# European Refugee Fund, European Return Fund and European Fund for the Integration of third-country nationals: increasing the Union co-financing rate

2012/0252(COD) - 13/03/2013 - Final act

PURPOSE : to increase the co-financing rate of the European Refugee Fund, the European Return Fund and the European Fund for the Integration of third-country nationals for certain Member States experiencing serious difficulties with respect to their financial stability.

LEGISLATIVE ACT : Decision No 258/2013/EU of the European Parliament and of the Council amending Decisions No 573/2007/EC and No 575/2007/EC of the European Parliament and of the Council and Council Decision 2007/435/EC with a view to increasing the co-financing rate of the European Refugee Fund, the European Return Fund and the European Fund for the Integration of third-country nationals as regards certain provisions relating to financial management for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability.

BACKGROUND : Decision No 573/2007/EC established the European Refugee Fund, Decision No 575 /2007/EC established the European Return Fund and Council Decision 2007/435/EC established the European Fund for the Integration of third-country nationals, as part of the General programme ‘Solidarity and Management of Migration Flows’. These Decisions provide for different Union co-financing rates for actions supported by the Funds.

The unprecedented global financial crisis and economic downturn have seriously damaged economic growth and financial stability, provoking a marked deterioration in financial, economic and social conditions in several Member States. Some Member States are experiencing serious difficulties or are threatened with such difficulties, particularly with respect to their financial and economic stability, leading to deterioration in their deficit and debt positions and threatening economic growth heightened by the international economic and financial environment.

In this context, Ensuring the smooth implementation of programmes adopted under the four Funds established as part of the General Programme on ‘Solidarity and Management of Migration Flows’, is of particular importance as a means of injecting funds into the economy.

These Funds are also key tools for helping Member States to address important challenges in the area of migration, asylum and external borders, such as the development of a comprehensive Union immigration policy to enhance the competitiveness and social cohesion of the Union and the creation of the Common European Asylum System.

Accordingly, in order to improve the availability of funding for the Member States in the area of migration, asylum and external borders and to implement their annual programmes under the Funds, it is necessary to **arrange for an increase in the Union co-financing rate under the Funds** for Member States experiencing serious difficulties with respect to their financial stability.

It should be noted that this proposal is closely linked to another proposal regarding a similar amendment of the External Borders Fund.

CONTENT : this Decision contains provisions that **allows an increase in the Union co-financing rate under the Funds, by an amount corresponding to twenty percentage points above the co-financing rates previously applicable,** for Member States experiencing serious difficulties with respect to their financial stability.

The aim is to ensure that Member States benefiting from a financial support mechanism (or any other member state which may be concerned by such assistance in the future) continue to implement on the ground the programmes adopted under these four funds, which are part of the General Programme on Solidarity and Management of Migration Flows.

**Procedure**: any Member State seeking to benefit from the increased co-financing rate should provide the Commission with a written statement together with its draft annual programme or draft revised annual programme. In its statement, the Member State concerned should provide a reference to the relevant Council Decision or to any other relevant decision that makes it eligible to benefit from the increased Union co-financing rate.

Financial assistance by the EU may be increased by 20 percentage points provided that the Member State meets one of the requisite conditions: i) medium-term financial assistance is made available to it in accordance with Council Regulation (EC) No 332/2002; ii) financial assistance is made available to it in accordance with Council Regulation (EU) No 407/2010 or financial assistance is made available to it by other euro area Member States; iii) financial assistance is made available to it in accordance with the intergovernmental agreement reached establishing the European Financial Stability Facility or the Treaty establishing the European Stability Mechanism.

Territorial provisions: the United Kingdom and Ireland have notified their wish to take part in the adoption and application of the Decision. Denmark, however, is not taking part in the adoption of this Decision and is not bound by it or subject to its application.

ENTRY INTO FORCE : 23/03/2013.