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Committee on Regional Development

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OPINION

of the Committee on Regional Development

for the Committee on Foreign Affairs

on the proposal for a regulation of the European Parliament and of the Council laying down general provisions establishing a European Neighbourhood and Partnership Instrument

(COM(2004)0628 – C6-0129/2004 – 2004/0219(COD))

Draftsman (*): Lambert van Nistelrooij

(*) Enhanced cooperation between committees - Rule 47 of the Rules of Procedure

PA_Leg

SHORT JUSTIFICATION

1. General background

In order to promote the balanced development of the EU territory, the Commission is proposing -under the structural funds regulations- a new "**Territorial co-operation**" **Objective** for cross-border, transnational and interregional co-operation. All regions on internal and external frontiers will be able to co-operate with their neighbours. In that context, the European Commission proposes an entire package concerning regional development and cross-border cooperation within the European Union (**European grouping of cross-border co-operation**) with candidate countries and potential candidate countries (**Instrument for Pre-Accession**), and with third countries lying on the Union's southern and eastern external borders (**European Neighbourhood and Partnership Instrument**).

The **European Neighbourhood and Partnership Instrument (ENPI)** will cover third countries participating in European neighbourhood policy, i.e. the countries of the south and east Mediterranean, Ukraine, Moldova and Belarus, and the countries of the southern Caucasus, thus replacing MEDA and part of Tacis. The ENPI will also support the Community's strategic partnership with Russia.

In keeping with the priority attached to the European Neighbourhood Policy by the EU, the Commission has proposed that assistance to the countries concerned be increased significantly to €14.9 billion for 2007-2013, as compared to approximately €8.5 billion for 2000-2006. Around **EUR 1.6 billion** of the budgets allocated to the ENPI and the IPA will come from the new 'European territorial co-operation' objective (and thus the **European Regional Development Fund**). This amount will cover the component for cross-border co-operation at the EU's external borders between Member States and the ENPI and IPA countries.

The European Parliament¹ considers that the enlarged EU's goals, particularly for European pre-accession aid and neighbourhood partnerships justify an increase of EUR 2.5 billion and a reorientation of EUR 1.5 billion.

The Commission establishes a transitional arrangement and will apply as long as the new mechanism for "shared management" under IPA and ENPI are not in place. Shared management allow us to implement the programmes of cross-border cooperation with a single set of rules and with a single source of funding. It should allow Member States to draw down their resources ear-marked for the IPA and the ENPI cross-border cooperation, in Chapter 1b of the Union budget 2007-2013.

2. Purpose of the Commission proposal

In the Commission proposal, the ENPI instrument is composed of several important financial elements as well as instruments for cross-border cooperation between the regions of the

¹ European Parliament resolution on Policy Challenges and Budgetary Means of the enlarged Union 2007-2013 (2004/2209(INI)). A6-0153/2005, 8 June 2005, point 49.

Member States and the regions of the countries sharing a common border with the European Union. The form of cross-border cooperation contained in this proposal is very similar to that proposed in the draft regulations on the reform of the Structural Funds, namely the general regulation on Structural Funds, the European Regional Development Fund (ERDF), and that establishing a European Grouping of Cross-border Cooperation (EGCC).

This instrument will finance joint projects that bring together regions from EU Members States and partner countries sharing a common border. For the European Commission, the ENPI will bring a radical simplification in procedures compared to the present situation where joint projects across the EU's external border need to be managed under different procedures for each side of the border. In the meantime, until 2006, so-called Neighbourhood Programmes have been introduced which improve coordination between different existing instruments supporting cross-border co-operation.

The ENPI will use an approach very similar to that used in the management of the structural funds for regional development in the EU, based on multi-annual programming, partnership and co-financing.

The cross-border cooperation component of the ENPI will be endowed with additional resources and co-financed on the EU-side of the border by the ERDF.

Detailed rules of operation will be developed. These implementing rules will include criteria and procedures for fund allocation, co-financing, preparation of joint programmes, joint project selection, technical and financial management of the assistance, financial control and audit, monitoring and evaluation, visibility and publicity.

3. The main aspects dealing with regional and cohesion policy in this Proposal and the assessment by the draftsman

The draftsman welcomes the proposal to create a 'European Neighbourhood and Partnership Instrument' (ENPI) Particularly the innovative 'cross-border cooperation component', which incorporates the key basic principles of the Structural funds (joint programmes, multi-annual approach, partnership, co-financing with due regard of any specific foreign policy conditions, ERDF co-financing, and so on).

ENPI should not only focus primarily on the partner countries; cross border cooperation also affects EU border regions. The EU border regions should be placed on an equal footing with the Union's internal borders. However one general problem ought to be highlighted, that some provisions of the regulation to cross-border cooperation would not always lead for border regions to be better off as they were under the INTERREG programme.

This regulation should use standard EU terminology, i.e. transeuropean cooperation should be divided into cross-border, interregional and transnational cooperation. Instead of 'joint-programmes' the regulation should comply with the wording of the provisions under the European Regional and Development Fund on 'territorial cooperation' therefore the description 'operational programmes has the preference.

- *Type of programmes (article 6)*: this article describes the type of programmes through which assistance will be provided under this Regulation, namely country/multi-country programmes, thematic programmes and cross-border cooperation programmes. The draftsman has the opinion that where programmes address regional and local issues a decentralised approach should be supported.
- *Programming and allocation of funds (Article 7)*: strategy papers containing multi-annual indicative programmes will establish the priorities for assistance and determine multi-annual financial allocations to programmes. The strategy paper(s) for cross-border cooperation are mainly aimed at establishing the list of “joint” cross-border programmes, their geographical coverage and their allocations. Under the provision of this Regulation the European Regional Development Fund will contribute to cross-border cooperation programmes therefore the draftsman has the opinion that if regional or local authorities make initiatives, funds should be allocated.
- *Geographical eligibility (Article 8)*: it establishes the criteria determining the territorial units of Member States and partner countries that will be covered by cross-border cooperation programmes. This includes all NUTS-III level regions along land borders and sea crossings of significant importance and all NUTS-II maritime regions facing a common sea basin. Adjoining regions can also be associated in cooperation. The draftsman has the opinion that it should be made clear to which category involving NUTS II coastal regions belongs: cross-border programmes or trans-regional and/ or trans-national programmes.
- *Programming (Article 9)*: it includes specific provisions for establishing Joint Programmes bringing together eligible regions of Member States and partner countries. The draftsman welcomes the safeguard clause which allows in certain circumstances the border regions to receive assistance if a serious crisis between the European Union and the partner country appears, in order to make establishing joint programmes possible. The draftsman has the opinion that the organisation for territorial cooperation should be in line with the organisation settings for ‘territorial cooperation’ as mentioned in the ERDF. Besides, the A steering committee as well as an independent secretariat should be set up in order to facilitate the organisation for cross-border cooperation programmes. The draftsman has also the opinion that the involvement of regional and local authorities should be covered by mentioning the subsidiarity principle.
- *Management (Article 10)*: it provides for cross-border programmes to be managed jointly by the relevant Member States and partner countries through a Joint Managing Authority (JMA) operating through shared management and normally located in a Member State. This management method is compatible with the programme-based, multi-annual, bottom-up approach which characterises cross-border cooperation programmes. The Member State hosting the JMA will be responsible to the Commission for the regularity of the operations financed under the programme, as is the case under Structural Funds. The draftsman has the opinion that unlike the territorial cooperation, no mention is made of a decentralised implementation with the participation of regional and local bodies or of a decentralised steering committee.

AMENDMENTS

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

Text proposed by the Commission¹

Amendments by Parliament

Amendment 1 Recital 2

(2) The European Council, meeting in Copenhagen on 12 and 13 December 2002, confirmed that enlargement of the European Union presents an important opportunity to take forward relations with neighbouring countries based on shared political and economic values, and that the Union remains determined to avoid new dividing lines in Europe and to promote stability *and* prosperity within and beyond the new borders of the Union.

(2) The European Council, meeting in Copenhagen on 12 and 13 December 2002, confirmed that enlargement of the European Union presents an important opportunity to take forward relations with neighbouring countries based on shared political and economic values, and that the Union remains determined to avoid new dividing lines in Europe and to promote stability, prosperity *and sustainable development* within and beyond the new borders of the Union.

Amendment 2 Recital 4

(4) The privileged relationship between the European Union and its neighbours will build on commitments to common values, including democracy, the rule of law, good governance and respect for human rights, and to the principles of market economy, free trade, sustainable development and poverty reduction.

(4) The privileged relationship between the European Union and its neighbours will build on commitments to common values, including democracy, the rule of law, good governance and respect for human rights, and to the principles of market economy, free trade, sustainable development, *economic and social cohesion*, and poverty reduction.

Justification

In addition to poverty reduction, economic and social cohesion should be a further principle underlying relations between the Union and its neighbours.

¹ Not yet published in OJ.

Amendment 3

Recital 5

(5) In Eastern Europe and the Southern Caucasus, the Partnership and Cooperation Agreements provide the basis for contractual relations. In the Mediterranean, the Euro-Mediterranean Partnership (the “Barcelona Process”) provides a regional framework for cooperation which is complemented by a network of Association Agreements.

(5) In Eastern Europe and the Southern Caucasus, the Partnership and Cooperation Agreements provide the basis for contractual relations. In the Mediterranean, the Euro-Mediterranean Partnership (the “Barcelona Process”) provides a regional framework for cooperation which is complemented by a network of Association Agreements, **while the Northern Dimension provides a framework for cooperation between the European Union and its northern neighbours.**

Justification

The draft regulation does not take into account the role of the EEA-countries and Switzerland as our cooperation partners and co-donors. Particularly our Northern neighbours and partners, Norway and Iceland, are playing an active role in both bilateral and multilateral cooperation in the Northern Regions. Both countries are full members of the Council of the Baltic Sea States, Barents Euro-Arctic Council and the Arctic Council. When developing the European Neighbourhood Policy we should take fully into account all our Southern, Eastern and Northern Neighbours. Furthermore we should effectively utilise the economic resources of countries like Norway and Switzerland in co-financing of the ENP.

Amendment 4

Recital 6

(6) Under the European Neighbourhood Policy, a set of priorities are defined together the European Union and the partner countries, to be incorporated in a series of jointly agreed Action Plans, covering a number of key areas for specific action, including political dialogue and reform, trade and economic reform, equitable socio-economic development, justice and home affairs, energy, transport, information society, environment, research and innovation, and people-to-people contacts. Progress towards meeting these priorities will contribute to realising the full potential of the Partnership and Cooperation Agreements and the Association Agreements.

(6) Under the European Neighbourhood Policy, a set of priorities are defined together the European Union and the partner countries, to be incorporated in a series of jointly agreed Action Plans, covering a number of key areas for specific action, including political dialogue and reform, trade and economic reform, equitable socio-economic development, justice and home affairs, energy, transport, information society, environment, research and innovation, **development of civil society** and people-to-people contacts. Progress towards meeting these priorities will contribute to realising the full potential of the Partnership and Cooperation Agreements and the Association Agreements.

Amendment 5

Recital 7

(7) In order to support the partner countries' commitment to common values and principles and their efforts in the implementation of the action plans, the Community must be in a position to provide assistance to those countries and to support various forms of cooperation among them and between them and the Member States with the aim of developing a zone of shared stability, security and prosperity involving a significant degree of economic cooperation and political integration.

(7) In order to support the partner countries' commitment to common values and principles and their efforts in the implementation of the action plans, the Community must be in a position to provide assistance to those countries and to support various forms of cooperation among them and between them and the Member States with the aim of developing a zone of shared stability, security and prosperity involving a significant degree of economic **and civil society** cooperation, **sustainable development** and political integration.

Amendment 6

Recital 13

(13) In order to assist neighbouring partner countries in achieving their objectives, and to promote cooperation between them and Member States, it is desirable to establish a single policy-driven instrument which will replace a number of existing instruments, ensuring coherence and simplifying assistance programming and management

(13) In order to assist neighbouring partner countries in achieving their objectives, and to promote cooperation between them and Member States, it is desirable to establish a single policy-driven instrument which will replace a number of existing instruments, ensuring coherence and simplifying assistance programming and management. **Others donors, particularly the member countries of the European Economic Area and Switzerland, are invited to participate in the projects financed by the instrument.**

Justification

The draft regulation does not take into account the role of the EEA-countries and Switzerland as our cooperation partners and co-donors. Particularly our Northern neighbours and partners, Norway and Iceland, are playing an active role in both bilateral and multilateral cooperation in the Northern Regions. Both countries are full members of the Council of the Baltic Sea States, Barents Euro-Arctic Council and the Arctic Council. When developing the European Neighbourhood Policy we should take fully into account all our Southern, Eastern and Northern Neighbours. Furthermore we should effectively utilise the economic resources of countries like Norway and Switzerland in co-financing of the ENP.

Amendment 7

Recital 14 a (new)

(14a) This instrument will also support

small projects (Micro Projects) promoting cross-border cooperation of people (people-to-people type) whose management will be directly entrusted to the cross-border cooperation initiatives.

Amendment 8
Recital 18

(18) The objectives of the action proposed are to promote enhanced cooperation and progressive economic integration between the European Union and neighbouring countries. Since these objectives cannot be sufficiently achieved by the Member States and can, by reason of the scale of the action, be better achieved by the Community, the Community may take measures according to the principle of subsidiarity established in Article 5 (2) of the EC Treaty. In accordance with the principle of proportionality laid down in that Article, this Regulation *does* not go beyond what is necessary to attain these objectives.

(18) The objectives of the action proposed are to promote enhanced cooperation and progressive economic integration between the European Union and neighbouring countries. Since these objectives cannot be sufficiently achieved by the Member States and can, by reason of the scale of the action, be better achieved by the Community, the Community may take measures according to the principle of subsidiarity established in Article 5 (2) of the EC Treaty. In accordance with the principle of proportionality laid down in that Article, this Regulation *shall* not go beyond what is necessary to attain these objectives.

Justification

As it stands in Article 5 (3) of the EC Treaty.

Amendment 9
Article 1, paragraph 1

(1) This Regulation establishes a Neighbourhood and Partnership Instrument to provide assistance (hereinafter ‘Community assistance’) for the development of an area of prosperity and good neighbourliness involving the European Union and the countries listed in Annex 1 (hereinafter ‘partner countries’).

(1) This Regulation establishes a Neighbourhood and Partnership Instrument to provide assistance (hereinafter ‘Community assistance’) for the *sustainable* development of an area of prosperity and good neighbourliness involving the European Union and the countries listed in Annex 1 (hereinafter ‘partner countries’). *The Community assistance covered by this regulation shall be co-ordinated with other Community programmes, especially with the European Economic Area, taking into account the EU Northern Dimension as well as the co-operation within Barents Euro-Arctic Council and the Arctic Council.*

Amendment 10
Article 1, paragraph 2

(2) Community assistance shall be used for the benefit of partner countries. Community assistance may be used for the common benefit of Member States and partner countries, for the purpose of promoting crossborder **and** trans-regional cooperation as defined in article 6

(2) Community assistance shall be used for the benefit of partner countries. Community assistance may be used for the common benefit of Member States and partner countries, for the purpose of promoting crossborder, trans-regional **and people-to-people** cooperation as defined in article 6.

Amendment 11
Article 2, paragraph 1

(1) Community assistance under the Neighbourhood and Partnership Instrument shall promote enhanced cooperation and progressive economic integration between the European Union and the partner countries and, in particular, the implementation of partnership and cooperation agreements, association agreements or other existing and future agreements.

(1) Community assistance under the Neighbourhood and Partnership Instrument shall promote enhanced cooperation and progressive economic, **social and environmental** integration between the European Union and the partner countries and, in particular, the implementation of partnership and cooperation agreements, association agreements or other existing and future agreements.

Amendment 12
Article 2, paragraph 2, point (e)

(e) promoting environmental protection and good management of natural resources;

(e) promoting environmental protection and good management of natural resources, **for example fresh water, and of renewable energy resources**;

Justification

The idea is to supply a missing link. Promoting environmental protection implies that management must cover both natural resources and renewable energy resources and the two have to be dealt with together.

Amendment 13
Article 2, paragraph 2, point (f a) (new)

(fa) supporting local and regional development efforts aimed at eliminating regional disequilibrium and boosting potential development capacity;

Justification

The failure to mention the above objective needs to be remedied in order to create better opportunities for countries receiving assistance to overcome regional inequality and tackle the contributory causes.

Amendment 14

Article 2, paragraph 2, point (i a) (new)

(ia) fostering good governance, administrative transparency, and the rule of law, and fighting corruption;

Justification

Self-explanatory.

Amendment 15

Article 2, paragraph 2, point (k)

(k) promoting the development of a market economy, including measures to support the private sector, encourage investment and promote global trade;

(k) promoting the development of a market economy, including measures to support the private sector ***and the development of small and medium sized enterprises***, encourage investment and promote global trade;

Amendment 16

Article 2, paragraph 2, point (l)

(l) promoting cooperation in the energy, telecommunication and transport sectors including on interconnections, the networks and their operations, the security and safety of international transport and energy operations, renewable energy sources, energy efficiency and ***clean*** transport;

(l) promoting cooperation in the energy, telecommunication and transport sectors including on interconnections, the networks and their operations, the security and safety of international transport and energy operations, renewable energy sources, energy efficiency and ***sustainable*** transport;

Amendment 17

Article 2, paragraph 2, point (o)

(o) promoting cooperation in the field of justice and home affairs, including on issues such as asylum and migration and the fight against and prevention of terrorism and organised crime, including its financing, money laundering and tax fraud;

(o) promoting cooperation in the field of justice and home affairs, including on issues such as asylum and migration, ***people trafficking***, and the fight against and prevention of terrorism and organised crime, including its financing, money laundering and tax fraud;

Justification

From the point of view of human rights, people trafficking is posing a growing challenge that demands comprehensive action extending to many different spheres and tiers of government.

Amendment 18

Article 2, paragraph 2, point (s)

(s) promoting understanding between cultures, people-to-people contacts, cooperation between civil societies **and** exchanges of young people;

(s) promoting understanding between cultures, people-to-people contacts, cooperation between civil societies, exchanges of young people **and cultural cooperation** ;

Amendment 19

Article 2, paragraph 2, point (s a) (new)

(sa) Supporting Micro projects with limited resources promoting cross-border cooperation of people (people-to-people type).

Amendment 20

Article 2, paragraph 2, point (u a) (new)

(ua) Promoting cooperation in the area of sustainable urban development;

Amendment 21

Article 2, paragraph 2, point (v)

(v) promoting regional cooperation and integration;

(v) promoting regional **and sub-regional** cooperation and integration;

Justification

In accordance with the crossborder and trans-regional cooperation as it's defined in Article 6 of the present proposal.

Amendment 22

Article 3

(3) The partnership and cooperation agreements, the association agreements and other existing or future agreements which establish a relationship with partner countries, and the relevant Commission

(3) The partnership and cooperation agreements, the association agreements and other existing or future agreements which establish a relationship with partner countries, and the relevant Commission

communications **and** Council conclusions laying down guidelines for European Union policy towards these countries, shall provide an overall policy framework for the programming of assistance under this Regulation. Jointly agreed action plans or other equivalent documents shall provide a key point of reference for setting assistance priorities.

communications, Council conclusions laying down guidelines for European Union policy towards these countries **and the acts of the European Parliament**, shall provide an overall policy framework for the programming of assistance under this Regulation. Jointly agreed action plans or other equivalent documents shall provide a key point of reference for setting assistance priorities.

Amendment 23
Article 4, paragraph 2

(2) Community assistance under this Regulation shall normally be established in partnership between the Commission and the beneficiaries. The partnership shall involve, as appropriate, national, regional and local authorities, economic and social partners, civil society and other relevant bodies.

(2) Community assistance under this Regulation shall normally be established in partnership between the Commission and the beneficiaries. The partnership shall involve, as appropriate, national, regional and local authorities, economic and social partners, civil society and other relevant bodies, **whilst aiming at strengthening decentralised multi-level types of management in order to achieve greater efficiency.**

Justification

The use of decentralised multi-level types of governance could, in principle, contribute to a greater efficiency in the management of the programme.

Amendment 24
Article 4, paragraph 4 a (new)

(4a) Acknowledging the priority of support for civil society, democratisation, promotion of respect for human rights, in duly justified cases the Community assistance can be provided without the co-financing participation of beneficiary countries.

Amendment 25
Article 5, paragraph 2

(2) The Commission and the Member States shall ensure coherence between **Community**

(2) The Commission and the Member States shall ensure coherence between assistance

assistance provided under this Regulation and financial assistance provided by the Community and the Member States through other internal and external financial instruments **and by the European Investment Bank.**

provided under this Regulation **by the Community and Community financial institutions such as the European Investment Bank and the European Investment Fund,** and financial assistance provided by the Community and the Member States through other internal and external financial instruments.

Justification

This amendment clarifies the position of the Community institutions and, by taking account of its powers, will enable the European Investment Fund to demonstrate its abilities.

Amendment 26

Article 6, paragraph 1, point (a)

(a) Country or multi-country programmes, covering assistance to one partner country or addressing regional and sub-regional cooperation between two or more partner countries, in which Member States **may** participate.

(a) Country or multi-country programmes, covering assistance to one partner country or addressing regional and sub-regional cooperation between two or more partner countries, in which Member States **or its regions** participate.

Justification

Taking into account the political and administrative organization of Member States and to be in coherence with the geographical eligibility for assistance under crossborder or transregional cooperation

Amendment 27

Article 6, paragraph 1, point (b)

(b) Thematic programmes, addressing one or more specific challenges which are common to several partner countries and which may be relevant to one or more Member States;

(b) Thematic programmes, addressing one or more specific challenges which are common to several partner countries and which may be relevant to one or more Member States **on issues such as human rights and the environment;**

Justification

Thematic programmes are normally used to address invisible and recognisable way global challenge of particular importance, or, when this is considered appropriate the external projection of internal policies. This is particularly important since the simplification of the financial instrument means that instruments such as LIFE third countries will cease to exist under separate legal basis. It will be possible to associate Member States in thematic programmes through transregional cooperation. Environment and "people to people issues,

including civil society development” are identified in the Communication of the Commission on the ENP Strategy Paper as part of the priorities for regional cooperation. Moreover, the possibility to create thematic programmes on these issues is mentioned in the Annex of the proposal (p.44), but needs also to be integrated in the text of the new Regulation so that it becomes mandatory.

Amendment 28

Article 6, paragraph 1, point (c)

(c) cross-border cooperation programmes, covering cooperation between one or more Member States **and** one or more partner countries, taking place in regions adjacent to their shared part of the external border of the European Community

(c) cross-border **and transnational** cooperation programmes, covering cooperation between **one or more Member States,**

Justification

The draft regulation does not take into account the role of the EEA-countries and Switzerland as our cooperation partners and co-donors. Particularly our Northern neighbours and partners, Norway and Iceland, are playing an active role in both bilateral and multilateral cooperation in the Northern Regions. Both countries are full members of the Council of the Baltic Sea States, Barents Euro-Arctic Council and the Arctic Council.

Amendment 29

Article 6, paragraph 2

(2) Community assistance **may** be provided under this Regulation to transregional cooperation involving partner countries and Member States in the context of thematic programmes and multicountry programmes addressing regional and subregional cooperation.

(2) Community assistance **shall** be provided under this Regulation to transregional cooperation involving partner countries and Member States in the context of thematic programmes and multicountry programmes addressing regional and subregional cooperation, **insofar as it contributes to the fulfilment of the objectives of the Community assistance.**

Justification

As it's stated in Article 1 (2), Community assistance under the Neighbourhood and Partnership Instrument has «the purpose of promoting crossborder and trans-regional cooperation».

Amendment 30

Article 6, paragraph 2 a (new)

(2a) The eligible border regions of the EU Member States will be covered by the

specific crossborder cooperation programmes set up under this regulation. Member States may also participate in thematic and/or multicountry programmes through transregional cooperation.

Amendment 31
Article 6, paragraph 2 a (new)

(2a) The eligible border regions of the EU member states will be covered by the cross border cooperation programmes set up under this regulation. It will above all be possible to associate Member States in thematic and/or multicountry programmes through transnational cooperation.

Justification

It is important to underline that cross-border cooperation programmes cover the eligibility of border regions. It is important to emphasise a decentralised approach to the development of these programmes. Where programmes address regional and local issues, it is important that the EU regional and local authorities are fully involved in the development and implementation of the cross-border cooperation programmes.

Amendment 32
Article 7, paragraph 1

(1) For country or multicountry and thematic programmes, strategy papers shall be adopted, in accordance with the procedure referred to in Article 26(2). Strategy papers shall reflect the policy framework and the action plans referred to in Article 3. Strategy papers shall be established for a period compatible with the priorities set in the policy framework and shall contain multiannual indicative programmes including indicative multiannual financial allocations. They shall be reviewed as and when necessary and may be revised in accordance with the procedure referred to in Article 26(2).

(1) For country or multicountry and thematic programmes, strategy papers shall be adopted, in accordance with the procedure referred to in Article 26(2). Strategy papers shall reflect the policy framework and the action plans referred to in Article 3. ***An effective participation of non-state actors in the establishment of these strategy papers shall be ensured, particularly the regional / local level.*** Strategy papers shall be established for a period compatible with the priorities set in the policy framework and shall contain multiannual indicative programmes including indicative multiannual financial allocations. They shall be reviewed as and when necessary and may be revised in accordance with the procedure referred to in Article 26(2).

Microprojects for which the financial

framework is no greater than EUR 5000 may be dealt with using a simplified, decentralised procedure.

Justification

Applying the centralised procedure to projects of up to EUR 5000 would lead to relatively high administrative costs for these projects. Furthermore, microprojects provide small and regional organisations and associations with an ideal opportunity to play a part in European developments and projects. They should have quick and unbureaucratic access to the new Neighbourhood and Partnership Instrument.

Amendment 33
Article 7, paragraph 2

(2) In establishing country or multi-country programmes the Commission shall determine the allocations for each programme taking into account the specific characteristics and the needs of the country or the region concerned, the level of ambition of the Union's partnership with a given country, the management capacity and the potential for absorption of funds.

(2) In establishing country or multi-country programmes the Commission shall determine the allocations for each programme, ***using objective criteria***, taking into account the specific characteristics and needs of the country or the region concerned, the level of ambition of the Union's partnership with a given country, ***the progress towards implementing agreed objectives including in particular those of the European Neighbourhood Policy and agreed Action Plans concerning progress in pursuing of democratic and economic reform*** and the management capacity and the potential for absorption of funds.

Amendment 34
Article 7, paragraph 3

(3) For the sole purpose of cross-border cooperation, in order to establish the list of joint programmes referred to in Article 9(1), the indicative multi-annual allocations ***and the territorial units*** eligible to participate in each programme one, or, if necessary, more ***specific*** strategy papers shall be adopted in accordance with the procedure referred to in Article 26(2). Such ***specific*** strategy paper(s) shall, in principle, cover a seven-year period from 1 January 2007 to 31 December 2013.

(3) Such strategy paper (s) shall ***be elaborated taking into account the principles and modalities laid down in Articles 4 and 5 and***, in principle, cover a seven-year period from 1 January 2007 to 31 December 2013.

Justification

It should be made clear which territorial units are eligible for participating in the programmes. The strategy papers should not generate any additional bureaucracy in order to safeguard possibilities for realisation. Besides the reference to better coordination and harmonisation of procedures in the provisions of the regulation, no reference is made to the administrative procedures a partner has to accomplish.

Amendment 35 Article 7, paragraph 3 a (new)

(3a) The Commission shall determine the allocation of funds to border area cooperation programmes on the basis of the population of the regions eligible and other factors affecting the intensity of cooperation, for example the special features of a border area, administrative capacity, and the take-up capacity for assistance.

Justification

The principles governing the share-out of appropriations to be earmarked for border area cooperation programmes should be laid down in the text of the regulation. In addition to population size, an objective and fair criterion, the various uncertainty factors should be taken into account.

Amendment 36 Article 7, paragraph 4

(4) The European Regional Development Fund will contribute to cross-border co-operation programmes established and implemented under the provisions of this regulation.

(4) The European Regional Development Fund will contribute to cross-border co-operation programmes established and implemented under the provisions of this regulation. ***The ERDF may also contribute to the involvement of the regional and local authorities of the EU in thematic programmes and multi-country programmes.***

Amendment 37 Title III

Cross-border cooperation

Cross-border ***and interregional*** cooperation

Justification

A reference to NUTS II level regions justifies a fully covered title extended with transnational cooperation. The Commission has to clarify under which form of cooperation it belongs.

Amendment 38
Article 8, paragraph 1

(1) The cross-border cooperation programmes referred to in Article 6 (1) (c) may cover all land borders **and all maritime zones facing a common sea basin**. The following territorial units shall be eligible for assistance under this **Title**

(1) The cross-border cooperation programmes referred to in Article 6(1)(c) may cover all land and **maritime borders**. The following territorial units shall be eligible for assistance under this **article** :

Justification

For the purpose of clarification and the aims of cross-border cooperation as laid down in this regulation a single reference to maritime borders has the preference, besides the provisions are covered by an article and not a title.

Amendment 39
Article 8, paragraph 1, point (c)

(c) all coastal territorial units corresponding to NUTS-II level or equivalent facing a sea basin common to Member States and partner countries.

deletion

Justification

For the purpose of clarification it is necessary to make a reference to transnational cooperation programmes; the paragraph as such does not make clear by which type of cooperation NUTS II level regions are covered.

Amendment 40
Article 8, paragraph 2

(2) In special cases, eligibility may be extended to territorial units adjoining those referred to in paragraph 1.

(2) In special cases, eligibility may be extended to territorial units adjoining those referred to in paragraph 1, **if such extension is necessary to cope with development in the given area.**

Amendment 41
Article 8, paragraph 2 a (new)

(2a) The crossborder cooperation programmes referred to in Article 6(1)(c) may cover all maritime zones facing a common sea basin. All coastal territorial units corresponding to NUTS II level or equivalent facing a sea basin common to Member States and partner countries shall be eligible for assistance under this article.

Amendment 42
Article 8, paragraph 3 a (new)

(3 a) Suitable instruments should be developed to evaluate cooperation among NUTS II level coastal regions under sea basin programmes. They should comply with specific type of programmes: transnational programmes and crossborder programmes.

Justification

For the purpose of clarification it should be made clear to which category involving NUTS II coastal regions belongs: cross-border programmes or trans-regional and/ or trans-national programmes.

Amendment 43
Article 9, paragraph 2

(2) Joint programmes for land and sea crossings shall be established per border and include eligible territorial units belonging to one or more Member State and one or more partner countries. Joint programmes for coastal regions shall be multilateral and include eligible territorial units facing a common sea basin belonging to several participating countries, including at least one Member State and one partner country.

(2) Joint operational programmes for land borders and sea crossing shall be established per border at the appropriate territorial level and include eligible territorial units belonging to one or more Member State and one or more partner countries. The joint operational programmes for coastal regions, that correspond to areas of the NUTS-II-level, shall be multilateral and include eligible territorial units facing a common sea basin belonging to several participating countries, including at least one Member State and one partner country taking into account the institutional systems and the principle of partnership.

Justification

In the interests of standardising terminology, the term operational programmes should be used in preference of joint programmes as this tallies with the expression used in ERDF territorial cooperation.

Amendment 44

Article 9, paragraph 3 a (new)

(3a) Joint operational programmes shall be established by the concerned Member States and partner countries in close cooperation with regional and local bodies and realised at the appropriate decentralised territorial level, in accordance with their institutional system taking into account the principle of partnership. They shall normally cover a period of 7 years running from 1 January 2007 to 31 December 2013.

Justification

The principle of subsidiarity does not specifically have a clear meaning in third countries as it is based on European Acquis. In order to safeguard the role of the decentralised authorities in establishing joint operational programmes, mentioning their involvement and referring to the principle of partnership is necessary. To make the opinion coherent, therefore article 4 should be modified.

Amendment 45

Article 9, paragraph 3 a (new)

(3a) In the context of crossborder cooperation between territorial units referred to in Article 8(1)(a) and (b), in duly justified cases, financing of up to 20 % of the budget for the joint programme concerned may be granted for operations in NUTS III level areas adjacent to the said areas.

Amendment 46

Article 9, paragraph 5

(5) *Joint* programmes may be revised at the initiative of the participating countries or the Commission to take into account changes in cooperation priorities, socio-economic

(5) *Joint operational* programmes may be revised at the initiative of the participating countries, ***participating EU border regions*** or the Commission to take into account

developments, the results observed from implementation of measures concerned and from the monitoring and evaluation process, and the need to adjust the amounts and aid available and reallocate resources.

changes in cooperation priorities, socio-economic developments, the results observed from implementation of measures concerned and from the monitoring and evaluation process, and the need to adjust the amounts and aid available and reallocate resources.

Amendment 47
Article 9, paragraph 8

(8) In *exceptional circumstances*, where a joint programme cannot be established owing to problems arising in relations between participating countries, the Commission may adopt a programme which is not a joint programme within the meaning of this Article but which allows the Member State border region or regions concerned to benefit from the assistance provided for in this Regulation.

(8) In *specific and duly justified cases*, where a joint programme cannot be established owing to problems arising in relations between participating countries *or between the EU and partner country*, the Commission may adopt a programme which is not a joint programme within the meaning of this Article but which allows the Member State border region or regions concerned to benefit from the assistance provided for in this Regulation.

Amendment 48
Article 9, paragraph 8 a (new)

(8a) When Member State and partner states cannot agree in time to set up a joint shared management system for political or technical reasons, alternative management systems can be used, where the Commission holds the responsibility for actions implemented outside the EU.

Justification

The current system is tested and clarified. Up from this basis there shouldn't be a different system once again.

Amendment 49
Article 10, paragraph 1

(1) ***Joint*** programmes shall, in principle, be ***implemented*** by a joint managing authority located in a Member State.

(1) ***Joint operational*** programmes shall, in principle, ***implemented through joint shared management and in a decentralised manner*** by a joint managing authority ***and a joint secretariat*** located in a Member State;

the joint secretariat does not need to be located within the joint managing authority. When Member State and partner State cannot agree in time to set up a joint shared management system for legal or technical reasons, for the possibility of implementing the CBC programme alternative management systems can be used.

Amendment 50
Article 11, paragraph 2

(2) Matters covered by the implementing rules shall include criteria and procedures for allocations of funds, rate of co-financing preparation of joint operational programmes, joint project selection, technical and financial management of the assistance, financial control and audit, monitoring and evaluation, visibility and publicity. Alternative management systems, especially during transition phases, shall also be described.

(2) Matters covered by the implementing rules shall include criteria and procedures for allocations of funds, rate of co-financing preparation of joint operational programmes, ***designation and function of the joint managing authorities, the steering committee /monitoring committee and the joint secretariat, eligibility of expenditure*** joint project selection, technical and financial management of the assistance, financial control and audit, monitoring and evaluation, visibility and publicity. Alternative management systems, especially during transition phases, shall also be described.

Justification

The implementing rules should also cover the designation and establishment of the managing authorities of the Cross-border programmes. The implementing rules set the guidelines to prepare for realisation of joint operational programmes.

Amendment 51
Article 13, paragraph 4

(4) The Commission shall send the special measures to the Member States for their information within one month of adopting its decision

(4) The Commission shall send the special measures to the Member States ***and the European Parliament*** for their information within one month of adopting its decision

Amendment 52
Article 14, point (d)

(d) international organisations, including

(d) international organisations, including

regional organisations, UN bodies, departments and missions, international financial institutions and development banks, in so far as they contribute to the objectives of this Regulation;

regional organisations, UN bodies, departments and missions, international financial institutions and development banks, in so far as they **contribute to cross-border cooperation as can be deduced from** the objectives of this Regulation;

Justification

Under certain circumstances, funds for the EU border regions participating in the ENPI may be used for the institutions and the like that failed to receive support for cross-border cooperation in the past.

Amendment 53
Article 14, point (f)

(f) European Union agencies;

(f) European Union agencies, **in so far as they may contribute to cross-border cooperation as can be deduced from the objectives of this Regulation;**

Justification

Under certain circumstances, funds for the EU border regions participating in the ENPI may be used for the institutions and the like that failed to receive support for cross-border cooperation in the past.

Amendment 54
Article 14, point (h) x.

x. **any** non-governmental associations and independent foundations **likely to contribute to development;**

x. **cross-border associations,** non-governmental associations and independent foundations;

Justification

As cross-border associations would be able to make a significant contribution to the realisation of the goals of ENPI, it is important to mention them even if they could be considered to fall under some of the other eligible categories. Cross-border associations (not interregional ones) are meant, which make a significant contribution. As interregional associations would be able to make a significant contribution to the realisation of the goals of the ENPI, it is important to mention them even if they could be considered to fall under some of the other eligible categories.

Amendment 55
Article 15, paragraph 2, point (a)

(a) to finance targeted administrative

(a) to finance targeted administrative

cooperation measures involving public-sector experts dispatching from Member States according to specifically designed rules;

cooperation measures involving public-sector experts dispatching from Member States **and their regional and local authorities** according to specifically designed rules;

Amendment 56

Article 15, paragraph 2, point (g)

(g) to contribute to a fund established by international and regional organizations, other donors or partner countries;

(g) to contribute to a fund established by **European Union, Member States**, international and regional organizations, other donors or partner countries;

Amendment 57

Article 16, paragraph 1

(1) Community financing may also cover expenditure associated with the preparation, follow-up, monitoring, auditing and evaluation activities directly necessary for the implementation of this regulation and for the achievement of its objectives, e.g. studies, meetings, information, awareness raising, training and publication activities, expenditure associated with computer network for the exchange of information and any other administrative or technical assistance expenditure that the Commission may incur for the management of the program. It shall also cover expenditure at Commission Delegations on the administrative support needed to manage operations financed under this Regulation.

(1) Community financing may also cover expenditure associated with the preparation, follow-up, monitoring, auditing and evaluation activities directly necessary for the implementation of this regulation and for the achievement of its objectives, e.g. studies, meetings, information, awareness raising, training and publication activities, **training measures for partners enabling them to take part in the various stages of the programs**, expenditure associated with computer network for the exchange of information, **technical assistance for establishment of Euroregions and their secretariats** and any other administrative or technical assistance expenditure that the Commission may incur for the management of the program. It shall also cover expenditure at Commission Delegations on the administrative support needed to manage operations financed under this Regulation.

Amendment 58

Article 17, paragraph 1, point (a)

(a) Member States, and in particular their public and parastatal agencies;

(a) Member States, and also **their regional /local level** as well as public and parastatal agencies;

Justification

The regional/ local level is the most important one in the field of cross-border cooperation

Amendment 59

Article 17, paragraph 1, point (b)

(b) other donor countries, and in particular their public and parastatal agencies;

(b) **EEA-countries, Switzerland and** other donor countries, and in particular their public and parastatal agencies;

Justification

The draft regulation does not take into account the role of the EEA-countries and Switzerland as our cooperation partners and co-donors. Particularly our Northern neighbours and partners, Norway and Iceland, are playing an active role in both bilateral and multilateral cooperation in the Northern Regions. Both countries are full members of the Council of the Baltic Sea States, Barents Euro-Arctic Council and the Arctic Council. When developing the European Neighbourhood Policy we should take fully into account all our Southern, Eastern and Northern Neighbours. Furthermore we should effectively utilise the economic resources of countries like Norway and Switzerland in co-financing of the ENP.

Amendment 60

Article 19, paragraph 1

(1) Budget commitments shall be made on the basis of decisions taken by the Commission in accordance with Articles 9(5), 12(1), 13(1) and 16(3).

(1) **Multiannual** budget commitments shall be made on the basis of decisions taken by the Commission in accordance with Articles 9(5), 12(1), 13(1) and 16(3).

Justification

Multiannual budget commitments are vitally important for ensuring the qualitative development of cross-border cooperation on the EU's future external borders and placing EU border regions on an equal footing with the Union's internal borders.

Amendment 61

Article 21, paragraph 2, indent 3

- any Member State of the European Economic Area.

- any Member State of the European Economic Area **and Switzerland.**

Justification

The draft regulation does not take into account the role of the EEA-countries and Switzerland as our cooperation partners and co-donors. Particularly our Northern neighbours and partners, Norway and Iceland, are playing an active role in both bilateral and multilateral cooperation in the Northern Regions. Both countries are full members of the Council of the

Baltic Sea States, Barents Euro-Arctic Council and the Arctic Council. When developing the European Neighbourhood Policy we should take fully into account all our Southern, Eastern and Northern Neighbours. Furthermore we should effectively utilise the economic resources of countries like Norway and Switzerland in co-financing of the ENP.

Amendment 62

Article 28, paragraph 1 a (new)

(1a) Assistance will not be commenced or will be suspended if any fundamental principle of public international law relied upon to protect human rights, including the rights recognized in the Charter of Fundamental Rights and Freedoms of the European Union .

