Development cooperation, NIS and Mongolia: assistance to economic reform and recovery, Tacis programme, 2000-2006

1998/0368(CNS) - 08/01/1999 - Legislative proposal

PURPOSE: to propose a Council regulation concerning the provision of assistance to economic reform and recovery in the New Independent States and Mongolia. CONTENT: the proposed regulation sets out the terms and conditions for a programme to provide assistance to economic reform and recovery in the New Independent States and Mongolia for the period 01/01/2000 to 31/12/2006. Within the framework of the programme, support will be given to: - technical assistance; - twinnings and industrial cooperation based on partnerships between public and private organisations from the European Union and partner countries; - on a case by case basis, the reasonable cost of supplies required in the implementation of the assistance. In particular cases, including nuclear safety, justice and home affairs and cross-border cooperation, a significant supply element may be included; - investment and investment-related activities. Assistance may include technical assistance to catalyse and support investments. Assistance may also include investment-financing, notably in the areas of cross-border cooperation, promotion of SMEs, environmental infrastructure and networks of strategic importance to the Community. The proposed regulation sets out three main priorities for assistance: - greater concentration of the assistance on a limited number of large-scale initiatives to achieve maximum impact; - clearly differentiated country programmes; - support for the objectives of the Partnership and Cooperation Agreements (PCAs). The proposal provides for improvement in the quality of assistance by means of an "incentive" scheme. Under this scheme, projects shall be selected on the basis of proposals received from the partner states and according to criteria to be agreed in accordance with a committee procedure set out in the directive. The total budget for the 7-year duration of the programme amounts to EURO 4,000 million. The annual budget for the year 2000 is fixed at EURO 510 million and is set to rise by an average 3.77% per year thereafter. A maximum of 25% of the annual budget could be allocated to investment-related activities. Similarly, a maximum of 25% of the annual budget could be allocated to the incentive scheme. Finally, the Commission undertakes to make an annual progress report on the implementation of the assistance programme to the Member States, the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions. In the event that an essential element for the continuation of cooperation through assistance is missing (particularly violation of democratic principles and human rights) the Council may, on a proposal from the Commission and acting by a qualified majority, decide upon appropriate measures concerning assistance to the partner state or states concerned.