

# Co-financing operations with European non-governmental development organisations (NGOs) in fields of interest to the developing countries

1995/0168(SYN) - 17/07/1998 - Final act

**OBJECTIVE:** to establish the arrangements for co-financing operations with European NGOs in fields of interest to the developing countries. **COMMUNITY MEASURE:** Council Regulation (EC) 1658/98 on co-financing operations with European non-governmental organisations (NGOs) in fields of interests to the developing countries. **SUBSTANCE:** The Community co-finances with European NGOs operations to meet the basic needs of disadvantaged people in developing countries. Priority is given to proposals for operations based on an initiative by partners in developing countries. These operations, proposed by European NGOs and conducted in cooperation with their partners in the developing countries, aim to alleviate poverty and enhance the target group's quality of life and own development capacity. The Community also co-finances operations aiming to: - raise public awareness and information in Europe about development problems in the developing countries, - reinforce cooperation and coordination between NGOs from the Member States and between them and the Community Institutions. The agents of cooperation are NGOs constituted in a Member State in accordance with the laws of that State, which have their headquarters there and the majority of whose funding originates in Europe. Particular attention is to be paid to NGOs which have a large capacity to mobilise development funding, who have good administrative and financial management capacities and experience in this area. Operations to be implemented: - with regard to development: essentially local, social and economic development in rural and urban areas, human resources development through training and institutional support for local partners; particular attention is to be given to operations connected with strengthening civil society (promoting human rights and democracy), women and sustainable development and the protection of threatened cultures (endangered indigenous cultures) and improving the rights and protection of children; - with regard to public awareness: operations which highlight the interdependence of the Member States and the developing countries, which seek to mobilise support for more equitable North-South relations, encourage cooperation between NGOs and enable partners in the developing countries to play an active part; - with regard to coordination, support for the development of appropriate exchange and communication networks. Priority for co-financing is to be given to operations which will have a durable impact and will be consistent with other actions of decentralised agents. Community co-financing can cover investment spending and operational spending and any spending necessary for the smooth implementation of the co-financed operations, including the administrative costs of NGOs. Variations in exchange rate may also be taken into consideration. Aid will take a form of non-repayable grants or contributions to working capital for micro credit projects. With regard to the decision-making procedure, the Commission will be responsible for appraising and administering the co-financing of operations covered by the regulation. It will be assisted by a committee composed of the representatives of the Member States. In general, the decision as to whether an operation is to be supported should be taken within six month of receipt of the application. If the decision is negative, reasons must be given. The Community contribution shall not exceed 50% of the total cost or 75% of total contributions, except in exceptional cases. In every case, the Community contribution must not exceed 85% of the total financial contributions. Decisions on Community co-financing of projects exceeding ECU 2 million will be subject to a comitology procedure (type IIb Committee). Every three months the Commission must inform the Member States of the co-financing projects approved. An annual report is forwarded to Parliament and the Council containing a summary of operations co-financed during the past year and an evaluation of them and general guidelines for future operations. Regular evaluations are envisaged to establish whether the objectives of the operations have been attained. An overall evaluation is to be submitted three years after the regulation comes into force, with proposals for amending it. **ENTRY INTO FORCE:** 02/08/1998.