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

2009/0059(COD) - 13/12/2010 - Commission communication on Council's position

In its communication to the European Parliament concerning the position of the Council on the adoption of 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, the Commission can accept the Council position which is the outcome of constructive negotiations between the three institutions. It is in line with the essential objectives and the underlying approach of the Commission's initial proposal.

A compromise text was negotiated initially by Parliament, Council and Commission to achieve an agreement at Parliament's first reading originally foreseen in June 2010. To this end trilogues were held on 13 April and 5 May. However, an agreement was not possible either in June or July because of the specific issues mentioned below.

Main characteristics of the negotiated common position: the Council position reflects the following key elements:

- it is in the Union's interest to further deepen its relations with the developing countries in areas such as economic, commercial, academic, business and scientific exchanges – activities which even though in the EU interest, may not qualify as ODA;
- the instrument will finance measures which in principle do not qualify as ODA.

Amendments by Parliament not acceptable to Council):

- **delegated acts (Article 290 TFEU)**: Parliament seeks by its first reading amendments to apply this procedure to the adoption of multiannual strategy papers by the Commission. Despite long and intensive negotiations (notably trilogues held on 2 February, 23 March and 20 October) it was not possible to reach agreement on this issue. The Council has not accepted these amendments in its positions at first reading The Commission is ready to continue efforts to reconcile the positions of the institutions and to find ways to meet the substantive concerns behind Parliament's amendments, in particular in ensuring that Parliament can exercise appropriate oversight over the formulation of external cooperation strategies and the proper implementation of external financial instruments;
- **article 16 on the financial reference amount**: Parliament adopted an amendment to this article which the Council has not accepted in its first reading, preferring to retain the text proposed initially by the Commission. The Commission supports the Council position since it reflects the standard text on financial reference amounts which is included in every financial instrument. However, in order to facilitate agreement and re-assure the institutions, the Commission is ready to make the attached statement.

The Council position incorporates a negotiated compromise text which reflects to a very large extent the European Parliament's requests and amendments at first reading. The Commission can therefore accept the Council position at first reading.