EU/Norway Agreement: supplementary rules in relation to the instrument for financial support for external borders and visa

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PURPOSE: to conclude an Agreement between the European Union and the Kingdom of Norway on supplementary rules in relation to the instrument for financial support for external borders and visa, as part of the Internal Security Fund for the period 2014 to 2020.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: Regulation (EU) No 515/2014 of the European Parliament and of the Council establishing, as part of the Internal Security Fund, the instrument for financial support for external borders and visa became applicable as of 1 January 2014. Furthermore, Regulation (EU) No 514/2014 of the European Parliament and of the Council laying down general provisions on the Asylum, Migration and Integration Fund and on the instrument for financial support for police cooperation, preventing and combating crime, and crisis management also became applicable on the same date.

Under this Regulation, the provisions of the Regulation (EU) No 514/2014 apply to the instrument for financial support for external borders and visa as part of the Internal Security Fund (the ISF-Borders and Visa).

The purpose of the ISF-Borders and Visa is to establish a solidarity mechanism binding the participating states by the same European rules on the control of external borders in each other's interests and on each other's behalf. The ISF-Borders and Visa will serve to accomplish a key objective of the Schengen acquis, namely to **share responsibility for an 'efficient, high and uniform level of control at the external borders'**. It is thus a development of the Schengen acquis.

Article 5(7) of Regulation (EU) No 515/2014 provides that the countries associated with the implementation, application and development of the Schengen acquis **participate in the instrument in accordance with its provisions and that arrangements are to be concluded on their financial contributions and the supplementary rules necessary for such participation**, including provisions ensuring the protection of the Union's financial interests and the power of audit of the Court of Auditors, as the respective Association Agreements do not provide for such rules.

The aim of the draft Agreement with Norway is to establish the arrangements of this participation and to enable the Commission to assume ultimate responsibility for implementation of the budget of the instrument in this associated country and determine this country's contribution to the Union budget in respect of this instrument.

CONTENT: under this proposal, it is proposed that the Council adopt the Decision in which it is called upon to conclude, on behalf of the European Union, the Agreement between the European Union and the Kingdom of Norway on supplementary rules in relation to the instrument for financial support for external borders and visa, as part of the Internal Security Fund, for the period 2014 to 2020.

Rules for the participation of Norway in the ISF-Borders and Visas: the Agreement provides for a number of technical provisions to establish the framework for participation. The funds allocated to Norway under the ISF-Borders and Visa shall be used in accordance with the principle of sound financial management.

Protection of the financial interests of the Union against fraud is also stressed.

Budgetary control: provisions are laid down as regards budgetary and financial controls. Member States shall be subject to horizontal obligations (e.g. the competence of the Court of Auditors and of the European Anti-Fraud Office (OLAF)) derived either directly from the Treaty or from secondary Union legislation. Moreover, the Court of Auditors and OLAF shall be granted suitable access to carry out controls.

Financial contributions from Norway to the ISF: provisions are also provided to guarantee the payments of the contribution from Norway to the ISF for the implementation of EU actions and its mid-term review and other specific actions.

For the years 2016 to 2018, Norway shall make annual payments to the budget of the ISF-Borders and Visa in the order of **EUR 19 777 712**.

Territorial application: Regulation (EU) No 515/2014 constitutes a development of the Schengen acquis. In this regard, the present Agreement with Norway also builds on the Schengen acquis.

Denmark shall not take part in the adoption of this decision and will not be bound by it or be subject to its application. The same goes for the United Kingdom and Ireland.