Regulation on the basis of the programming documents referred to in Articles 11 and 13. In particular circumstances, however, Union support may also take the form of ***individual and special*** measures not covered in these documents, as provided for in the Common Implementing Regulation.

Amendment 34

Proposal for a regulation
Article 10 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The Union and its Member States shall consult each other, and other donors and development actors including representatives of civil society and regional and local authorities, at an early stage of the programming process in order to promote complementarity and consistency among their cooperation activities. This consultation may lead to joint programming between the Union and its Member States.	2. The Union and its Member States shall consult each other, and other donors and development actors including representatives of civil society and regional and local authorities, at an early stage of the programming process in order to promote ***coherence,*** complementarity and consistency among their cooperation activities. This consultation may lead to joint programming between the Union and its Member States.

Amendment 35

Proposal for a regulation
Article 10 – paragraph 3

Text proposed by the Commission	*Amendment*
3. ***The*** Commission shall determine the multiannual indicative allocations within each geographic programme in accordance with the general principles of this Regulation, based on the criteria laid down in Article 3(2), and taking into account, alongside the specificity of the different programmes, the particular difficulties faced by countries or regions that are in crisis, vulnerable, fragile, in conflict or disaster prone.	3. ***Without prejudice to the powers of the budgetary authority, the*** Commission shall determine the multiannual indicative allocations within each geographic programme in accordance with the general principles of this Regulation, based on the criteria laid down in Article 3(2), and taking into account, alongside the specificity of the different programmes, the particular difficulties faced by countries or regions that are in crisis, vulnerable, fragile, in conflict or disaster prone.

Amendment 36

Proposal for a regulation
Article 10 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Funds may be left unallocated. Subject to their subsequent allocation or re-	4. Funds may be left unallocated. Subject to their subsequent allocation or re-

allocation as provided for in Articles 11(5) and 13, the use of these funds shall be decided later in accordance with the Common Implementing Regulation.	allocation as provided for in Articles 11(5) and 13, the use of these funds shall be decided later in accordance with the Common Implementing Regulation, ***without prejudice to the prerogatives of the budgetary authority***.

Amendment 37

Proposal for a regulation
Article 10 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. In view of the fact that the predictability of aid flows is one of the most important factors in ensuring the quality of spending and that it enables the partner countries to carry out long-term planning of expenditures and to sustain improvements in sectoral policies, such improvements shall be reinforced by the partner countries' fiscal policy and by mobilisation of domestic revenue which, in the long-term, shall lead to the reduction of aid dependency.

Amendment 38

Proposal for a regulation
Article 11 – paragraph 5 – subparagraph 3

Text proposed by the Commission	*Amendment*
Multiannual indicative programmes shall set out the priority areas selected for Union financing, the specific objectives, the expected results, ***the*** performance indicators and the indicative financial allocation, both overall and per priority area. Where appropriate, this allocation may be given in the form of a range and/or some funds may be left unallocated.	Multiannual indicative programmes shall set out the priority areas selected for Union financing, the specific objectives, the expected results, ***clear, specific and transparent*** performance indicators and***, without prejudice to*** the ***prerogatives of the budgetary authority, lay down the*** indicative financial allocation, both overall and per priority area. Where appropriate, this allocation may be given in the form of a range and/or some funds may be left

unallocated.

Amendment 39

Proposal for a regulation
Article 13 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Multiannual indicative programmes for thematic programmes shall set out the Union's strategy for the theme concerned, the priorities selected for financing by the Union, the specific objectives, the expected results, ***the*** performance indicators, the international situation and the activities of the main partners. Where applicable, resources and intervention priorities shall be laid down for participation in global initiatives. Multiannual indicative programmes shall be consistent with the documents referred to in Article 11(3).	1. Multiannual indicative programmes for thematic programmes shall set out the Union's strategy for the theme concerned, the priorities selected for financing by the Union, the specific objectives, the expected results, ***clear, specific and transparent*** performance indicators, the international situation and the activities of the main partners. Where applicable, resources and intervention priorities shall be laid down for participation in global initiatives. Multiannual indicative programmes shall be consistent with the documents referred to in Article 11(3).

Amendment 40

Proposal for a regulation
Article 13 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The multiannual indicative programmes shall give the indicative financial allocation, both overall and by priority area. Where appropriate, this allocation may, be given in the form of a range, and/or some funds may be left unallocated. Multiannual indicative programmes should be adjusted where necessary for an effective policy implementation, taking into account any mid-term or ad hoc reviews.	2. W***ithout prejudice to the prerogatives of the budgetary authority,*** the multiannual indicative programmes***,*** shall give the indicative financial allocation, both overall and by priority area. Where appropriate, this allocation may, be given in the form of a range, and/or some funds may be left unallocated. Multiannual indicative programmes should be adjusted where necessary for an effective policy implementation, taking into account any mid-term or ad hoc reviews.

Amendment 41

Proposal for a regulation
Article 14 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The procedure referred to in paragraph 1 shall not apply to non-substantial modifications to strategy papers and multiannual indicative programmes, making technical adjustments, reassigning funds within the indicative allocations per priority area, or increasing or decreasing the size of the initial indicative allocation ***by less than 20%,*** provided that these modifications do not affect the priority areas and objectives set out in these documents. In such case, adjustments shall be communicated to the European Parliament and to the Council within one month.	2. The procedure referred to in paragraph 1 shall not apply to non-substantial modifications to strategy papers and multiannual indicative programmes, making technical adjustments, reassigning funds within the indicative allocations per priority area, or increasing or decreasing the size of the initial indicative allocation ***within the relevant percentage limit set out in Article 2(2) of the Common Implementing Regulation,*** provided that these modifications do not affect the priority areas and objectives set out in these documents. In such case, adjustments shall be communicated to the European Parliament and to the Council within one month.

Amendment 42

Proposal for a regulation
Article 14 a (new)

Text proposed by the Commission	*Amendment*
	Article 14a
	Coherence and complementarity of Union assistance
	1. In implementing this Regulation, coherence shall be ensured with other areas and instruments of the Union external action, as well as other relevant Union policies.
	2. The Union and the Member States shall coordinate their respective support programmes with the aim of increasing the effectiveness and efficiency in the delivery of support and policy dialogue in line with the established principles for

strengthening operational coordination in the field of external support, and for harmonizing policies and procedures. Coordination shall involve regular consultations and frequent exchanges of relevant information during the different phases of the support cycle.

3. The Union shall, in liaison with the Member States, take the necessary steps to ensure proper coordination and cooperation with multilateral and regional organisations and entities, including, but not limited to European financial institutions, international financial institutions, United Nations agencies, funds and programmes, private and political foundations and non-Union donors.

Amendment 43

Proposal for a regulation
Article 16

Text proposed by the Commission	*Amendment*
Without prejudice to the provisions on suspension of aid in partnership and cooperation agreements with partner countries and regions, where a partner country fails to observe the principles referred to in Article 3(1), the Union shall invite the partner country to hold consultations in view of finding a solution acceptable to both parties, except in cases of special urgency. Where consultations with the partner country do not lead to a solution acceptable to both parties, or if consultations are refused or in cases of special urgency, the Council may take appropriate measures in accordance with Article 215(1) of the Treaty on the Functioning of the European Union, which may include full or partial suspension of Union assistance.	Without prejudice to the provisions on suspension of aid in partnership and cooperation agreements with partner countries and regions, where a partner country fails to observe the principles referred to in Article 3(1), the Union shall invite the partner country to hold consultations in view of finding a solution acceptable to both parties, except in cases of special urgency. Where consultations with the partner country do not lead to a solution acceptable to both parties, or if consultations are refused or in cases of special urgency, the Council may take appropriate measures in accordance with Article 215(1) of the Treaty on the Functioning of the European Union, which may include full or partial suspension of Union assistance. ***The European Parliament shall be fully and immediately***

informed of any decision taken in this respect.

Amendment 44

Proposal for a regulation
Article 20 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The financial reference ***amount*** for the implementation of this Regulation over the period 2014-2020 is EUR 23 294 700 000.	1. The financial reference ***as defined in point [17] of the Interinstitutional Agreement of XX/201Z between the European Parliament, the Council and the Commission on cooperation in budgetary matters and sound financial management*** for the implementation of this Regulation over the period 2014-2020 is EUR 23 294 700 000.

Amendment 45

Proposal for a regulation
Article 20 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The indicative minimum amounts allocated to each programme referred to in Articles 5 to 9 for the period 2014-2020 are laid down in Annex VII. The amounts may be reallocated between programmes by a delegated act in accordance with Article 18. The amounts within the global public goods and challenges programme may be reallocated between subheadings by Commission decision which shall be communicated to the European Parliament and to the Council within one month of its adoption.	2. The indicative minimum amounts allocated to each programme referred to in Articles 5 to 9 for the period 2014-2020 are laid down in Annex VII. The ***indicative*** amounts may be reallocated between programmes by a delegated act in accordance with Article 18. The ***indicative*** amounts within the global public goods and challenges programme may be reallocated between subheadings by Commission decision which shall be communicated to the European Parliament and to the Council within one month of its adoption. ***Annual appropriations shall be authorised by the budgetary authority without prejudice to the provisions of the Regulation laying down the multiannual financial framework for the years 2014-2020 and the Interinstitutional Agreement***

of xxx/201z between the European Parliament, the Council and the Commission on cooperation in budgetary matters and sound financial management.

Amendment 46

Proposal for a regulation
Article 20 – paragraph 3 - subparagraph 1

Text proposed by the Commission	*Amendment*
3. As referred to in Article 13, paragraph 2 of the "Erasmus for All" Regulation, in order to promote the international dimension of higher education, an indicative amount ***of EUR 1 812 100 000 from the different external instruments*** (Development Cooperation Instrument, European Neighbourhood Instrument, Instrument for Preaccession Assistance, Partnership Instrument and the European Development Fund), 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 "Erasmus for All" Regulation will apply to the use of those funds.	3. As referred to in Article 13, paragraph 2 of the "Erasmus for All" Regulation, in order to promote the international dimension of higher education, an indicative amount ***corresponding to 2% of the financial allocations available for the participating instruments*** (Development Cooperation Instrument, European Neighbourhood Instrument, Instrument for Preaccession Assistance, Partnership Instrument and the European Development Fund), 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 "Erasmus for All" Regulation will apply to the use of those funds.

Amendment 47

Proposal for a regulation
Article 20 – paragraph 3 – subparagraph 2

Text proposed by the Commission	*Amendment*
The funding will be made available through 2 multiannual allocations only covering the first 4 years and the remaining 3 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 funding will be made available through 2 multiannual allocations only covering the first 4 years and the remaining 3 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 EU external priorities.	the countries concerned***, and it will only be allocated for purposes for which development aid may be granted***. The allocations can be revised in case of major unforeseen circumstances or important political changes in line with the EU external priorities.

Amendment 48

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point b – point iii

Text proposed by the Commission	*Amendment*
(iii) strengthening social inclusion with cooperation on equitable access to basic services, employment for all, empowerment and respect of rights of specific groups, notably youth, persons with disabilities, women and minority groups to let all population participate and benefit from wealth creation and cultural diversity.	(iii) strengthening social inclusion ***and gender equality*** with cooperation on equitable access to basic services, employment for all, empowerment and respect of rights of specific groups, notably youth, persons with disabilities, women and minority groups to let all population participate and benefit from wealth creation and cultural diversity.

Amendment 49

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point c – point i

Text proposed by the Commission	*Amendment*
(i) Supporting country level programmes to promote women's economic and social empowerment and political participation;	(i) Supporting ***local, regional and*** country level programmes to promote women's economic and social empowerment and political participation;

Amendment 50

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point c – point ii

Text proposed by the Commission	*Amendment*
(ii) supporting ***national***, regional and	(ii) supporting ***local***, regional***, national*** and

global initiatives to promote ***the integration of this issue in*** the aid effectiveness agenda.	global ***programmes and*** initiatives***,*** to promote ***and implement gender equality, women and girls' empowerment, namely through micro-credit assistance, and*** the aid effectiveness agenda.

Amendment 51

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point c – point ii a (new)

Text proposed by the Commission	*Amendment*
	(ii a) promoting, providing and expanding essential services and psychological support for victims of gender-based violence.

Amendment 52

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point d – point i

Text proposed by the Commission	*Amendment*
(i) ***Improving*** the health and well-being of people in developing countries through increasing access to, and equitable provision of, good quality essential public health services and more specifically:	(i) ***In line with*** the ***priorities set out in the European Consensus for Development, supporting the*** health and well-being of people in developing countries through increasing access to, and equitable provision of, good quality essential public health services and more specifically:

Amendment 53

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point d – point ii

Text proposed by the Commission	*Amendment*
(ii) supporting and shaping the policy agenda of global initiatives of direct significant benefit to partner countries, considering result orientation, aid effectiveness and effects on health systems,	(ii) supporting and shaping the policy agenda of global initiatives of direct significant benefit to partner countries, ***in the context of poverty eradication and in the areas of health and basic education,***

including supporting partner countries to better engage with these initiatives;	considering result orientation, aid effectiveness and effects on health systems, including supporting partner countries to better engage with these initiatives;

Amendment 54

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point d – point iii

Text proposed by the Commission	*Amendment*
(iii) supporting specific initiatives ***especially*** at regional and global ***level***, which strengthen health systems and help countries develop and implement sound, evidence-based national health policies, and in priority areas (e.g.**,** maternal health and sexual and reproductive health and rights, access to family planning; global public goods and response to global health threats).	(iii) supporting specific initiatives at ***local,*** regional and global ***levels***, which strengthen health systems and help countries develop and implement sound, evidence-based national health policies, and in priority areas (e.g. ***child and*** maternal health**,** and sexual and reproductive health and rights, access to family planning; global public goods and response to global health threats***, such as HIV/AIDS, TB and Malaria and other poverty related and neglected diseases***).

Amendment 55

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point d – point iii a (new)

Text proposed by the Commission	*Amendment*
	(iii a) promoting, providing and expanding essential services and psychological support for victims of violence, especially children.

Amendment 56

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point e – point iii

Text proposed by the Commission	*Amendment*
(iii) ***improving*** equal access and quality of	(iii) ***enhancing*** equal access and quality of

education, ***including for vulnerable groups,*** women and ***girls***, and countries furthest from achieving global targets.	education, ***with particular emphasis on*** women***, girls*** and ***other vulnerable groups***, and countries furthest from achieving global targets.

Amendment 57

Proposal for a regulation
Annex 5 – part A – paragraph 4 – point e a (new)

Text proposed by the Commission	*Amendment*
	(e a) Children and youth:
	(i) promotion of policies taking into consideration children's and youth's particular vulnerability, protection of their rights, education, health and livelihoods, starting with participation and empowerment;
	(ii) promoting and helping on the implementation and development of policies, projects and programmes benefiting children and youth and enhancing the role of children and youth as actors for development;
	(iii) promoting and helping on the implementation and development of policies, projects and programmes to eradicate child labour, trafficking of children and violence against children.

PROCEDURE

Title	Establishing a financing instrument for development cooperation
References	COM(2011)0840 – C7-0493/2011 – 2011/0406(COD)
Committee responsible Date announced in plenary	DEVE 17.1.2012
Opinion by Date announced in plenary	BUDG 17.1.2012
Rapporteur Date appointed	Jan Kozłowski 29.2.2012
Date adopted	12.7.2012
Result of final vote	+: 28 –: 3 0: 2
Members present for the final vote	Marta Andreasen, Richard Ashworth, Jean Louis Cottigny, Jean-Luc Dehaene, Isabelle Durant, James Elles, Göran Färm, José Manuel Fernandes, Eider Gardiazábal Rubial, Salvador Garriga Polledo, Lucas Hartong, Jutta Haug, Anne E. Jensen, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, Barbara Matera, Claudio Morganti, Juan Andrés Naranjo Escobar, Nadezhda Neynsky, Dominique Riquet, Alda Sousa, Helga Trüpel, Derek Vaughan, Angelika Werthmann
Substitute(s) present for the final vote	Alexander Alvaro, Bendt Bendtsen, Gerben-Jan Gerbrandy, Lidia Joanna Geringer de Oedenberg, Jutta Steinruck, Theodor Dumitru Stolojan, Nils Torvalds
Substitute(s) under Rule 187(2) present for the final vote	Leonardo Domenici