External actions: financing instrument for cooperation with industrialised and other high-income countries and territories

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The Committee on International Trade adopted the report by Helmut SCHOLZ (GUE/NGL, DE) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 1934/2006 establishing a financing instrument for cooperation with industrialised and other high-income countries and territories.

It recommended that the European Parliament's position at first reading under the ordinary legislative procedure (formerly known as the codecision procedure) should be to amend the Commission proposal as follows:

- ***title of the Regulation***: firstly, Members ask for care to be taken to ensure that this revised Regulation and the DCI (two cooperation policy instruments) be kept strictly separate from each other. They state that DCI measures (Regulation (EC) No 1905/2006) should focus on **Official Development Assistance** (ODA) criteria whereas in the framework of this Regulation, only measures which do not fulfil those criteria shall be taken into account. Therefore, Members amend the title of this Regulation accordingly;
- **extending the geographical scope of the Regulation**:according to Members, cooperation with partner countries shall be aimed at engaging with partners with **either industrialised, or so-called emerging or developing economies**, in order to enhance dialogue and rapprochement and to share and promote similar political, economic and institutional structures and values and to increase cooperation and exchanges with established or increasingly important bilateral partners and players in multilateral fora and in global governance. It is also necessary to ensure that the industrialised and other high-income countries and territories, are not placed at a disadvantage, particularly in financial terms, by the extension of that Regulation's geographical coverage;
- **objective of cooperation**: Members insist that Community financing under this Regulation shall support economic, financial, technical, cultural and academic cooperation in the partner countries. As well as strengthening economic links and bilateral agreements with partner countries, Members call for the Regulation to promote constructive dialogue and to contribute to progress and sustainable development processes in the partner countries, while fostering mutual interests, namely the **promotion of democracy, respect for human rights and fundamental freedoms, the rule of law, decent work, good governance, and the preservation of the environment**;
- **respect by the partner countries of the International Labour Organisation (ILO) standards and environmental standards**: Members insist that Community aid should be proportionate to the efforts made by the recipient countries to open up their markets, comply with the international agreements of the World Trade Organisation (WTO) and of the International Labour Organisation (ILO), and help to pursue global objectives to reduce greenhouse gas emissions;
- **coherence with other areas of external action**:overall, Members request that for measures financed under this Regulation, the Community shall aim to ensure coherence with other areas of its external action as well as other relevant Community policies, in particular development cooperation. This shall be ensured by formulating policy, strategic planning and the programming and implementation of measures. In this respect, Members set out the measures financed under this Regulation. These measures should in particular aim to promote cooperation, partnerships and joint undertakings between economic, social, cultural, academic and scientific actors in the Community and partner countries; stimulate bilateral trade, investment flows and economic partnerships;

promote dialogues between political, economic, social and cultural actors and other non-governmental organisations in relevant sectors in the Community and partner countries; promote people-to-people links such as through the Erasmus Mundus Programme; and lastly promote cooperative projects in areas such as research, science and technology, sports and the environment, etc… It should be noted that Community assistance under this Regulation shall not be used to finance the procurement of arms or ammunition, and operations having military or defence implications;

- **improved role of the Parliament with regard to its involvement in programming, evaluation and reporting**: in addition to the obligation to inform the European Parliament on the measures financed under this Regulation (in particular, through the regular exchange of views on the proposed actions, the annual action programmes, the evaluation reports,…), Members ask the Commission to inform the European parliament of any likely changes to be made to the list of partner countries (Annex I and II of the draft Regulation). Members request that the Parliament has greater involvement in drawing up and review of the multiannual cooperation programmes, including the power to object these proposals if deemed necessary, due to which reason "delegated acts" (Article 290 TFEU) have been introduced for the adoption of the multi-annual cooperation programmes;
- **evaluation of actions**: the Commission shall evaluate the actions and programmes financed under this Regulation regularly, where appropriate or **at the request of the European Parliament** or the Council by means of independent external evaluations, in order to ascertain whether the objectives have been met or if they have not been met, the extent to which they have been met, as well as whether the cost effectiveness of the measures financed by the Community and the impact of those measures have been satisfactory. On the basis of those evaluations the Commission shall formulate recommendations with a view to improving future operations. The evaluation reports and the detailed annual report on the implementation of the amended Regulation shall be sent to European Parliament;
- **financial provisions**: although the amount proposed by the Commission (EUR 172 million for countries listed in Annex I (industrialised countries) and EUR 176 million for countries listed in Annex II (developing countries)) has not been amended by the committee, Members ask the Commission to provide the Parliament with detailed information on all budget lines and the annual appropriations to be used for financing the measures under this Regulation. They ask for care to be taken to ensure that the industrialised and other high-income countries and territories listed in Annex I are not placed at a disadvantage by the application of the present regulation to the partner countries listed in Annex II. Moreover, appropriations programmed for use under Regulation (EC) No 1905/2006 shall not be used for this purpose.