European Neighbourhood Instrument 2014-2020

2011/0405(COD) - 11/03/2014 - Final act

PURPOSE : to establish a European Neighbourhood Instrument for the period 2014-2020 following on from the European Neighbourhood and Partnership Instrument 2007-2013.

LEGISLATIVE ACT : Regulation (EU) no 232/2014 of the European Parliament and of the Council **establishing a European Neighbourhood Instrument.**

BACKGROUND : this Regulation forms part of the new Multiannual Financial Framework (MFF) 2014-2020 in the field of the Union's external relations and cooperation with third countries. The relevant instruments are as follows:

- Financing instrument for development cooperation
- Partnership instrument for cooperation with third countries
- Instrument for Pre-accession Assistance (IPA II)
- this European Neighbourhood Instrument (ENI)
- Instrument for nuclear safety cooperation
- Instrument for Stability
- Financing instrument for the promotion of democracy and human rights worldwide

All the procedures applicable to the implementation of these financial instruments will be governed by a single Regulation, adopted at the same time.

CONTENT : the Regulation establishes a European Neighbourhood Instrument (ENI) with a view to advancing further towards an area of shared prosperity and good neighbourliness involving the Union and the partner listed in Annex I by developing a special relationship founded on cooperation, peace and security, mutual accountability and a shared commitment to the universal values of democracy, the rule of law and respect for human rights.

Human rights : the Union should promote the values of liberty, democracy, the universality and indivisibility of, and respect for, human rights and fundamental freedoms, and the principles of equality and the rule of law, on which it is founded,

Specific objectives: Union support should target in particular:

- strengthening policy cooperation;
- deep and sustainable democracy;
- achieving progressive economic integration and

- strengthening partnership through civil society.

These should be achieved through: (i) promotion of democracy; (ii) achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation; (iii) creating conditions for the better organisation of legal migration and the fostering of well-managed mobility of people; (iv) supporting sustainable and inclusive development and reducing poverty; (v) promoting good neighbourly relations and preventing conflicts;(vi) enhancing sub-regional, regional and European Neighbourhood-wide collaboration.

Progress in these areas will be assessed on the basis of **performance indicators** specified in the Regulation.

Partner countries: Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, The Republic of Moldova, Morocco, occupied Palestinian territory (oPt), Syria, Tunisia, Ukraine and Russia under cross-border cooperation, regional cooperation and cooperation on education under ERASMUS +.

Implementation and principle of differentiation: support shall be **incentive-based** and **differentiated in form and** amounts, taking into account **certain elements** listed in the Regulation, inter alia, **reflecting the partner country's respect** for democracy, **absorption capacity** and the potential impact of Union support and **partnership with the Union, including the level of ambition for that partnership.** Up to 10% of the financial envelope may be used to facilitate the implementation of the incentive-based approach. On the other hand, support may be reconsidered in the event of serious or persistent regression.

The incentive-based approach shall not apply to support to **civil society**, people-to-people contacts, including cooperation between local authorities, support for the improvement of human rights, or crisis-related support measures.

The incentive-based approach shall also be the subject of a regular exchange of views in the European Parliament and in the Council.

Implementation: measures will be implementation in accordance with the provisions of the horizontal Regulation on common rules and procedures for Instruments for financing external action.

Financial envelope: in accordance with the MFF, the financial envelope for the implementation of the Regulation shall be **EUR 15 432 634 000** at current prices. Up to 5 % of the financial envelope shall be allocated to the cross-border cooperation programmes.

Furthermore, the promotion of the international dimension of higher education will receive an amount of **EUR 1.68 billion** from these financial instruments:

- the Development Cooperation Instrument
- the European Neighbourhood Instrument
- the Instrument for Pre-accession Assistance
- the Partnership Instrument.

Monitoring of progress: the progress of partner countries shall be regularly assessed, in particular by means of ENP progress reports which include trends as compared to previous years. **Support may be reconsidered** in the event of serious or persistent regression.

Implication of civil society: the objectives of this Regulation should be pursued with the appropriate involvement of external action partners, including civil society organisations and local authorities, in preparing, implementing and monitoring Union support, given the importance of their roles.

Coherence and donor coordination: in the implementation of this Regulation, coherence shall be ensured with all areas of the Union's external action as well as other relevant Union policies.

Programming and indicative allocation of funds: Union support under this Regulation shall be programmed through:

- bilateral programmes covering Union support to one partner country;
- multi-country programmes which address challenges common to all or a number of partner countries;
- cross-border cooperation programmes addressing cooperation between one or more Member States, on the one hand, and one or more partner countries and/or the Russian Federation.

Specific measures are provides as regards the setting out the framework for cross-border cooperation.

Annexes: the Regulation includes an Annex setting out precisely the priorities for Union support under the Regulation and certain percentages as regards the allocation of funds.

Dialogue with the European Parliament: provisions have been laid down in a Commission declaration in which the Commission should inform the European Parliament of any actions carried out in the framework of the strategic dialogue.

Suspension of the assistance: a unilateral statement was made by the European Parliament on the suspension of assistance granted under the financial instruments. It states that financial instruments applicable to EU foreign policy do not contain any explicit reference to the possibility of suspending assistance in cases where a beneficiary country fails to observe the basic principles enunciated in the respective instrument. The European Parliament considers that any suspension of assistance under these instruments would modify the overall financial scheme agreed under the ordinary legislative procedure.

ENTRY INTO FORCE: 16.03.2014. The Regulation shall apply from 01.01.2014 to 31.12.2020.

DELEGATED ACTS: the Commission may adopt delegated acts as regards the modification of the list of priorities for Union support under the Regulation (in particular following the publication of the mid-term review report which is due by 31 March 2018). The power to adopt delegated acts is conferred on the Commission for the duration of the programme. The European Parliament or the Council may object to a delegated act within a period of two months from the notification (this period may be extended by 2 months). If the European Parliament or the Council make objections, the delegated act shall not enter into force.