

Development cooperation: European Instrument for Democracy and Human Rights 2007-2013

2006/0116(COD) - 26/06/2006 - Legislative proposal

PURPOSE : to propose a new financing instrument to promote democracy and human rights worldwide which will replace the present external assistance scheme (European Initiative for Democracy and Human Rights (EIDHR) which will expire at the end of 2006.

PROPOSED ACT : Regulation of the European Parliament and of the Council.

LEGAL BACKGROUND: the objective of the proposal for a new financing instrument for the promotion of democracy and human rights is to provide a legal basis for the successor programme to the European Initiative for Democracy and Human Rights (EIDHR), which is based on two regulations that expire end 2006. The proposed instrument is based both on Article 179 (1) TEC , which covers measures in the field of development cooperation with developing countries, and on Article 181a (2) TEC , which covers measures in the field of economic, financial and technical cooperation with third countries other than developing countries. This legal basis secures a global outreach of the instrument.

To recall, in September 2004, the Commission tabled a proposal for a Regulation of the European Parliament and of the Council establishing a financing instrument for development cooperation and economic cooperation.

After trilateral consultations between the Commission, the European Parliament and the Council, it was decided to split that proposal into three separate texts:

- i) the present proposal for a Regulation establishing a financing instrument for the promotion of democracy and human rights world wide;
- ii) a Regulation establishing a financing instrument for development cooperation based on Article 179 TEC (**COD/2004/0220**);
- iii) a Regulation establishing a financing instrument for cooperation with industrialised and other high-income countries and territories based on Article 181 a TEC (**CNS/2006/0807**).

The financial reference provided by the 2004 cooperation instrument shall be broken down to take account of this division. Moreover, in order to enable a common approach to the Community's operations in this field, it is envisaged that the separate draft Regulations will as far as possible contain identical provisions, and be adopted simultaneously.

CONTENT: the objective of the proposal for a new financing instrument for the promotion of democracy and human rights is to provide a legal basis for the successor programme to the European Initiative for Democracy and Human Rights (EIDHR), which is based on two regulations that expire end 2006.

The new instrument, like EIDHR, will have the specific mission to assist in meeting EU policy objectives regarding the promotion of human rights and democracy in external relations, as indicated in Treaty mandates and articulated in Commission communications, European Parliament resolutions and Council conclusions over the years. These objectives are of a global nature, reflected in EU Guidelines on Human Rights issues and echoed in different ways in the Stabilisation and Association process, the European Neighbourhood policy, and in the European Consensus on Development, as well as in new regional

initiatives such the EU Strategy for Africa and EU strategic partnership with Latin America and the EU policy towards Asia. The main policy framework for the EIDHR has been set by the 2000 and 2001 Commission communications.

General principles

The new instrument, will, like EIDHR, be designed to complement the various other tools for implementation of EU policies on democracy and human rights, which range from political dialogue and diplomatic demarches to various instruments of financial and technical cooperation, including both geographic and thematic programmes. It will also complement the more crisis-related interventions of the new Stability instrument. Whilst democracy and human rights objectives are increasingly “mainstreamed” in these various instruments, the new financing instrument will have a specific complementary role by virtue of its global nature and its independence of action. As with EIDHR, this makes possible cooperation with civil society on sensitive human rights and democracy issues, providing the flexibility to respond to changing circumstances or to support innovation, contrasting with the long term programming approach of the geographic programmes. It also provides an EC capacity to articulate and support specific objectives and measures at international level, which are neither geographically linked nor crisis related, which may require a transnational approach or involve operations both within the EU and in a range of partner countries. It provides the necessary framework for operations such as EU election observation requiring policy coherence, a unified management system and common operating standards.

Scope and objectives

The objectives are fourfold:

1. to enhance respect for human rights and fundamental freedoms where they are most at risk and providing support and solidarity to victims of repression and abuse;
2. to strengthen the role of civil society in promoting human rights and democratic reform, developing political participation and representation, and supporting conflict prevention;
3. to support the international framework for the protection of human rights, the rule of law and the promotion of democracy;
4. to build confidence in democratic electoral processes through further development of electoral observation and assistance.

General principles for the implementation of the Regulation

The proposal lays down general principles for the implementation of the Regulation, namely that

- § assistance under the European Instrument for Democracy and Human Rights shall complement assistance provided for under other financing instruments referred to in the provision,
- § assistance is consistent with the relevant EU policies in the field,
- § coordination is ensured with respective assistance programmes of Member States,
- § exchanges of information are sought with the European Parliament and civil society.

General procedural framework for implementation

Community assistance under this Regulation shall be implemented through the following measures:

a) **Strategy Papers and revisions** thereof as appropriate: these shall set out the Community's strategy for Community assistance under this Regulation, the Community's priorities, the international situation and

the activities of the main partners. They shall set out the priority areas selected for financing by the Community, the specific objectives, the expected results and the performance indicators. They shall also give the indicative financial allocation, both overall and per priority area; this may be given in the form of a range, where appropriate. They shall be reviewed at mid-term, or ad hoc if necessary.

b) **Annual Action Programmes:** the Commission shall these based on the Strategy Papers and revisions referred to above. They shall specify the objectives pursued, the fields of intervention, the expected results, the management procedures and the total amount of financing planned. They shall contain a description of the operations to be financed, an indication of the amounts allocated for each operation and an indicative implementation timetable.

c) **Special Measures:** in the event of unforeseen needs or exceptional circumstances, the Commission may adopt Special Measures not covered in Strategy Papers. These measures shall specify the objectives pursued, the areas of activity, the expected results and the total amount of financing planned. They shall contain a description of the operations to be financed, an indication of the amounts allocated

for each operation and an indicative implementation timetable.

In addition, the proposal allows the Community to finance with operational and administrative expenditure credits Support Measures necessary for the implementation of the Regulation and for achieving its objectives. Where Support Measures are financed outside the scope of Strategy Papers, they shall be adopted in the same manner as Special Measures.

The draft Regulation also lays additional provisions. In particular, it:

- § allows the Community to finance with operational and administrative expenditure credits Support Measures necessary for the implementation of the Regulation and for achieving its objectives. Where Support Measures are financed outside the scope of Strategy Papers, they shall be adopted in the same manner as Special Measures;
- § lists the entities, bodies and institutions eligible for receiving grants under this Regulation. In line with current practice and the respective provisions in other external assistance instruments;
- § allows the Commission to manage the measures financed under this Regulation using management methods provided for in the Financial Regulation (centralised management or joint management with international organisations). It establishes the criteria for delegating budget implementation tasks to national public-sector bodies or bodies governed by private law with a public-service mission;
- § lists the forms of budget commitments and types of financing on the basis of Commission decisions on Strategy Papers, Annual Action Programmes, Special Measures and Support Measures. It identifies the European Inter-University Centre for Human Rights and Democratisation (EIUC) as a potential recipient of grants under this Regulation for securing the continuation of the European Master's Degree Programme in Human Rights and Democratisation and the EU-UN Fellowship Programme. The legal basis for the present financing of the European Inter-University Centre expires by end 2006. It also opens up the possibility of cofinancing with Member States, other donor countries, international and regional organisations, and other entities;
- § sets out the rules for participation in the award of grants and public contracts financed under this Regulation. It allows in particular natural and legal persons of third countries which open their own grant procedures and public procurement to EU Member States to take part in grant award and procurement procedures under this Regulation. The provisions comply with the abrogated Regulations on access to Community external assistance;

§ it binds the Commission to monitor and review, and regularly to evaluate the effectiveness of its programming under this Regulation. Member States and the European Parliament shall receive the respective reports for their information and discussion.

Financial provisions and entry into force: the draft Regulation sets out the total reference amount of **EUR 1,103.72 million from 2007-2013**. It shall apply from 1 January 2007 as it is imperative to ensure continuity of the legal basis for complementary external assistance in the field of promoting democracy.

For further information concerning the financial implications of this measure, please refer to the financial statement.