

External Borders Fund: increasing the Union co-financing rate

2012/0253(COD) - 13/03/2013 - Final act

PURPOSE: to increase the co-financing rate of the External Borders Fund for certain Member States experiencing serious difficulties with respect to their financial stability.

LEGSLATIVE ACT: Decision No 259/2013/EU of the European Parliament and of the Council amending Decision No 574/2007/EC with a view to increasing the co-financing rate of the External Borders Fund for certain Member States experiencing or threatened with serious difficulties with respect to their financial stability

BACKGROUND: Decision No 574/2007/EC establishes the [External Borders Fund](#) for the period 2007 to 2013 as part of the General programme ‘Solidarity and Management of Migration Flows’ and provides for different Union co-financing rates for actions supported by the Fund.

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 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 a 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 **amend 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 Decision is closely linked to [another text](#) regarding a similar amendment of the three Funds established under the General programme ‘Solidarity and Management of Migration Flows’.

CONTENT: this Decision contains provisions that **allow 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 the 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:

- medium-term financial assistance is made available to it in accordance with [Council Regulation \(EC\) No 332/2002](#) establishing a facility providing medium-term financial assistance for Member States' balances of payments;
- financial assistance is made available to it in accordance with [Council Regulation \(EU\) No 407/2010](#) establishing a European financial stabilisation mechanism or financial assistance is made available to it by other euro area Member States;
- 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 Decision contains a series of territorial provisions establishing the rules for association with the Decision for Iceland, Norway, Switzerland and Liechtenstein. Denmark must decide within a period of six month whether it will implement it in its national law. The United Kingdom and Ireland will not take part in the Decision.

ENTRY INTO FORCE: 23/03/2013.