

### Basic information

**1995/0168(SYN)**

SYN - Cooperation procedure (historic)

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

Repealed by [2004/0220\(COD\)](#)

**Subject**

6.30 Development cooperation

6.30.02 Financial and technical cooperation and assistance

6.40.14 Relations with non-governmental organisations, NGOs

Procedure completed

### Key players

|                               |   |  |                                      |                  |
|-------------------------------|---|--|--------------------------------------|------------------|
| European Parliament           | <b>Committee responsible</b>            |  | <b>Rapporteur</b>                    | <b>Appointed</b> |
|                               | <b>DEVE</b> Development and Cooperation |  |                                      |                  |
|                               | <b>Former committee responsible</b>     |  | <b>Former rapporteur</b>             | <b>Appointed</b> |
|                               | <b>DEVE</b> Development and Cooperation |  | PAAKKINEN Saara-Maria (PSE)          | 08/09/1995       |
|                               | <b>Former committee for opinion</b>     |  | <b>Former rapporteur for opinion</b> | <b>Appointed</b> |
|                               | <b>BUDG</b> Budgets                     |  | DELL'ALBA Gianfranco (ARE)           | 07/09/1995       |
|                               | <b>CONT</b> Budgetary Control           |  | WYNN Terence (PSE)                   | 05/09/1995       |
| Council of the European Union | <b>Council configuration</b>            |  | <b>Meetings</b>                      | <b>Date</b>      |
|                               | Economic and Financial Affairs ECOFIN   |  | 2023                                 | 1997-07-07       |
|                               | Budget                                  |  | 2114                                 | 1998-07-17       |
|                               | Development                             |  | 2012                                 | 1997-06-05       |
|                               | Development                             |  | 1897                                 | 1995-12-20       |

### Key events

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|--|--|--|--|

| Date       | Event   | Reference  | Summary |
|------------|---|--|---------|
| 10/07/1995 | Legislative proposal published                                  | COM(1995)0292<br> | Summary |
| 14/11/1995 | Committee referral announced in Parliament                      |  |         |
| 23/11/1995 | Vote in committee   |  | Summary |
| 23/11/1995 | Committee report tabled for plenary, 1st reading/single reading | A4-0300/1995   |         |
| 14/12/1995 | Debate in Parliament  |  | Summary |
| 20/12/1995 | Debate in Council   |  | Summary |
| 07/07/1997 | Council position published                                      | 08312/2/1997   | Summary |
| 18/09/1997 | Committee referral announced in Parliament, 2nd reading         |  |         |
| 26/11/1997 | Vote in committee, 2nd reading                                  |  | Summary |
| 26/11/1997 | Committee recommendation tabled for plenary, 2nd reading        | A4-0371/1997   |         |
| 17/12/1997 | Debate in Parliament  |                   | Summary |
| 08/07/1998 | Modified legislative proposal published                         | COM(1998)0404<br> | Summary |
| 17/07/1998 | Act adopted by Council after consultation of Parliament         |  |         |
| 17/07/1998 | End of procedure in Parliament                                  |  |         |
| 30/07/1998 | Final act published in Official Journal                         |  |         |

| Technical information      |  |
|----------------------------|--|
| Procedure reference        | 1995/0168(SYN)                             |
| Procedure type             | SYN - Cooperation procedure (historic)     |
| Procedure subtype          | Legislation                                |
| Amendments and repeals     | Repealed by <a href="#">2004/0220(COD)</a> |
| Legal basis                | EC Treaty (before Amsterdam) E 130W        |
| Stage reached in procedure | Procedure completed                        |
| Committee dossier          | DEVE/4/09095                               |

| Documentation gateway   |           |  |            |         |
|---|-----------|--|------------|---------|
| European Parliament   |           |  |            |         |
| Document type   | Committee | Reference  | Date       | Summary |
| Committee report tabled for plenary, 1st reading/single reading |           | <a href="#">A4-0300/1995</a><br><a href="#">OJ C 339 18.12.1995, p. 0004</a> | 23/11/1995 |         |
| Text adopted by Parliament, 1st reading/single reading          |           | T4-0655/1995<br><a href="#">OJ C 017 22.01.1996, p. 0420-0453</a>            | 15/12/1995 | Summary |
| Committee recommendation tabled for plenary, 2nd reading        |           | <a href="#">A4-0371/1997</a><br><a href="#">OJ C 388 22.12.1997, p. 0003</a> | 26/11/1997 |         |
|   |           | T4-0628/1997   |            |         |

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|--|--|---|-------------------------|-------------------------|
| Text adopted by Parliament, 2nd reading        |  | <a href="#">OJ C 014 19.01.1998, p. 0101-0124</a> | 18/12/1997              | <a href="#">Summary</a> |
| <b>Council of the EU</b>                       |  |   |                         |                         |
| <b>Document type</b>                           | <b>Reference</b>   | <b>Date</b>                                       | <b>Summary</b>          |                         |
| Council position                               | <a href="#">08312/2/1997</a><br><a href="#">OJ C 307 08.10.1997, p. 0001</a>   | 07/07/1997  | <a href="#">Summary</a> |                         |
| <b>European Commission</b>                     |  |   |                         |                         |
| <b>Document type</b>                           | <b>Reference</b>   | <b>Date</b>                                       | <b>Summary</b>          |                         |
| Legislative proposal                           | <a href="#">COM(1995)0292</a><br><br><a href="#">OJ C 251 27.09.1995, p. 0018</a> | 10/07/1995  | <a href="#">Summary</a> |                         |
| Commission communication on Council's position | <a href="#">SEC(1997)1641</a><br>   | 11/09/1997  | <a href="#">Summary</a> |                         |
| Modified legislative proposal                  | <a href="#">COM(1998)0404</a><br>   | 08/07/1998  | <a href="#">Summary</a> |                         |

|                               |                         |             |  |
|-------------------------------|-------------------------|-------------|--|
| <b>Additional information</b> |                         |             |  |
| <b>Source</b>                 | <b>Document</b>         | <b>Date</b> |  |
| European Commission           | <a href="#">EUR-Lex</a> |             |  |

|  |                         |
|--|-------------------------|
| <b>Final act</b>   |                         |
| <a href="#">Regulation 1998/1658</a><br><a href="#">OJ L 213 30.07.1998, p. 0001</a> | <a href="#">Summary</a> |

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

1995/0168(SYN) - 20/12/1995

Despite considerable effort, the Council was unable at this stage to reach agreement on the common positions on the Regulations on NGO cofinancing, the major problem lying with the procedures for taking decisions for implementation of the Regulations (committee procedure).

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

1995/0168(SYN) - 18/12/1997 - Text adopted by Parliament, 2nd reading

In adopting the recommendation for second reading by Mr Pertti Kullervo PAASIO (PSE, FI) Parliament approved the Council's common position, reintroducing most of the amendments adopted by Parliament at first reading, namely: - priority to operations based on an initiative by local partners; - cofinancing of activities relating to training; - special attention for activities relating to the rights of children; - with regard to cofinancing, provision of a clause allowing NGOs to reinvest in new projects part of the funding which has not been spent; - provision of special arrangements on the presentation

of files (decision to give support for an operation to be taken within six months, documents to be forwarded to the Commission within one month, etc.); - provision for a report to be forwarded to Parliament before 30 June each year giving details of the NGOs benefiting from co-financing, summarizing the operations financed in the course of the financial year, etc.; - review of the regulation every five years. It also made an amendment with regard to committee, calling for the establishment of a committee of an advisory nature.

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

1995/0168(SYN) - 07/07/1997 - Council position

In its common position on the proposal for a regulation on co-financing operations with NGOs in developing countries, the Council accepted the bulk of the Commission's proposals concerning the nature of the operations to be financed. However, the Council highlighted certain issues, particularly: - the type of operations that could be co-financed: it added to the operations already provided for those operations involving the protection of threatened cultures (especially endangered indigenous cultures), - the establishment of criteria to determine whether a proposed operation was suitable for co-financing: these criteria included both the projects and the nature of the NGO seeking co-financing, - the establishment of maximum limits for co-financing (50% of the total cost or 75% of total contributions), - a mechanism for the evaluation of operations, - the decision-making procedure: the Council proposed that projects and programmes exceeding ECU 2 million would be adopted in accordance with the IIb procedure of the decision on committee procedure, while the annual general guidelines and the revision of the general conditions (on access to co-financing) would be adopted in accordance with the IIa procedure. Finally, the Council took over a few of the amendments adopted by the European Parliament at first reading. These included, in particular, the amendment on the protection and improvement of the situation of children in developing countries.

## **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 interest 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 committee 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.

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

1995/0168(SYN) - 07/07/1997

The Council adopted the common position. The decision formalizes the political agreement reached by the Council on 5 June 1997.

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

1995/0168(SYN) - 11/09/1997 - Commission communication on Council's position

In adopting the recommendation for second reading by Mrs Marialiese FLEMMING (PPE, A), Parliament approved the Council's common position with the following amendments: - removal of the financial reference amount in the proposed document (ECU 10.6 million), - modification of the rate of overall assistance from the Community to NGOs: Parliament proposed a new rate of 60% instead of the 50% proposed by the Council in its common position, - addition of certain selection criteria to determine operations to receive financial aid: cooperation with organizations in Central and Eastern Europe, encouraging sound integration of education programmes on the environment, innovation, consolidating civil society and a greater say accorded to citizens. Moreover, Parliament stated that, in order to be able to apply for a grant in excess of ECU 100 000, the NGO should produce its accounts for the preceding two years, the current year and the year during which the grant-aided projects had been completed.

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

1995/0168(SYN) - 10/07/1995 - Legislative proposal

OBJECTIVE: to lay down procedures for the management of operations co-financed together with European NGOs in developing countries and in fields of interest to such countries (medium-term cooperation and development). SUBSTANCE: together with European NGOs, the Community co-finances operations designed to: . meet the basic direct needs of disadvantaged people in developing countries (operations proposed by NGOs and implemented together with their partners in the countries concerned), the aims being to alleviate poverty as well as enhancing the target group's quality of life and own development capacity; . sensitize and inform public opinion in Europe about the problems of developing countries; . reinforce cooperation and coordination among NGOs in the Member States and between them and the Community institutions. - Beneficiaries: all developing countries. - Agents of cooperation: all NGOs (non-profit-making organizations) which are properly constituted and have their headquarters in the same Member State and obtain the majority of their funding in Europe. Priority will be given to NGOs with a significant capacity to mobilize funding for development and with experience in this area. - Operations to be implemented: . development: essentially local social and economic development in rural and urban areas; development of human resources; institutional support for local partners. Particular attention will be given to the strengthening of civil society (promotion of human rights and democracy), women and sustainable development; . awareness enhancement: operations highlighting the interdependence between the European Community and developing countries, in a bid to mobilize support for more equitable North-South relations and to encourage cooperation between NGOs; . coordination: support for the development of exchange and communication networks. Community co-financing will cover investment and operational spending in foreign or local currency (including NGO administrative costs). NGOs will systematically encourage their local partners to contribute financially (or possibly in kind) according to their means. - Form of aid: non-repayable grants. - Decision-making procedure: the Commission will have sole responsibility for managing operations under the Regulation. - Information: an annual report must be submitted to the European Parliament and Council containing a summary of the operations financed in the course of the year, an evaluation of those operations, and general guidelines for the future (presentation of independent evaluations etc. where appropriate). - Budget: the financial statement makes provision for an amount of ECU 174 m in 1996 (this type of cooperation does not have a specific duration and is therefore renewed annually).

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

1995/0168(SYN) - 08/07/1998 - Modified legislative proposal

In its reexamined proposal following Parliament's opinion at second reading, the Commission has incorporated in full or in part six of the eight amendments adopted by Parliament. These amendments aim to: - give priority to operations based on local initiatives, - emphasise training and children's rights, - specify the type of information which the Commission must provide in its annual report to Parliament, - provide that as a general rule, the decision on support for an operation should be taken within six months of the date of receipt of the application; if the application is incomplete, the six-month period will run from the date of receipt of the information required; if the decision is negative, reasons must be forwarded, - take account of variations in exchange rates, - authorise agreements between European NGOs and local agents with regard to reinvestment of funds. It did not however incorporate the amendments advocating: - a deadline of 30 June each year for the annual report to be forwarded to Parliament, - reexamination of the regulation after five years of implementation, - modification of the committee procedure.

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

1995/0168(SYN) - 15/12/1995 - Text adopted by Parliament, 1st reading/single reading

In adopting the report by Mrs PAAKKINEN (PSE, FIN), the European Parliament approved this proposal for a regulation with the following amendments: - operations proposed to the Commission on the initiative of the partners in the developing countries should be given special attention; - cofinanced operations should encourage the development of human resources and, in particular, of training; - special attention should be paid to operations to promote the rights of the child; - it is no longer stipulated that public awareness and information operations should involve a European

dimension; - with regard to financing: the NGDO could agree with the beneficiaries that part of the financial assistance could be refunded and invested in new projects; - the decision as to whether an operation is to be supported should be taken within six months. If the decision is negative, reasons should be indicated. The documents to be transmitted to the Commission should be checked within one month; - the report to be transmitted to the EP should be submitted by 30 June of each year and give details of the NGDOs benefiting from cofinancing;