

External actions: financing instrument for the promotion of democracy and human rights worldwide

2009/0060B(COD) - 13/12/2011 - Final act

PURPOSE: to amend Regulation (EC) No 1889/2006 establishing a European Instrument for Democracy and Human Rights ([EIDHR](#)) in order to provide, on a case by case basis, eligibility of taxes for Community financing.

LEGISLATIVE ACT: Regulation (EU) No 1340/2011 of the European Parliament and of the Council amending Regulation (EC) No 1889/2006 on establishing a financing instrument for the promotion of democracy and human rights worldwide.

CONTENT: in order to improve the effectiveness and transparency of the Community's external assistance, a new framework for planning and delivering assistance was established in 2006 which included a series of regulations including Regulation (EC) No 1889/2006 on the promotion of democracy and human rights worldwide.

In implementing those Regulations inconsistencies emerged regarding exceptions to the principle of non-eligibility for Union financing of costs related to taxes, duties and other charges. This is why the European Parliament and the Council decided, following the agreement they reached in conciliation, to amend the relevant provisions of the Regulation in order to align it with the other instruments.

The objective is therefore to provide for a certain degree of flexibility, as is the case for the other financial instruments applicable to the Community's external cooperation, regarding the **eligibility for Community financing of costs related to taxes, duties and other charges**, which would not be authorised in principle.

ENTRY INTO FORCE: 31/12/2011.

DELEGATED ACTS: a certain number of amendments were the subject of intense debate in the Conciliation Committee on the question of the scope of the powers conferred on the Commission in the context of the implementation of this programme. In this regard, a bilateral declaration was inserted in the amended Regulation stipulating that as of the next programming period for the future external assistance financial instruments **delegated acts** would be used in order to enable the more flexible management of policies over the financing period, while respecting the prerogatives of the two branches of legislator (Parliament and the Council). The Commission specifically states that, with a view to the improved democratic scrutiny of external assistance, the use of delegated acts **in accordance with Article 290 of the Treaty** for certain aspects of programmes, would not only place the co-legislators on an equal footing but would also ensure more flexibility in programming (on this point, please refer to the Commission's communication entitled "[A budget for Europe 2020](#)").