

# Financing instrument for democracy and human rights worldwide (2014-2020)

2011/0412(COD) - 07/12/2011 - Legislative proposal

**PURPOSE:** to establish a new financing instrument for the promotion of democracy and human rights worldwide 2014-2020 in the framework of the reform of the EU external action financial instruments and following on from [previous EIDHR](#).

**PHILOSOPHY AND ACTION PLAN FOR EXTERNAL AID 2014-2020:** what happens outside the borders of the EU can and does directly affect the prosperity and security of EU citizens. It is therefore in the interest of the EU to be actively engaged in influencing the world around us, including through the use of financial instruments. The Lisbon Treaty marks, in this regard, a new departure in the EU's relations with the rest of the world.

The EU's engagement needs to be **tailored to individual circumstances**. Its partners range from development economies to the least developed countries in need of specific assistance from the EU.

In general, the overall objective for external action for the period 2014-2020 may be summarised as follows:

- long-term commitment to establishing an area of stability, prosperity and democracy in its own neighbourhood;
- facilitating the EU's engagement with third countries on issues that are of global concern, such as climate change, environmental protection, irregular migration and regional instabilities, and
- allowing the EU to respond rapidly and effectively to natural and manmade disasters around the world.

A major rationalisation of the instruments took place in 2003 and has begun to deliver more effective results. **The Commission does not consider that another major alteration of the legislative architecture is necessary for the next MFF period**, although some improvements are being proposed and the overall investment is being stepped up.

The Commission proposes to allocate **EUR 70 billion for the 2014-2020 period for external instruments broken down as follows:**

- [Financing instrument for development cooperation](#)
- [Partnership instrument for cooperation with third countries](#)
- [Instrument for Pre-accession Assistance \(IPA II\)](#)
- [European Neighbourhood Instrument](#)
- [Instrument for nuclear safety cooperation](#)
- [Instrument for Stability](#)
- The present Financing instrument for the promotion of democracy and human rights worldwide

In parallel and for the first time, the Commission proposes a single horizontal [regulation establishing common rules and procedures for the implementation](#) of the Union's instruments for external action.

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**BACKGROUND:** the European Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights (Article 2 of the Treaty on European Union). Furthermore, as also provided in the Treaty, the Union's action on the international scene “shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.” (Article 21).

Therefore, the promotion of democracy and human rights is an essential aspect of the EU’s external action. In promoting human rights and democracy worldwide, the EU is using a wide range of measures, from political dialogue and diplomatic initiatives to financial and technical cooperation and assistance.

The Regulation on establishing a European Instrument for Democracy and Human Rights (EIDHR)<sup>1</sup> constitutes a **corner stone of this political strategy** and is a unique and visible expression of the EU’s strong commitment to democracy and human rights. The instrument has generated genuine results and numerous success stories, providing support to civil society and human rights institutions worldwide as well as election observation. Due to its independence from Government consent and its flexibility, the EIDHR represents a key added value to the EU’ policy toolbox.

The general objectives and the scope of the EIDHR which are to contribute to the development and consolidation of human rights and fundamental freedoms, democracy and the rule of law worldwide, must be preserved in the new Regulation.

Recent developments in the European Neighbourhood, in particular the Arab Spring, have shown that there is a strong home-grown demand for increased freedoms and rights together with democracy that the EU needs to support.

**IMPACT ASSESSMENT:** the Commission considered three options (with some sub-options):

- **Option 1:** No separate EIDHR Regulation and mainstream human rights and democracy under other instruments;
- **Option 2:** no change to the current regulation with only an increase in the budget allocation that will provide for additional activities under the current framework;
- **Option 3:** building a better enabling regulation, while preserving the key features of the existing Regulation.

**The third option** was retained as it would allow preserving the political and operational benefits of the instruments, while allowing for a better adaptation of the regulation. Under this option, the new draft should be built as a better enabling regulation.

**LEGAL BASIS:** Article 202 and 209 of the Treaty on the Functioning of the European Union (TFEU).

**CONTENT:** this draft Regulation proposes to establish a new European Instrument for Democracy and Human Rights under which the Union shall provide assistance to the development and consolidation of democracy and the rule of law and of respect for all human rights and fundamental freedoms.

Such assistance shall aim in particular at:

- enhancing the respect for and observance of human rights and fundamental freedoms, as proclaimed in the Universal Declaration of Human Rights and other international and regional human rights instruments, and strengthening their protection, promotion and monitoring, mainly through support to relevant civil society organisations, human rights defenders and victims of repression and abuse;

- supporting and consolidating democratic reforms in third countries, by enhancing participatory and representative democracy, strengthening the overall democratic cycle, and improving the reliability of electoral processes, in particular by means of election observation missions.

**Scope and fields of action:** Union assistance shall relate to the following fields:

- support to and enhancement of participatory and representative democracy, including parliamentary democracy, and the processes of democratisation, mainly through civil society organisations;
- promotion and protection of human rights and fundamental freedoms, as proclaimed in the Universal Declaration of Human Rights and other international and regional instruments concerning civil, political, economic, social and cultural rights, mainly through civil society organisations;
- strengthening of the international framework for the protection of human rights, justice, the rule of law and democracy, and for the promotion of international humanitarian law;
- building confidence in and enhancing the reliability and transparency of democratic electoral processes, while contributing to the efficiency and consistency of the whole electoral cycle.

The promotion and protection of gender equality, the rights of the child, rights of indigenous peoples, rights of persons with disabilities, and principles such as empowerment, participation, non-discrimination of vulnerable groups and accountability shall be taken into account whenever relevant for all assistance measures referred to in this Regulation.

The assistance measures shall take into account the specific features of crisis or urgency situations and countries or situations where there is a serious lack of fundamental freedoms, where human security is most at risk or where human rights organisations and defenders operate under the most difficult conditions.

**Geographical scope:** the assistance measures shall be implemented in the territory of third countries or shall be directly related to situations arising in third countries, or shall be directly related to global or regional actions.

**General Framework for programming and implementation:** Union assistance under this Regulation shall be implemented through the following measures and in accordance with the Common Implementing Regulation:

- Strategy Papers and revisions thereof as appropriate;
- Annual Action Programmes, individual measures and support measures;
- Special Measures.

Strategy papers shall set out the priority areas selected for financing by the Union during the period of validity of this Regulation, the specific objectives, the expected results and the performance indicators. They shall also give the indicative financial allocation, both overall and per priority area; this may be given in the form of a range, where appropriate.

The proposed regulation also strengthens the coordination capacity and facilitates joint programming with the Member States, ensuring efficient labour division and effective aid delivery. The Union assistance shall focus where it has more impact, worldwide promotion of democracy, good governance, human rights and the rule of law, its long-term and predictable engagement in development assistance and its role in coordinating with its Member States.

In accordance with the Council decision establishing the organisation and functioning of the European External Action Service (EEAS)<sup>5</sup>, the High Representative/Vice-President shall ensure overall political coordination of the Union's external action, including through the EIDHR. In particular, the EEAS shall contribute to the programming and management cycle of the EIDHR.

**Implementation:** the implementation has been greatly simplified as an Article stipulates that the decision shall be implemented in accordance with the [future Regulation](#) establishing common implementation rules for external relations financing instruments.

**BUDGETARY IMPLICATIONS:** the instrument proposed is part of the measures to be implemented under the Heading IV "Global Europe" of the European Union's [Multiannual Financial Framework](#). The financial envelope for the implementation of this Regulation for the period 2014-2020 shall be EUR 1 578 000 000 (current prices). It corresponds to an approximate average annual envelope of EUR 225 000 000.