



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 29.9.2004
COM(2004) 629 final

2004/0220 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**establishing a financing instrument for development cooperation and economic
cooperation**

(presented by the Commission)

EXPLANATORY MEMORANDUM

The new structuring of Community instruments to implement external assistance under the 2007-2013 financial perspectives has largely been explained in the Commission's communications to the Council and the European Parliament on the subject of the perspectives¹ and in the introductory communication on the Basic Regulations. Further information on the general objectives, the specific objectives and the conditions governing implementation of the financial instrument for development cooperation and economic cooperation are given in the financial statement annexed to the Regulation. This Explanatory Memo therefore covers only the main provisions of the Regulation.

1. OBJECTIVES AND PRINCIPLES (TITLE I)

1.1. General objectives and areas of cooperation (Article 1)

Article 1 lays down the countries, territories and regions eligible for assistance under the Regulation (paragraph 1), the general objectives (paragraph 1) and the areas of Community cooperation (paragraph 2).

The Regulation covers all the world's countries, territories and regions except:

- the Member States of the Community;
- the Overseas Countries and Territories associated with the Community under Articles 182 to 188 of the Treaty establishing the European Community;
- the countries eligible for the pre-accession instrument (Albania, Former Yugoslav Republic of Macedonia, Bosnia-Herzegovina, Croatia, Serbia and Montenegro and Turkey);
- the countries eligible for the new European Neighbourhood and Partnership Instrument (Algeria, Armenia, the Palestinian Authority of the West Bank and the Gaza Strip, Azerbaijan, Byelorussia, Egypt, the Russian Federation, Georgia, Israel, Jordan, Lebanon, Libya, Morocco, Moldavia, Syria, Tunisia and Ukraine).

The Regulation covers the general objectives defined in Title XX (Development Cooperation) and Title XXI (Economic, financial and technical cooperation with third countries) of the Treaty establishing the European Community. It therefore provides support for both development policy² and all forms of cooperation with developing countries, countries in transition and industrialised countries. In accordance with the communication on the financial

¹ COM(2004) 101 of 10 February 2004 and COM(2004) 487 of 14 July 2004.

² Under Article 177 of the Treaty the Community's development policy is intended to foster “the sustainable economic and social development of the developing countries, and more particularly the most disadvantaged among them, the smooth and gradual integration of the developing countries into the world economy and the campaign against poverty in the developing countries”. In addition, “Community policy in this area shall contribute to the general objective of developing and consolidating democracy and the rule of law, and to that of respecting human rights and fundamental freedoms”.

perspectives,³ the Regulation is also the new consolidated legal basis for pursuing internal policy objectives at international, multilateral and global levels.

It does not impose any restrictions regarding the areas of Community cooperation or intervention. Any listing of such areas is purely illustrative. Areas may be chosen because they are pertinent to achieving the aims laid down in the Treaty, to the Community's international obligations and commitments (e.g. the Millennium Development Goals) or to the specific objectives provided for in the partnership and cooperation agreements with partner countries and regions. Nevertheless, areas in which cooperation is proposed should be selected with reference to the Community's guidelines on concentrating assistance,⁴ with a view to ensuring that the Community's policy and the policies of the Member States complement each other as required under Article 177 of the Treaty⁵ and in the light of the Commission's communications and the appropriate Council and Parliament resolutions.⁶

1.2. General Principles (Article 2)

Article 2 sets out the five main principles that are to govern implementation of the Regulation:

- consistency between the different areas of external activity, with other Community policies (as required under Articles 6 and 178 of the Treaty)⁷ and with Commission communications and Council resolutions;⁸
- coordination of cooperation policies and measures between Member States, between Member States and the Commission (as required under Article 180 of the Treaty⁹) and with Commission communications and Council resolutions;¹⁰

³ COM(2004) 487 of 14.7.2004, section 3.4.3.

⁴ The European Community's Development Policy - Statement by the Council and the Commission (1348/00) of 10 November 2000.

⁵ "Community policy in the sphere of development cooperation, which shall be complementary to the policies pursued by the Member States [...]" (Article 177).

⁶ - Communication from the Commission to the Council and the European Parliament on complementarity between Community and Member State policies on development cooperation (COM(1999) 218 of 6 May 1999).

- Development Council Resolution (8435/99) of 21 May 1999 on complementarity between European Community and Member States' development cooperation policies.

- European Parliament resolution on the Commission communication on complementarity between Community and Member State policies on development cooperation (A5-0227/2000 - 21 September 2000).

⁷ "Environmental protection requirements must be integrated into the definition and implementation of the Community policies and activities referred to in Article 3, in particular with a view to promoting sustainable development." (Article 6).

"The Community shall take account of the objectives referred to in Article 177 in the policies that it implements which are likely to affect developing countries" (Article 178).

⁸ - Development Council Resolution of 5 June 1997 on the coherence between the development cooperation policy and the other Community policies.

- Communication from the Commission to the Council and the European Parliament "Towards improved coherence between the Community development policy and other Community policies" (COM(2000) 254 of 18 April 2000)

⁹ "The Community and the Member States shall coordinate their policies on development cooperation and shall consult each other on their aid programmes, including in international organisations and during international conferences. They may undertake joint action. Member States shall contribute if necessary to the implementation of Community assistance programmes." (Article 180).

- coordination with other bilateral or multilateral donors in pursuit of the overall objective of EU external action of promoting a multilateral approach to resolution of international problems;
- redirection of Community assistance towards forms of sectoral and budgetary support aimed in particular at consolidating national development strategies and reform policies, making Community assistance more effective, promoting ownership, enhancing local capacity and encouraging coordination and complementarity between donors;
- respect for human rights and fundamental freedoms, democratic principles and the rule of law. The procedure for suspending aid where a partner country fails to comply with one of these essential elements is described in Article 23.

2. PROGRAMMING AND ALLOCATION OF FUNDS (TITLE II)

2.1. General framework for programming and allocation of funds (Article 3), multiannual programming of geographical programmes (Article 4) and multiannual programming of thematic programmes (Article 5)

Article 3 describes the general framework for delivering external Community assistance. This is based on experience and adheres to the guidelines laid down in the reform of the management of the Community's external assistance,¹¹ and incorporates the main innovations introduced in the Regulations most recently adopted by the Community.¹² The Community's external assistance will be delivered via large-scale geographical programmes. A sum has also been earmarked for mounting thematic programmes aimed at financing global and horizontal initiatives, in particular multilateral or global initiatives that will promote the EU's internal policies abroad, and for a specific thematic programme of cooperation with industrialised countries (see also points 6.1.1 and 5.2 of the financial statement).

Articles 4 and 5 lay down the procedures for multiannual geographical programming (strategy papers and multiannual indicative programmes) and thematic programmes (thematic strategy

¹⁰ - "Guidelines for strengthening operational coordination between the Community, represented by the Commission, and the Member States in the field of external assistance." (Adopted by the General Affairs Council of January 2001 at the time of the discussions on the direction to be taken by the European Union's external measures.)

- The European Union decided its contribution to the process of financing for development (see Monterrey Conference of 18 to 22 March 2002) on 14 March 2002 at the Barcelona Council meeting where it undertook, inter alia, to "improve aid effectiveness through closer coordination and harmonisation, and take concrete steps to this effect before 2004".

- Communication from the Commission to the Council and the European Parliament: "Translating the Monterrey Consensus into practice; the contribution by the European Union (COM(2004) 150 of 5 March 2004).

¹¹ Communication SEC(2000) 814 of 16 May 2000 presented by Members of the Commission, Mr Patten (External Relations), Mr Nielson (Development and Humanitarian Aid), Mr Verheugen (Enlargement), Mr Lamy (Trade) and Mr Solbes Mira (Economic and Monetary Affairs).

¹² And in particular (a) Council Regulation (EC, Euratom) No 99/2000 of 29 December 1999 concerning the provision of assistance to the partner States in Eastern Europe and Central Asia, (b) Council Regulation (EC) No 2698/2000 of 27 November 2000 amending Regulation (EC) No 1488/96 on financial and technical measures to accompany (MEDA) the reform of economic and social structures in the framework of the Euro-Mediterranean partnership, (c) Council Regulation (EC) No 2666/2000 of 5 December 2000 on assistance for Albania, Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia and the Former Yugoslav Republic of Macedonia.

papers) in line with the reforms that have been introduced and the principles drawn up in close cooperation with the Member States since 2000. The structure of strategy documents and multiannual indicative programme drawn up for each partner country and region will adhere to the requirements of the Framework for Country Strategy Papers¹³ adjusted, where appropriate, to take account of experience gained since the reform process started. Similarly, the thematic strategy papers must be drawn up in line with the working paper on a common framework and procedure for programming thematic and horizontal budget lines.¹⁴ This will ensure better and more uniform programming which reflects the objectives and priorities of EU policies. Strategic priorities will be enshrined in strategy papers, whilst multiannual programming will produce the most appropriate policy-mix for each partner country or region by combining external assistance instruments and other Community instruments (trade, CFSP), and by taking into account the Union's regional priorities, any synergies and complementarity between and with the Member States and other bilateral and multilateral donors, the macroeconomic situation in each country and the policy dialogues with partner countries. Geographical strategy papers will be drafted in the course of dialogue by partner countries and regions and multiannual indicative programmes will be concluded with those countries and regions. To ensure consistency between Community measures and those of the Member States, the Member States will be fully involved in the programming process, initially through close local coordination between the representatives of the Commission and the Member States, and then in Brussels through the committee procedure.

2.2. Adoption of multiannual programming papers (Article 6)

Article 6 provides that multiannual programming papers (i.e. strategy papers, multiannual indicative programmes for partner countries and regions, and thematic strategy papers) will be adopted by the Commission in accordance with the procedure described in Article 4 of Decision 1999/468/CE, in other words after obtaining the opinion of a management committee made up of representatives of the Member States and chaired by a Commission representative (the committee being established under Article 21 of this Regulation). The committee's opinion must be obtained by the majority prescribed in Article 205(2) of the Treaty for decisions that the Council adopts upon a Commission proposal.

3. IMPLEMENTATION (TITLE III)

3.1. Adoption of action programmes (Article 7)

Article 7 provides that financing decisions taken by the Commission are to be in the form of annual action programmes, one per country or region. This is in line with the new principles introduced in the most recent regulations adopted by the Community.¹⁵ As these are Commission decisions based on multiannual programming papers (i.e. strategy papers, multiannual indicative programmes and thematic strategy papers for the different partner countries and regions) approved by the Member States, it is not proposed to put action programmes through the committee procedure. The Commission will forward an action programme to the Member States within one month of taking its decision. Where appropriate,

¹³ Commission working paper (SEC(2000) 1049) approved by the Development Council on 10 November 2000.

¹⁴ Commission working paper approved by the Directors-General for External affairs, Development and the EuropeAid Cooperation Office in December 2003.

¹⁵ See footnote on page 11.

particularly in the case of geographical programmes, financing agreements for action programmes will be signed with the partner countries and regions. The Commission has the powers to adjust action programmes where necessary. Article 7 provides that measures may exceptionally be adopted outside the action-programme framework with the same procedures. This may prove useful should the Commission wish to mobilise financing speedily before an action programme has been fully finalised.

3.2. Adoption of special measures not provided for in strategy papers and multiannual indicative programmes (Article 8)

Article 8 provides for the possibility of adopting special measures not provided for in strategy papers or multiannual indicative programmes in case of need or unforeseen circumstances. This will enable the Community to react more quickly and allow greater flexibility in implementing external assistance efficiently, especially in emergencies. As these Commission decisions will be taken outside the procedure for Member State approval of multiannual programming, there is provision to submit these decisions to the committee procedure where the financing exceeds €15 million. So any special measures not covered by strategy papers or multiannual indicative programmes will be adopted by the Commission in accordance with the procedure laid down in Article 3 of Decision 1999/468/CE, i.e. after obtaining the opinion of an advisory committee made up of representatives of the Member States and chaired by a Commission representative (the committee is set up under Article 21). The committee will issue its opinion on the special measures and the Commission must take the fullest account of the opinion and inform the committee of what it has done to do so. The Commission may adjust special measures by the same procedure but no committee opinion is required for adjustments deemed to be minor, as defined in Article 8(4).

3.3. Eligibility (Article 9)

Article 9 lists all the bodies, authorities and institutions eligible under the Regulation. In line with current practice, the eligibility provisions are broad. EU institutions and bodies are eligible, but only in connection with implementing support measures (see Article 11). Concerning eligibility for Community grants, Article 9 has to be read in the light of Article 16 which sets out the rules for public procurement and grant award procedures.

3.4. Types of measures (Article 10) and support measures (Article 11)

Without being exhaustive, Article 10 cites the type of measure that may be financed under this Regulation on the basis of current practice.¹⁶

Under Article 11 the Community may finance any support measure that is necessary for implementing the Regulation. Where support measures are not financed directly under multiannual programmes or action programmes, point 6.1.2 of the financial statement makes provision for specific envelopes (equivalent to the current BA lines), whilst Article 11(3) provides that the procedures for the adoption of special measures not covered in strategy papers or multiannual programmes must be used to adopt support measures (see Article 8).

¹⁶ See, for instance, Article 61 of the Cotonou Agreement.

3.5. Joint financing (Article 12) and management procedures (Article 13)

In line with current practice and donors' efforts to encourage the greatest possible coordination of cooperation measures, Article 12 confirms that, where it has been agreed to finance a measure, this may be done by cofinancing (joint financing, parallel financing). Paragraph 3 states that the Commission may be required to receive and manage funds from the Member States (particularly from their public and parastatal bodies), from other non-Community donors or from international or regional organisations. This allows the Commission to act on an equal footing with other donors.

Article 13 describes the procedures the Commission may use to manage implementation of measures financed under the Regulation, namely:

- centralised, direct or indirect, management by Community agencies or bodies established by the Communities (paragraph 2);
- centralised, indirect management by Member State bodies (paragraph 3), in accordance with Article 54(2)(c)(i) of the Financial Regulation which allows this method provided the basic act so provides. In this case the article lays down that the Commission must take its decision by the procedure provided for in Article 4 of Decision 1999/468/EC, in other words after obtaining the opinion of a management committee made up of representatives of the Member States (see procedures in point 2.2).

3.6. Budget commitments (Article 14)

Article 14 provides that budgetary commitments must be made on the basis of decisions taken by the Commission under action programmes (Article 7), special measures not covered in strategy papers, multiannual indicative programmes (Article 8) and support measures (Article 11).

3.7. Protection of the Community's financial interests (Article 15)

Article 15 lays down measures to protect the Community's financial interests, and in particular to enable it to carry out all the necessary checks on the measures implemented.

3.8. Participation in public tenders, obtaining grants, rules of origin (Article 16)

Article 16 lays down the conditions governing access to public procurement and grants awarded for the purposes of implementing the Regulation. At present the provisions proposed comply with the proposal for a Regulation of the European Parliament and of the Council on access to Community external assistance,¹⁷ which provides for amendment of the basic regulations governing the Community's main aid instruments with a view to untying aid further. Article 16(2) provides that, if a third country opens up its public procurement and grant procedures to the Member States of the Community, the Commission may decide to authorise that third country to participate in the corresponding Community procedures, subject to a favourable opinion first being obtained from a management committee made up of Member State representatives (the procedure provided for in Article 4 of Decision 1999/468/EC - see procedures in point 2.2). Article 16 may be amended to take into account the Council's and Parliament's conclusions when they examine the above Regulation.

¹⁷ COM(2004) 313 of 26.4.2004.

3.9. Prefinancing (Article 17) and funds made available to the European Investment Bank or other financial intermediaries (Article 18)

Articles 17 and 18 flesh out technical points concerning implementation of some of the measures provided for in Article 10.

Article 17 specifies that the interest generated by prefinancing is deducted from the final payment.

Article 18 specifies the kind of provisions the Commission must adopt in specific cases if it decides to make funds available to the European Investment Bank or other financial intermediaries.

3.10. Evaluation (Article 19)

Article 19 commits the Commission to regular evaluation of the outcomes of the geographical and thematic policies and programmes, sectoral policies and the effectiveness of programming.

4. FINAL PROVISION (TITLE IV)

4.1. Annual report (Article 20)

In line with the decisions implemented since 2001 with a view to simplifying and reducing the number of reports forwarded to the Council and Parliament, Article 20 maintains the status quo and provides for an annual Commission report to these bodies. The report must take account of the experience gained since 2001 and, in particular, of the Council's and Parliament's annual observations on the form and content of the report.¹⁸

4.2. Committee procedures (Article 21)

Article 21 establishes the Member State committee. The committee's prerogatives are set out in points 2.2, 3.2, 3.5 and 3.8. If the Committee is examining external measures designed to project internal policies abroad, the Committee may be co-chaired by the relevant Commission department.

4.3. Participation by a third country not eligible under this Regulation (Article 22)

To make Community assistance more effective, and in particular to avoid programmes being split up among several different instruments, Article 22 extends the list of countries eligible under this Regulation to include the Overseas Countries and Territories, the countries eligible for the pre-accession instrument and those eligible for the European Neighbourhood and Partnership Instrument. This provision will be used for projects and programmes of a global, regional or crossborder nature.

¹⁸ The last report sent is the “Annual report from the Commission to the Council and the European Parliament on European Community development policy and the implementation of external assistance in 2002” (COM(2003) 527 of 3 September 2003).

4.4. Suspending assistance (Article 23)

Article 23 lays down the procedure to be applied in the event of non-compliance with the principles set out in Title I. It applies where there is no partnership and cooperation agreement with a partner country or where such an agreement does not lay down procedures for essential elements clauses.

4.5. Financial provisions (Article 24)

Article 24 sets the financial reference amount for the implementation of the Regulation and the envelope for cooperation with the African, Caribbean and Pacific countries, as required by the Communication from the Commission to the Council and the European Parliament "Towards the full integration of co-operation with ACP countries in the EU budget".¹⁹

4.6. Reviewing the Regulation (Article 25)

Article 25 provides for review of the Regulation at 31 December 2011.

¹⁹ COM(2003) 590 of 8 October 2003.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

establishing a financing instrument for development cooperation and economic cooperation

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 179(1) and 181a(2) thereof,

Having regard to the proposal from the Commission,²⁰

Acting in accordance with the procedure referred to in Article 251 of the Treaty,

Whereas:

- (1) A new framework for planning and delivering assistance is proposed in order to make the Community's external assistance more effective. Council Regulation (EC) No [...] of [...] establishes an Instrument for Pre-Accession (IPA) for Community assistance to candidate and potential candidate countries.²¹ Regulation (EC) No [...] of the European Parliament and of the Council of [...] establishes a European Neighbourhood and Partnership Instrument (ENPI).²² This Regulation is the third general instrument providing direct support for the European Union's external policies.
- (2) The pursuit and deepening of bilateral relations between the European Community and the industrialised countries and consolidation of multilateral institutions are important factors in strengthening the European Union's role and place in the world, and make a significant contribution to balancing and developing the world economy.
- (3) In accordance with the principles enshrined in agreements, action plans and jointly adopted declarations, the Community implements a cooperation policy with the industrialised countries aimed at creating an environment conducive to pursuing and developing its relations with those countries. Cooperation policy helps to create conditions likely to strengthen the European presence in these countries and encourage economic, commercial, academic, cultural and other exchanges.
- (4) The Community pursues a development cooperation policy particularly aimed at achieving the objectives of poverty reduction, sustainable economic and social

²⁰ OJ C [...] of [...], p. [...].

²¹ OJ L [...] of [...], p. [...].

²² OJ L [...] of [...], p. [...].

development and the smooth and gradual integration of developing countries into the world economy.

- (5) The Community's development cooperation policy and international action are guided by the Millennium Development Goals such as the eradication of extreme poverty and hunger, adopted by the UN General Assembly in 2000, and the main development objectives and principles agreed at various UN conferences.
- (6) A political environment which guarantees peace, security and stability, respect of human rights, fundamental freedoms, democratic principles, the rule of law and good governance is fundamental to long-term development.
- (7) Sound and sustainable economic policies are a pre-requisite for development.
- (8) The statement of 10 November 2000 by the Council and the Commission on the European Community's development policy provides the general framework for action by the Community on development matters.
- (9) The Community and its Member States have concluded partnership and cooperation agreements aimed at making a significant contribution to the long-term development of the partner countries and the wellbeing of their people.
- (10) The essential elements on which these partnership and cooperation agreements are based are the common and universal values of respect for and promotion of human rights, fundamental freedoms, democratic principles and the rule of law.
- (11) In implementing the Community's development policy, a crucial objective is to make aid more effective, greater complementarity and more streamlining, uniformity and coordination of procedures, both within the European Union and in relations with other donors and development actors, are essential to ensuring the consistency and relevance of aid whilst at the same time reducing the costs borne by partner countries.
- (12) The key to the success of development policies is whether the partner countries take ownership of the development strategies, and, to this end, the greatest possible involvement of all sections of society should be encouraged. With a view to ensuring efficiency and transparency and encouraging countries to take ownership, donors' cooperation strategies and implementation procedures should where possible, be aligned on those of the partner countries.
- (13) Consistency must be guaranteed between the different areas of the Community's external action, and external Community policies must be compatible with its internal policies.
- (14) The Commission has adopted two communications on Linking Relief Reconstruction and Development (COM(1996) 153 and COM(2001) 153), followed up by resolutions of the European Parliament and conclusions of the Council, emphasising the need to ensure effective bridging between operations financed from different European Community financing instruments.
- (15) The adoption of thematic programmes is an essential tool for projecting internal policies outside the EU; such programmes must balance the need for sectoral

consistency and thematic visibility for internal policies with the need for overall consistency in external relations.

- (16) Untying aid to an appropriate extent is a key factor in adding value to aid and in building local capacity.
- (17) This Regulation establishes a financial allocation for the period 2007-2013 which will be the special reference, within the meaning of Point 33 of the Interinstitutional Agreement of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and improvement of the budgetary procedure.
- (18) Measures should be adopted for implementation of this Regulation in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission.²³ Multiannual programming documents and some specific implementation measures should be adopted by the management committee procedure. Other measures not provided for in the programming papers should be adopted by the advisory committee procedure.
- (19) The objectives of the proposed action, namely support for development cooperation, economic cooperation, financial cooperation, scientific and technical cooperation and any form of cooperation with countries, territories and regions that are not Community Member States and are not eligible for Community aid under the IPA or the ENPI instruments, cannot be sufficiently achieved by the Member States and can, by reason of the scale of the action, be better achieved by the Community. The Community may therefore adopt measures in accordance with the principle of subsidiarity enshrined in Article 5 of the Treaty. In accordance with the principle of proportionality laid down in that Article, this Regulation does not go beyond what is necessary to achieve these objectives.
- (20) This Regulation makes it necessary to repeal the following Regulations: (a) Regulation No 1568/2003 of the European Parliament and of the Council of 15 July 2003 on aid to fight poverty diseases (HIV/AIDS, tuberculosis and malaria) in developing countries, (b) Regulation No 1567/2003 of the European Parliament and of the Council of 15 July 2003 on aid for policies and actions on reproductive and sexual health and rights in developing countries, (c) Regulation (EC) No 2493/2000 of the European Parliament and of the Council of 7 November 2000 on measures to promote the full integration of the environmental dimension in the development process of developing countries, (d) Regulation (EC) No 2494/2000 of the European Parliament and of the Council of 7 November 2000 on measures to promote the conservation and sustainable management of tropical forests and other forests in developing countries, (e) Council Regulation (EC) No 975/1999 of 29 April 1999 laying down the requirements for the implementation of development cooperation which contribute to the general objective of developing and consolidating democracy and the rule of law and to that of respecting human rights and fundamental freedoms, (f) Regulation (EC) No 806/2004 of the European Parliament and of the Council of 21 April 2004 on promoting gender equality in development cooperation, (g) Council Regulation (EC) No 1659/98 of 17 July 1998 on decentralised cooperation, amended and extended by Regulations (EC) Nos 995/2002 and 625/2004, (h) Council Regulation (EC) No

²³ OJ L 184, 17.7.1999, p. 23.

1658/98 of 17 July 1998 on co-financing operations with European non-governmental organisations (NGOs) in fields of interest to the developing countries, (i) Council Regulation (EC) No 1292/96 of 27 June 1996 on food-aid policy and food-aid management and special operations in support of food security, amended by Regulation (EC) No 1726/2001 of the European Parliament and of the Council of 23 July 2001 amending Article 21 of Council Regulation (EC) No 1292/96 on food-aid policy and food-aid management and special operations in support of food security, (j) Council Regulation (EC) No 382/2001 of 26 February 2001 concerning the implementation of projects promoting cooperation and commercial relations between the European Union and the industrialised countries of North America, the Far East and Australasia and repealing Regulation (EC) No 1035/1999, (k) Regulation (EC) No 1726/2000 of the European Parliament and of the Council of 29 June 2000 on development cooperation with South Africa, (l) Council Regulation (EEC) No 443/92 of 25 February 1992 (ALA) on financial and technical assistance to, and economic cooperation with, the developing countries in Asia and Latin America, (m) Council Regulation (EC) No 2258/96 of 22 November 1996 on rehabilitation and reconstruction operations in developing countries, (n) Regulation (EC) No 2130/2001 of the European Parliament and of the Council of 29 October 2001 on operations to aid uprooted people in Asian and Latin American developing countries, (o) Council Regulation (EC) No 550/97 of 24 March 1997 on HIV/AIDS-related operations in developing countries and (p) Council Regulation (EC) No 1484/97 of 22 July 1997 on aid for population policies and programmes in the developing countries,

HAVE ADOPTED THIS REGULATION:

TITLE I

OBJECTIVES AND PRINCIPLES

Article 1

Purpose and scope

- (1) In accordance with Articles 179 and 181a of the Treaty, the Community shall finance measures aimed at supporting cooperation with countries, territories and regions (hereinafter referred to as “partner countries and regions”) which are not Member States of the Community or Overseas Countries and Territories, or eligible for Community assistance under the pre-accession instrument or the European Neighbourhood and Partnership Instrument, and international measures in multilateral frameworks.
- (2) In accordance with Articles 179 and 181a of the Treaty, Community assistance shall support *inter alia* development cooperation, economic, financial, scientific and technical cooperation and all other forms of cooperation with partner countries and regions, and international measures to promote the objectives of the EU's internal policies abroad. Such cooperation shall be implemented in accordance with the principles and objectives of the Community's external action.

- (3) Measures financed under this Regulation shall cover all areas of cooperation pertinent to achieving the objectives of Articles 177 to 181a of the Treaty and to fulfilling the Community's international obligations and commitments. It shall also be used for areas of cooperation covered by partnership and cooperation agreements and other bilateral instruments concluded with partner countries and regions or specified in declarations jointly approved with such countries and regions, and for pursuing the objectives of internal policies at international level. The measures shall relate inter alia to:
- (a) human and social development, including health and population issues;
 - (b) promoting gender equality;
 - (c) rural development, food aid and food security;
 - (d) urban development;
 - (e) environmental protection;
 - (f) sustainable development of natural resources;
 - (g) infrastructure (particularly transport, water, power, environmental and telecommunications infrastructure), including the management systems and safety and security of power and transport infrastructure and operations, and energy saving measures;
 - (h) the private sector, productive sectors and economic infrastructure;
 - (i) trade and investment;
 - (j) jobs, social cohesion and social protection;
 - (k) upholding fundamental social rights, including core labour standards;
 - (l) customs and tax;
 - (m) macroeconomic and structural reform;
 - (n) sectoral reform;
 - (o) basic, secondary and higher education, and vocational training;
 - (p) research, cooperation on and development of scientific and technical capacity; and scientific mobility;
 - (q) cultural cooperation and academic and cultural exchanges;
 - (r) mutual understanding between the Community and the partner countries and regions;

- (s) developing civil society, dialogue with non-government actors, particularly associations, non-governmental organisations, the media and the social partners;
- (t) support for institutions aimed, for instance, at promoting good governance, strengthening the rule of law, building up the capacity of administrations and local authorities, making public services more effective and aligning institutional and regulatory frameworks;
- (u) policy dialogue;
- (v) promoting and defending human rights and fundamental freedoms, and support for the process of democratisation including electoral assistance and election observers;
- (w) regional cooperation and integration, including cooperation between industrial partners;
- (x) crossborder cooperation;
- (y) justice, plus judicial, police, tax, financial and customs cooperation;
- (z) all aspects of asylum and (legal or illegal) migration including border controls, readmission and return, and international protection;
- (aa) aid for refugees, and displaced or uprooted persons;
- (bb) conflict prevention, management and resolution;
- (cc) the transition from emergency aid to rehabilitation and long-term development, reconstruction and post-emergency rehabilitation;
- (dd) preventing natural disasters;
- (ee) any other area appropriate for achieving the objectives laid down in Articles 177 to 181a of the Treaty.

Article 2

General principles

- (1) For all measures financed under, and all areas of cooperation covered by, this Regulation the Community shall aim to ensure consistency between the different areas of external action and with other Community policies. Such consistency shall be ensured in formulating policy, strategic planning and the programming and implementation of measures.
- (2) In the interests of better policy coordination and harmonisation of the programming process and procedures, the Commission and the Member States shall coordinate amongst each other and ensure that their measures are complementary for all measures financed and cooperation areas covered under this Regulation.

Coordination shall involve regular and frequent exchanges of information between Member States, and between them and the Commission, on their respective analyses of the situation in the partner countries and regions and on cooperation strategies, priority sectors, current and future cooperation measures and evaluations.

Such coordination shall be promoted above all at local level in the partner countries and regions.

The Member States and the Community shall use the results of the regular coordination exercises as essential inputs for their programming processes.

- (3) To promote a multilateral approach to solving international problems the Commission, in consultation with the Member States, shall take whatever steps are necessary to ensure coordination and cooperation with multilateral and regional organisations and bodies such as international financial institutions, United Nations agencies, funds and programmes, and bilateral donors other than those of the Community.
- (4) The Community's cooperation activities shall foster and encourage support for national development strategies, reform policies and sectoral approaches and programmes making use of the most suitable instruments, particularly budgetary support.
- (5) The Union is founded on the values of respect for human dignity, liberty, democracy, equality, the rule of law and respect for human rights and seeks to promote commitment to these values in partner countries through dialogue and cooperation.

TITLE II

PROGRAMMING AND ALLOCATION OF FUNDS

Article 3

General framework for programming and allocating funds

- (1) Measures shall be financed under geographical or thematic programmes, or in the context of global initiatives.

A geographical programme shall encompass cooperation in all appropriate areas of activity with partner countries and regions determined on a geographical basis.

A thematic programme shall encompass a specific area of activity of interest to a group of partner countries not determined by geography, or cooperation activities addressed to various regions or groups of partner countries, or an international operation that is not geographically specific, including multilateral or global initiatives to promote the Union's internal policies abroad.

The Commission shall draw up the geographical and thematic programmes and specify their geographical scope

- (2) In the case of geographical programmes, the Commission shall draw up a strategy paper and a multiannual indicative programme for each partner country or region, as provided for in Article 4, and adopt an action programme for each partner country or region, as provided for in Article 7.

In the case of thematic programmes, the Commission shall draw up thematic strategy papers, as provided for in Article 5, and adopt action programmes, as provided for in Article 7.

In exceptional circumstances, Community support may also take the form of special measures not covered in strategy papers or multiannual indicative programmes, as provided for in Article 8.

- (3) For a geographical programme, the Commission shall determine the multiannual indicative fund allocation to be used for financing cooperation with each partner country or region. The criteria for establishing the allocation shall be based on the needs and performance of the country or region concerned in respect of the Community's cooperation policies and strategies, without prejudice to any exceptional circumstances or international commitments of the Community. The Commission may include a specific financial allocation for the purpose of strengthening cooperation between the EU's outermost regions and neighbouring partner countries and regions.

Article 4

Strategy papers and multiannual programming of geographical programmes

- (1) Strategy papers for partner countries and regions shall cover no more than seven years in order to provide a coherent framework for coordination between the Community and the partner country or region concerned. They provide the basis for drafting multiannual programmes.

Strategy papers shall be reviewed at mid-term, or ad hoc if necessary, in accordance where appropriate with the principles and procedures laid down in the partnership and cooperation agreements concluded with the partner countries and regions.

- (2) Strategy papers shall be based as far as possible on dialogue with the partner country or region which involves civil society, so as to ensure that the country or region concerned takes sufficient ownership of the process and to encourage support for national development strategies, particularly those for reducing poverty.
- (3) Multiannual indicative programmes shall be drawn up on the basis of the strategy papers for each partner country or region. They shall be the subject of an agreement with the country or region where possible.

Multiannual indicative programmes shall set out the priority areas selected for Community financing, the specific objectives, the expected results and the performance indicators.

The programmes shall also set out the indicative financial allocation, both overall and per priority area, this may be given in the form of a range, where appropriate.

Such programmes shall be adjusted where necessary, taking into account any mid-term or ad hoc reviews of strategy papers.

In exceptional circumstances a multiannual indicative allocation may be increased or decreased, particularly in the light of special needs such as those of a post-crisis situation, or where performance has been exceptional.

- (4) In circumstances such as crises, post-conflict situations or threats to democracy, the rule of law, human rights or fundamental freedoms, a special emergency procedure may be used to conduct an ad hoc review of the country's or region's cooperation strategy. Such reviews may propose a country or region strategy to make the transition to long-term cooperation and development. The strategy shall ensure that measures taken under this Regulation are consistent with other Community instruments, in particular the stability instrument and humanitarian aid. Where partner countries or groups of partner countries are directly involved in, or affected by, a crisis or post-crisis situation, multiannual programming shall place special emphasis on stepping up coordination between relief, rehabilitation and development to help them make the transition from an emergency situation to the development phase; programmes for countries and regions regularly subject to natural disasters shall provide for disaster preparedness and prevention.
- (5) The Commission and the Member States shall consult each other in order to ensure that their cooperation activities complement each other. Other donors and development actors, including those of civil society, shall be associated in this process as early as appropriate.

Article 5

Strategy papers and multiannual programming of thematic programmes

- (1) Thematic strategy papers shall cover no more than seven years. They shall set out the Community's strategy for the theme concerned, the Community's priorities, the international situation and the activities of the main partners.

The Commission shall ensure consistency between thematic and geographical programmes by checking that the operations implemented through thematic programmes are consistent with the strategy papers and multiannual indicative programmes drawn up for the partner countries or regions.

Thematic strategy papers shall set out the priority areas selected for financing by the Community, the specific objectives, the expected results and the performance indicators.

The thematic strategy papers 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.

Strategy papers shall be reviewed at mid-term, or ad hoc if necessary.

- (2) The Commission and the Member States shall consult each other in order to ensure that their cooperation activities complement each other. Other donors and actors, including those of civil society, shall be associated in this process as early as appropriate.
- (3) Resources and intervention priorities shall be laid down for participation in global initiatives.

Article 6

Adoption of multiannual programming papers

The strategy papers and multiannual indicative programmes referred to in Articles 4 and 5, and any reviews thereof referred to in Article 4(1) and (3) and Article 5(1), shall be adopted by the Commission in accordance with the management procedure set out in Article 21(2).

TITLE III

IMPLEMENTATION

Article 7

Adoption of action programmes

- (1) The Commission shall adopt annual action programmes based on the strategy papers and multiannual indicative programmes referred to in Articles 4 and 5.

Exceptionally, for instance where an action programme has not yet been adopted, the Commission may, on the basis of the strategy papers and multiannual indicative programmes referred to in Articles 4 and 5, adopt measures not provided for in an action programme under the same rules and procedures as for action programmes.

- (2) Action programmes shall specify the objectives pursued, the fields of intervention, the expected results, the management procedures and 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.
- (3) The Commission shall send action programmes to the Member States for their information within one month of adopting its decision.

Article 8

Adoption of special measures not provided for in the strategy papers or multiannual indicative programmes

- (1) In the event of unforeseen needs or circumstances, the Commission shall adopt special measures not provided for in the strategy papers or multiannual indicative programmes (hereinafter referred to as “special measures”).

Special measures may also be used to fund measures to ease the transition from emergency aid to long-term development operations, including those to better prepare people to deal with recurring crises.
- (2) Where the cost of such measures exceeds EUR 15 million, the Commission shall adopt them under the consultation procedure referred to in Article 21(3).
- (3) Special measures shall specify the objectives pursued, the intervention areas, the expected results, the management procedures and the total amount of financing. They shall contain a description of the operations to be financed, an indication of the amounts allocated for each operation and the indicative timetable for their implementation.
- (4) The Commission shall send the special measures to the Member States for their information within one month of adopting its decision.
- (5) The procedure laid down in Article 21(3) need not be used for amendments to special measures, such as those making technical adjustments, extending the implementation period, reassigning funds within the forecast budget, or increasing or reducing the size of the budget by less than 20% of the initial budget, provided these amendments do not affect the initial objectives set out in the Commission decision.

Article 9

Eligibility

- (1) The following, *inter alia*, shall be eligible for funding under this Regulation for the purposes of implementing the action programmes referred to in Article 7 or specific measures of the kind referred to in Article 8:
 - (a) partner countries and regions, and their institutions;
 - (b) decentralised bodies in the partner countries, such as regions, departments, provinces and municipalities;
 - (c) joint bodies set up by the partner countries and regions with the Community;
 - (d) international organisations, including regional organisations, UN bodies, departments and missions, international financial institutions and development banks, in so far as they contribute to the objectives of this Regulation;

- (e) Community institutions and bodies, but only for the purposes of implementing support measures of the type referred to in Article 11;
 - (f) European Union agencies;
 - (g) The following entities and bodies of the Member States, partner countries and regions and any other third country complying with the rules on access to the Community's external assistance set out in Article 16, insofar as they are helping to achieve the objectives of this Regulation:
 - i. public or parastatal bodies, local authorities and consortia thereof;
 - ii. companies, firms and other private organisations and businesses;
 - iii. financial institutions that grant, promote and finance private investment in partner countries and regions;
 - iv. non-state actors as defined in paragraph 2;
 - v. natural persons.
- (2) The non-state actors eligible for financial support under this Regulation include: non-governmental organisations, organisations representing indigenous peoples, local traders' associations and citizens' groups, cooperatives, trade unions, organisations representing economic and social interests, local organisations (including networks) involved in decentralised regional cooperation and integration, consumer organisations, women's and youth organisations, teaching, cultural, research and scientific organisations, universities, churches and religious associations and communities, the media and any non-governmental associations and independent foundations likely to contribute to development or the external dimension of internal policies.

Article 10

Types of financing

Financing for the implementation of action programmes and special measures may in particular take the following forms:

- (a) projects and programmes;
- (b) sectoral or general budget support if the partner country's management of public spending is sufficiently transparent, reliable and effective, and where it has put in place properly formulated sectoral or macroeconomic policies approved by its principal donors, including, where relevant, the international financial institutions;
- (c) sectoral support;
- (d) in exceptional cases, sectoral and general import programmes, which may take the form of (a) sectoral import programmes in kind, (b) sectoral import programmes providing foreign exchange to finance imports for the sector in question or (c)

general import programmes providing foreign exchange to finance general imports of a wide range of products;

- (e) funds made available to the European Investment Bank or other financial intermediaries on the basis of Commission programmes for the purpose of providing loans (in particular to support investment in and development of the private sector), risk capital (in the form of subordinated or conditional loans) or other temporary minority holdings in business capital, and contributions to guarantee funds in accordance with Article 18;
- (f) interest-rate subsidies, especially for environment-related loans;
- (g) debt-relief programmes;
- (h) grants to finance projects submitted by entities of the type listed in Article 9(1)(b), (c), (d), (f) and (g)(i) to (v);
- (i) grants to finance the operating costs of entities of the type listed in Article 9(1)(b), (c), (d), (f) and (g)(i), (iii) and (iv);
- (j) funding for twinning programmes between public institutions, national public bodies or private-law entities entrusted with public service tasks of a Member State and those of a partner country or region;
- (k) contributions to international funds, such as those managed by international or regional organisations;
- (l) contributions to national funds set up by partner countries and regions to attract joint financing from a number of donors, or contributions to funds set up by one or more donors for the purpose of the joint implementation of projects;
- (m) capital investments in international financial institutions and regional development banks;
- (n) human and material resources required for effective administration and supervision of projects and programmes by partner countries and regions.

Article 11

Support measures

- (1) Community financing may cover expenditure associated with the preparation, follow-up, monitoring, audit and evaluation activities directly necessary for the implementation of this Regulation and the achievement of its objectives, e.g. studies, meetings, information, awareness-raising, training and publication activities, expenditure associated with computer networks for the exchange of information, and any other administrative or technical assistance expenditure that the Commission may incur for the management of the programme. It shall also cover expenditure at Commission Delegations on the administrative support needed to manage operations financed under this Regulation.

- (2) These support measures are not necessarily covered by multiannual programming and may therefore be financed outside the scope of strategy papers and multiannual indicative programmes. However, they may also be financed under multiannual indicative programmes.

The Commission shall adopt support measures not covered by the multiannual indicative programmes in accordance with Article 8.

Article 12

Cofinancing

- (1) Measures shall be eligible for cofinancing from the following, *inter alia*:
- (a) Member States, and in particular their public and parastatal agencies;
 - (b) other donor countries, and in particular their public and parastatal agencies;
 - (c) international organisations, including regional organisations, and in particular international and regional financial institutions;
 - (d) companies, firms, other private organisations and businesses, and other non-state actors;
 - (e) partner countries and regions in receipt of funding.
- (2) In the case of parallel cofinancing, the project or programme is split into a number of clearly identifiable subprojects which are each financed by the different partners providing cofinancing in such a way that the end-use of the financing can always be identified.

In the case of joint cofinancing, the total cost of a project or programme is shared between the partners providing the cofinancing and the resources are pooled in such a way that it is no longer possible to identify the source of financing for any given activity undertaken as part of the project or programme.

- (3) In the case of joint cofinancing, the Commission may receive and manage funds on behalf of the bodies referred to in paragraph 1(a), (b) and (c) for the purpose of implementing joint measures. Such funds shall be treated as assigned revenue, in accordance with Article 18 of Regulation (EC) No 1605/2002.

Article 13

Management procedures

- (1) The measures financed under this Regulation shall be implemented in accordance with Regulation (EC) No 1605/2002.

- (2) In the event of cofinancing and in other duly justified cases, the Commission may entrust tasks of public authority, and in particular budget implementation tasks, to the bodies referred to in Article 54(2)(c) of Regulation (EC) No 1605/2002.
- (3) In the case of decentralised management, the Commission may decide to use the procurement or grant procedures of the beneficiary partner country or region, provided:
 - the procedures of the beneficiary partner country or region satisfy the principles of transparency, proportionality, equal treatment and non-discrimination and prevent any conflict of interests;
 - the beneficiary partner country or region undertakes to check regularly that the operations financed by the Community budget have been properly implemented, to take appropriate measures to prevent irregularities and fraud, and, if necessary, to take legal action to recover unduly paid funds.

Article 14

Budget commitments

- (1) Budget commitments shall be made on the basis of decisions taken by the Commission in accordance with Articles 7(1), 8(1) and 11(2).
- (2) Community financing may take one of the following legal forms, inter alia:
 - financing agreements;
 - grant agreements;
 - procurement contracts;
 - employment contracts.

Article 15

Protecting the Community's financial interests

- (1) Any agreements resulting from this Regulation shall contain provisions ensuring the protection of the Community's financial interests, in particular with respect to fraud, corruption and any other irregularities, in accordance with Council Regulations (EC, Euratom) Nos 2988/1995, 2185/1996 and 1073/1999.
- (2) Agreements shall expressly entitle the Commission and the Court of Auditors to perform a document audit or an on-the-spot audit of any contractor or subcontractor who has received Community funds. They shall also expressly authorise the Commission to carry out on-the-spot checks and inspections as provided for in Regulation (EC, Euratom) No 2185/1996.

- (3) All contracts resulting from the implementation of assistance shall ensure the rights of the Commission and the Court of Auditors under paragraph 2 during and after the performance of the contracts.

Article 16

Public procurement procedures, grant award procedures, rules of origin

- (1) For the purposes of implementing the action programmes referred to in Article 7 and the special measures referred to in Article 8, participation in public procurement procedures and grant award procedures shall be open to the following:
- for a thematic programme of the type provided for in Article 3(1), any natural or legal person of a developing country or country in transition, as defined by the OECD, and of any other country eligible under the thematic programme;
 - for a geographical programme of the type provided for in Article 3(1), any natural or legal person of a developing country or country in transition, as defined by the OECD, eligible under the geographical programme;
 - in all cases, any natural or legal person of the Member States of the European Community, the Member States of the European Economic Area, the countries eligible for Community assistance under the pre-accession instrument and any other third country, subject to fulfilment of the condition of reciprocity set out in paragraph 2.
- (2) If a third country authorises natural and legal persons of the Member States to participate in its public procurement and grant award procedures for its cooperation programmes, the Commission may decide to authorise participation by natural and legal persons of that country in the corresponding European Community procedures.

The Commission shall take the decision to grant such access after first obtaining the opinion of the committee established under Article 21. The committee shall base its opinion on a report analysing the grounds for, and conditions and impact of, such access, and shall act in accordance with the management procedure set out in Article 21(2).

A decision to grant access may apply to all types of Community aid, to one or more thematic or geographical programmes or to one or more partner countries and regions and may be restricted to particular areas of cooperation. The decision shall be valid for not less than one year.

- (3) If measures financed under this Regulation are implemented on a centralised basis and indirectly by Member State bodies or Member State entities governed by private law and entrusted with public-service tasks, or on a decentralised basis under the responsibility of partner countries or regions in receipt of funding or by delegation to international or regional organisations, particularly international financial institutions, participation in the public procurement and grant award procedures of the managing entity shall be open to natural and legal persons of the countries having access to Community contracts and grants in accordance with the principles set out in

paragraphs 1 and 2, and of any other country eligible under the rules and procedures of the managing entity.

- (4) The origin of supplies and equipment purchased under a contract for the implementation of measures taken under this Regulation shall be in accordance with the principles set out in paragraphs 1, 2 and 3.
- (5) If in exceptional circumstances, particularly in an extreme emergency, services, supplies or equipment are not available in a country having access to Community contracts, or if the rules on eligibility for the contracts are such as to make it impossible or excessively difficult to carry out a project or programme, the Commission may decide to:
 - extend access to contracts to natural and legal persons of a country not eligible under paragraph 1;
 - authorise the purchase of supplies and equipment originating in a country not eligible under paragraph 1.

Article 17

Prefinancing

Interest generated by prefinancing payments to beneficiaries shall be deducted from the final payment.

Article 18

Funds made available to the European Investment Bank or other financial intermediaries

- (1) The funds referred to in Article 10(d) shall be managed by financial intermediaries, the European Investment Bank or any other bank or organisation with the capacity to manage such funds.
- (2) The Commission must adopt implementing provisions for paragraph 1 on a case-by-case basis to cover risk-sharing, the remuneration of the intermediary responsible for implementation, the use and recovery of profits on funds, and the closure of the operation.

Article 19

Evaluation

- (1) The Commission shall regularly evaluate the results of geographical and thematic policies and programmes and of sectoral policies and the effectiveness of programming in order to ascertain whether the objectives have been met and enable it to formulate recommendations with a view to improving future operations.

- (2) The Commission shall send its evaluation reports to the committee referred to in Article 21 for information.

TITLE IV

FINAL PROVISIONS

Article 20

Annual report

- (1) The Commission shall examine the progress made in implementing the measures taken under this Regulation and shall submit to the European Parliament and the Council an annual report on the implementation of the assistance. This report shall also be submitted to the European Economic and Social Committee and to the Committee of the Regions.
- (2) It shall contain information relating to the previous year on the measures financed, the results of monitoring and evaluation exercises, and the implementation of budget commitments and payments, broken down by country, region and cooperation sector.

Article 21

Committee

- (1) The Commission shall be assisted by a committee.
- (2) Where reference is made to this paragraph, Articles 4 and 7 of Decision 1999/468/EC shall apply, in accordance with Article 8 of that Decision. The period provided for in Article 4(3) of the Decision shall be 30 days.
- (3) Where reference is made to this paragraph, Articles 3 and 7 of Decision 1999/468/EC shall apply, in accordance with Article 8 of that Decision.
- (4) The committee shall adopt its rules of procedure. These rules shall include provision for the Commission to adopt the specific measures referred to in Article 8(2).
- (5) A representative from the European Investment Bank shall be present at the committee's proceedings.

Article 22

Participation by a third country not eligible under this Regulation

- (1) To ensure the coherence and effectiveness of Community assistance, the Commission may decide when adopting action programmes of the type referred to in Article 7 or the special measures referred to in Article 8 that countries, territories and regions eligible for Community assistance under the pre-accession instrument or the European Neighbourhood and Partnership Instrument and the overseas countries and

territories associated with the Community are eligible for measures under this Regulation where the geographical or thematic project or programme to be implemented is of a global, regional or crossborder nature. Provision may be made for this method of financing in the strategy papers and multiannual indicative programmes referred to in Articles 4 and 5. The provisions Article 9 concerning eligibility and the provisions of Article 16 concerning participation in public procurement and grant award procedures and rules of origin shall be adapted to allow the countries, territories and regions concerned to take part.

- (2) In the case of global initiatives for sustainable development or in support of global public goods implemented through multilateral mechanisms, the Commission may provide financial assistance under this Regulation. In such cases eligibility for financing is extended to all countries receiving assistance under the global initiative.

Article 23

Suspension of assistance

Without prejudice to the provisions on suspension of aid in partnership and cooperation agreements with partner countries and regions, where a partner country fails to observe the principles referred to in Title I, the Council, acting by a qualified majority on a proposal from the Commission, may take appropriate steps in respect of any assistance granted to the partner country under this Regulation.

Article 24

Financial provisions

- (1) The financial reference amount for implementation of this Regulation over the period 2007-2013 is €44 229 million, €23 572 million of which shall be for financing geographical cooperation with the African, Caribbean and Pacific countries, excluding South Africa and East Timor.
- (2) Annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspectives.

Article 25

Review

The Commission shall submit to the European Parliament and the Council by 31 December 2011 any proposals concerning the future of this Regulation and any amendments that may be necessary.

Article 26

- (1) The following Regulations shall be repealed as of 1 January 2007:
- (a) Regulation No 1568/2003 of the European Parliament and of the Council of 15 July 2003 on aid to fight poverty diseases (HIV/AIDS, tuberculosis and malaria) in developing countries
 - (b) Regulation No 1567/2003 of the European Parliament and of the Council of 15 July 2003 on aid for policies and actions on reproductive and sexual health and rights in developing countries
 - (c) Regulation (EC) No 2493/2000 of the European Parliament and of the Council of 7 November 2000 on measures to promote the full integration of the environmental dimension in the development process of developing countries
 - (d) Regulation (EC) No 2494/2000 of the European Parliament and of the Council of 7 November 2000 on measures to promote the conservation and sustainable management of tropical forests and other forests in developing countries
 - (e) Council Regulation (EC) No 975/1999 of 29 April 1999 laying down the requirements for the implementation of development cooperation which contribute to the general objective of developing and consolidating democracy and the rule of law and to that of respecting human rights and fundamental freedoms
 - (f) Regulation (EC) No 806/2004 of the European Parliament and of the Council of 21 April 2004 on promoting gender equality in development cooperation
 - (g) Council Regulation (EC) No 1659/98 of 17 July 1998 on decentralised cooperation, as amended and extended by Regulations 995/2002 and 625/2004
 - (h) Council Regulation (EC) No 1658/98 of 17 July 1998 on cofinancing operations with European non-governmental organisations (NGOs) in fields of interest to the developing countries
 - (i) Council Regulation (EC) N° 1292/96 of 27 June 1996 on food-aid policy and food-aid management and special operations in support of food security, as amended by Regulation (EC) No 1726/2001 of the European Parliament and of the Council of 23 July 2001 amending Article 21 of Council Regulation (EC) No 1292/96 on food-aid policy and food-aid management and special operations in support of food security
 - (j) Council Regulation (EC) No 382/2001 of 26 February 2001 concerning the implementation of projects promoting cooperation and commercial relations between the European Union and the industrialised countries of North America, the Far East and Australasia and repealing Regulation (EC) No 1035/1999

- (k) Regulation (EC) No 1726/2000 of the European Parliament and of the Council of 29 June 2000 on development cooperation with South Africa
 - (l) Council Regulation (EEC) No 443/92 of 25 February 1992 (ALA) on financial and technical assistance to, and economic cooperation with, the developing countries in Asia and Latin America
 - (m) Council Regulation (EC) No 2258/96 of 22 November 1996 on rehabilitation and reconstruction operations in developing countries
 - (n) Regulation (EC) No 2130/2001 of the European Parliament and of the Council of 29 October 2001 on operations to aid uprooted people in Asia and Latin American developing countries
 - (o) Council Regulation (EC) No 550/97 of 24 March 1997 on HIV/AIDS related operations in developing countries
 - (p) Council Regulation (EC) No 1484/97 of 22 July 1997 on aid for population policies and programmes in developing countries.
- (2) The repealed Regulations shall continue to apply for legal acts and commitments of pre-2007 budget years.

Article 27

This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union. It shall apply from 1 January 2007.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, [...]

For the European Parliament
The President
[...]

For the Council
The President
[...]

FICHE FINANCIÈRE LÉGISLATIVE

Domaine(s) politique(s): Relations extérieures

Développement et Relations avec les Etats ACP

Aspects extérieurs des politiques internes

Activité(s):

Relations avec l'Europe de l'Est, le Caucase et les Républiques d'Asie Centrale (*en partie*)²⁴

Relations avec le Moyen-Orient et la Méditerranée du Sud (*en partie*)²⁵

Relations avec l'Asie

Relations avec l'Amérique Latine

Droits de l'Homme et Démocratisation

Relations multilatérales et domaines généraux des relations extérieures (*en partie*)²⁶

Relations avec l'Afrique Sub-saharienne, les Caraïbes, le Pacifique et l'Océan Indien

Politique de coopération au Développement et stratégies sectorielles

Relations avec les pays de l'OCDE non membres de l'Union européenne

Aspects extérieurs de la politique de l'environnement et des autres politiques internes

DÉNOMINATION DE L'ACTION: FINANCEMENT DE LA COOPÉRATION AU DÉVELOPPEMENT ET DE LA COOPÉRATION ÉCONOMIQUE AVEC LES ÉTATS TIERS

1. LIGNE(S) BUDGÉTAIRE(S) + INTITULÉ(S)

Activités actuellement couvertes par les Fonds européens de développement²⁷

Et sous réserve de certaines activités relevant de l'instrument de stabilité :

*Dépenses administratives*²⁸

07 01 04 06 - Participation aux activités internationales en matière d'environnement — Dépenses pour la gestion administrative

06 01 04 09 - Intelligent energy - Expenditure on administrative management (in part)

²⁴ En partie car seules les activités de coopération avec les Républiques d'Asie Centrale relèvent de ce Règlement.

²⁵ En partie car seules les activités de coopération avec les Pays du Golfe, le Yémen, l'Irak et l'Iran relèvent de ce Règlement.

²⁶ En partie car les opérations de déminage relèvent de l'instrument de stabilité.

²⁷ A l'exception de celles relevant de l'instrument de stabilité ou des aides humanitaires ou d'urgence.

²⁸ Sous réserve des activités relevant de l'instrument de pré-adhésion ou de l'instrument européen de voisinage et de partenariat (« *en partie* »).

07 01 04 05 - LIFE (European Financial Instrument for the Environment — 2000 to 2006) — Operations outside Community territory — Expenditure on administrative management (in part)

19 01 04 01 - Coopération avec les pays tiers industrialisés - Dépenses pour la gestion administrative

19 49 04 01 — Coopération avec les pays tiers industrialisés — Dépenses pour la gestion administrative

19 01 04 04 - Coopération financière et technique avec les pays en développement d'Asie - Dépenses de gestion administrative

19 49 04 04 - Coopération financière et technique avec les pays en développement d'Asie - Dépenses de gestion administrative

19 01 04 05 - Coopération financière et technique avec les pays en développement d'Amérique latine - Dépenses de gestion administrative

19 49 04 05 - Coopération financière et technique avec les pays en développement d'Amérique latine - Dépenses de gestion administrative

19 01 04 07 - Assistance aux Etats partenaires d'Europe orientale et d'Asie centrale - Dépenses de gestion administrative (*en partie*)

19 49 04 06 - Assistance aux Etats partenaires d'Europe orientale et d'Asie centrale - Dépenses de gestion administrative (*en partie*)

19 01 04 11 - Développement et consolidation de la démocratie et de l'État de droit - Respect des droits de l'homme et des libertés fondamentales - Dépenses de gestion administrative (*en partie*)

19 49 04 10 - Développement et consolidation de la démocratie et de l'État de droit - Respect des droits de l'homme et des libertés fondamentales - Dépenses de gestion administrative (*en partie*)

19 01 04 12 - Promotion de l'investissement communautaire dans les pays en développement d'Amérique latine, d'Asie, de la Méditerranée et en Afrique du Sud, dans le cadre des accords de coopération économique et commerciale - Dépenses de gestion administrative (*en partie*)

19 49 04 11 - Promotion de l'investissement communautaire dans les pays en développement d'Amérique latine, d'Asie, de la Méditerranée et en Afrique du Sud, dans le cadre des accords de coopération économique et commerciale - Dépenses de gestion administrative (*en partie*)

21 01 04 01 - Autres aides en produits, actions d'appui et transport, distribution, mesures d'accompagnement et de contrôle de la mise en oeuvre - Dépenses de gestion administrative

21 49 04 01 - Autres aides en produits, actions d'appui et transport, distribution, mesures d'accompagnement et de contrôle de la mise en oeuvre - Dépenses de gestion administrative

21 01 04 02 - Autres actions de coopération et stratégies sectorielles - Dépenses de gestion administrative

21 49 04 02 - Autres actions de coopération et stratégies sectorielles - Dépenses de gestion administrative

21 01 04 05 - Programme européen pour la reconstruction et le développement (PERD) - Dépenses de gestion administrative

21 49 04 05 - Programme européen pour la reconstruction et le développement (PERD) - Dépenses de gestion administrative

Relations multilatérales²⁹

19 02 03 - Coopération avec les pays tiers sur les migrations (*en partie*)

19 02 07 - Promotion de l'investissement communautaire dans les pays en développement d'Amérique latine, d'Asie, de la Méditerranée et en Afrique du Sud, dans le cadre des accords de coopération économique et commerciale (*en partie*)

19 02 11 - Programme de coopération Nord-Sud dans la lutte contre les drogues et la toxicomanie (*en partie*)

Droits de l'Homme³⁰

19 04 02 - Aide aux victimes de violations de droits de l'homme (*en partie*)

19 04 03 - Développement et consolidation de la démocratie et de l'État de droit - Respect des droits de l'homme et des libertés fondamentales (*en partie*)

19 04 04 - Soutien aux activités des tribunaux pénaux internationaux et à la mise en place de la Cour pénale internationale (*en partie*)

Pays industrialisés

19 05 02 - Coopération avec les pays tiers industrialisés

Europe de l'Est, Caucase et Républiques d'Asie Centrale³¹

19 06 01 - Assistance aux États partenaires d'Europe orientale et d'Asie centrale (*en partie*)

19 06 02 - Coopération transfrontalière dans le domaine structurel (*en partie*)

19 06 04 - Action de réhabilitation et de reconstruction en faveur des États partenaires d'Europe orientale et d'Asie centrale (*en partie*)

²⁹ Sous réserve des activités relevant de l'instrument de pré-adhésion ou de l'instrument européen de voisinage et de partenariat (« *en partie* »).

³⁰ Sous réserve des activités relevant de l'instrument de pré-adhésion ou de l'instrument européen de voisinage et de partenariat (« *en partie* »).

³¹ Sous réserve des activités relevant de l'instrument européen de voisinage et de partenariat (« *en partie* »).

Moyen-Orient et Méditerranée du Sud³²

19 08 05 - Actions de réhabilitation et de reconstruction en faveur des pays méditerranéens et du Proche- et du Moyen Orient (*en partie*)

19 08 06 - Autres interventions au bénéfice des pays en développement du Proche- et du Moyen-Orient (*en partie*)

19 08 07 - Aide à la réhabilitation et reconstruction de l'Iraq

Amérique Latine

19 09 01 - Coopération financière et technique avec les pays en développement d'Amérique latine

19 09 02 - Coopération politique, économique et culturelle avec les pays en développement d'Amérique latine

19 09 03 - Aide aux populations déracinées dans les pays d'Amérique latine

19 09 04 - Actions de réhabilitation et de reconstruction en faveur des pays en développement d'Amérique latine

Asie

19 10 01- Coopération financière et technique avec les pays en développement d'Asie

19 10 02 - Coopération politique, économique et culturelle avec les pays en développement d'Asie

19 10 03 - Aide aux populations déracinées dans les pays d'Asie

19 10 04 - Actions de réhabilitation et de reconstruction en faveur des pays en développement d'Asie

19 10 06 - Aide à la réhabilitation et reconstruction de l'Afghanistan

Stratégies sectorielles

07 02 01 Participation aux activités internationales en matière d'environnement

06 04 02 Intelligent energy — Europe programme (2003 to 2006): external strand — Coopener (in part)

07 02 02- LIFE (European Financial Instrument for the Environment — 2000 to 2006 — Operations outside Community territory (in part)

21 02 01 - Produits à mobiliser au titre de la convention relative à l'aide alimentaire

³² Sous réserve des activités relevant de l'instrument européen de voisinage et de partenariat (« *en partie* »).

21 02 02 - Autres aides en produits, actions d'appui et transport, distribution, mesures d'accompagnement et de contrôle de la mise en oeuvre

21 02 03 - Participation communautaire à des actions en faveur de pays en développement exécutées par des organisations non gouvernementales

21 02 05 - Environnement dans les pays en développement

21 02 06 - Intégration des questions de genre dans la coopération au développement

21 02 07 02 - Lutte contre les maladies dues à la pauvreté (VIH/sida, paludisme et tuberculose) dans les pays en développement

21 02 07 03 - Aide aux populations et soins de santé en matière de procréation

21 02 07 04 - Lutte contre les maladies dues à la pauvreté, autres que le VIH/sida, le paludisme et la tuberculose, dans les pays en développement

21 02 08 - Aide à l'éducation fondamentale dans les pays en développement

21 02 12 - Intégration des droits de l'enfant dans la coopération au développement

21 02 13 - Coopération décentralisée

21 02 14 - Constitution de capacités dans le domaine des technologies de l'information et des communications et dans le domaine de l'énergie durable

21 02 17 - Coopération culturelle avec les pays en développement

Etats ACP

21 03 01 — Aide programmable – États ACP

21 03 02 — Ajustement structurel, y compris les pays pauvres lourdement endettés (PPLE) — États ACP

21 03 03 — Stabex — États ACP

21 03 04 — Sysmin — États ACP

21 03 05 — Capitaux à risque — États ACP

21 03 06 — Bonifications d'intérêts — États ACP

21 03 07 — Aides d'urgence — États ACP

21 03 08 — Aides aux réfugiés — États ACP

21 03 09 — Aide programmable — Pays et territoires d'outre-mer (PTOM)

21 03 10 — Ajustement structurel, y compris les pays pauvres lourdement endettés (PPLE) — PTOM

21 03 11 — Stabex — PTOM

21 03 12 — Sysmin — PTOM

21 03 13 — Capitaux à risque — PTOM

21 03 14 — Bonifications d'intérêts — PTOM

21 03 15 — Aides d'urgence — PTOM

21 03 16 — Aides aux réfugiés — PTOM

21 03 17 - Programme européen pour la reconstruction et le développement (PERD)

21 03 19 - Assistance aux producteurs traditionnels de rhum ACP dans les domaines du développement et de la diversification des marchés

21 03 20 - Action de réhabilitation et de reconstruction en faveur des pays en voie de développement, notamment les Etats ACP

2. DONNÉES CHIFFRÉES GLOBALES

2.1 Enveloppe totale de l'action (partie B): 44 229 millions d'euros en CE

2.2 Période d'application: 2007-2013

2.3 Estimation globale pluriannuelle des dépenses: (*prix courant*)

a) Échéancier crédits d'engagement/crédits de paiement (intervention financière)
(*cf. point 6.1.1*)

Millions d'euros (*à la 3^e décimale*)

	2007	2008	2009	2010	2011	2012	2013 + suivan tes	Total
Crédits d'engagement	2.364	5.770	6.169	6.621	6.917	7.172	7.446	42.459
Crédits de paiement	284	1.283	2.608	3.801	4.942	5.831	23.710	42.459

b1) Assistance technique et administrative : personnel (*cf. point 6.1.2*)

Crédits d'engagement	53	130	142	155	165	175	185	1.005
Crédits de paiement	53	130	142	155	165	175	185	1.005

b2) Assistance technique et administrative : dépenses d'appui (DDA) (cf. point 6.1.2)

Crédits d'engagement	45	111	115	121	124	124	125	765
Crédits de paiement	45	111	115	121	124	124	125	765

Sous-total a+b								
Crédits d'engagement	2.462	6.011	6.426	6.897	7.206	7.471	7.756	44.229
Crédits de paiement	382	1.524	2.865	4.077	5.231	6.130	24.020	44.229

* "années suivantes" ne s'appliquent qu'aux paiements

c) Incidence financière globale des ressources humaines et autres dépenses de fonctionnement (cf. points 7.2 et 7.3)

CE/CP	122	303	330	361	386	408	431	2.341
-------	-----	-----	-----	-----	-----	-----	-----	--------------

TOTAL a+b2+c								
Crédits d'engagement	2.531	6.184	6.614	7.103	7.427	7.704	8.002	45.565
Crédits de paiement	451	1.697	3.053	4.283	5.452	6.363	24.266	45.565

2.4 Compatibilité avec la programmation financière et les perspectives financières

Proposition compatible avec la programmation financière prévue pour la période 2007-2013.

2.5 Incidence financière sur les recettes

Aucune implication sur les recettes.

3. CARACTÉRISTIQUES BUDGÉTAIRES

Nature de la dépense		Nouvelle	Participation AELE	Participation pays candidats	Rubrique PF
DNO	CD	OUI	NON	NON	4

4. BASE JURIDIQUE

Articles 179 et 181a du traité instituant la Communauté européenne.

5. DESCRIPTION ET JUSTIFICATION

5.1 Nécessité d'une intervention communautaire

5.1.1 Objectifs poursuivis

Coopération avec les pays en voie de développement

Avec la politique extérieure et de sécurité commune, la politique commerciale et l'assistance humanitaire, la politique de développement de la Communauté est un domaine important des relations extérieures de l'Union européenne.

Les objectifs poursuivis par le financement d'activités de coopération au titre du présent Règlement sont ceux définis à l'article 177 du traité instituant la Communauté européenne, à savoir :

- le développement économique et social durable des pays en développement et plus particulièrement des plus défavorisés d'entre eux ;
- l'insertion harmonieuse et progressive des pays en développement dans l'économie mondiale ;
- la lutte contre la pauvreté dans les pays en développement.

En outre, la politique de la Communauté contribue à l'objectif général de développement et de consolidation de la démocratie et de l'État de droit, ainsi qu'à l'objectif du respect des droits de l'homme et des libertés fondamentales.

La déclaration conjointe du Conseil et de la Commission de novembre 2000³³ donne à la Communauté un encadrement général pour ses activités de coopération et ses partenariats avec les pays en développement ou en transition. C'est ainsi que le principal objectif de la politique de coopération au développement de la Communauté est de réduire et éventuellement d'éradiquer la pauvreté par un appui au développement économique, social et environnemental durable, par l'intégration progressive des pays en développement dans l'économie mondiale et par la lutte contre les inégalités. La promotion des droits de l'homme, de la démocratie, de l'État de Droit, et de la bonne gouvernance fait partie intégrante de la politique communautaire de développement. En outre, la Communauté encourage une plus grande participation des organisations non gouvernementales, des opérateurs économiques, et notamment du secteur privé, et des partenaires sociaux dans les processus de développement. La politique communautaire de développement contribue également aux objectifs internationaux approuvés dans le contexte des Nations Unies ou au sein d'autres organisations internationales compétentes.

Les objectifs de coopération de la Communauté sont inscrits dans les accords de coopération et de partenariat conclus entre la Communauté, ses États membres, et les pays et régions partenaires. Ils sont déclinés et adaptés en fonction des particularités régionales (les objectifs spécifiques par programme de coopération sont repris à la partie 5.2).

³³ Déclaration du Conseil et de la Commission sur la politique communautaire de développement (1348/00) du 10 novembre 2000.

Les objectifs de la politique de développement de la Communauté sont notamment ancrés dans les engagements pris par 189 Etats membres des Nations Unies, y inclus tous les Etats membres de la Communauté, lors de l'assemblée du millénaire des Nations Unies en septembre 2000. Les Etats ont en effet convenu d'un ensemble d'objectifs, dénommés Objectifs du Millénaire pour le développement (OMD), et de cibles mesurables pour lutter contre la pauvreté, la faim, la maladie, l'analphabétisme, la dégradation de l'environnement et la discrimination à l'égard des femmes. La Déclaration du Millénaire a également énoncé dans ses grandes lignes un consensus sur la « marche à suivre » qui met l'accent plus résolument sur les droits de l'homme, la bonne gouvernance et la démocratie.

Objectifs du millénaire pour le développement devant être atteints d'ici 2015 :

- Réduire l'extrême pauvreté et la faim ;
- Assurer l'éducation primaire pour tous ;
- Promouvoir l'égalité entre les sexes et l'autonomisation des femmes ;
- Réduire la mortalité des moins de cinq ans ;
- Améliorer la santé maternelle ;
- Lutter contre le VIH/sida, le paludisme et d'autres maladies ;
- Assurer un environnement durable ;
- Développer un partenariat mondial pour le développement.

Atteindre les OMD dépendra largement des politiques mises en œuvre par les pays en voie de développement, mais aussi de l'augmentation des ressources allouées à la coopération au développement, de l'amélioration de l'efficacité de l'aide et de la mise en place d'un système commercial et financier multilatéral ouvert.

Lors de la Conférence internationale sur le financement du développement qui a eu lieu à Monterrey (Mexique) en mars 2002, les pays développés et les pays en développement ont commencé d'allouer des ressources et de prévoir des interventions conformément aux engagements du millénaire. C'est ainsi que les réformes politiques et économiques soutenues par les pays en développement devaient être appuyées par un apport direct du monde développé sous forme d'aide, d'échanges commerciaux, d'allègement de la dette et d'investissements.

Les engagements de Barcelone³⁴ qui définissent la contribution de l'Union européenne au consensus de Monterrey engagent notamment la Communauté et ses Etats membres à : accroître substantiellement leur aide officiel au développement, renforcer la coordination des politiques et l'harmonisation des procédures, délier plus avant leur aide, accroître l'aide liée au commerce, encourager le règlement de la question des biens publics mondiaux, poursuivre l'examen de sources de financement novatrices, favoriser certaines réformes des systèmes financiers internationaux et tendre vers l'établissement d'un niveau soutenable d'endettement, dans le cadre de l'initiative PPTE. Ces engagements contribuent donc à définir le cadre

³⁴ Adoptés par le Conseil européen de Barcelone le 14 mars 2002.

général de la politique de développement communautaire, ses objectifs et ses modalités de mise en œuvre.

The development and consolidation of democracy and the rule of law, and respect for human rights and fundamental freedoms constitute key objectives of the European Union's external policies. Within the framework of the present Regulation and its geographical scope, the European Community will contribute to the implementation of operations advancing respect for human rights and fundamental freedoms, promoting and strengthening democratic processes, including where appropriate through election observation and assistance, and developing and consolidating the rule of law and good governance.

Coopération avec les pays industrialisés

The objectives pursued are essentially based on joint policy statements and instruments (joint political Declarations, Action Plans, Framework Agreements, New Transatlantic and Partnership Agendas...) between the European Union and the partner countries concerned.

Cooperation initiatives with industrialised non-member countries, by providing an underpinning of concrete activities for the bilateral dialogues, aim to contribute to the creation of a more favourable environment for the conduct and development of political, economic and trade relations between the European Union and these partner countries, thus building stronger bilateral links in all relevant areas. This includes the improvement of market access and business opportunities for European Union industry on those markets.

Cooperation objectives with industrialised countries relate more particularly to four main action fields: promoting peace, security, democracy and development in the world; strengthening bilateral economic and trade relations and contributing to the expansion of world trade and economy; responding to global and societal challenges; building bridges between people and cultures.

Multilateral and other cooperation as external aspects of internal policies

5.1.2 Dispositions prises relevant de l'évaluation ex ante

The Commission carried out in the second half of 2003 an extensive high-level review of the whole range of European Community external instruments, in the context of the preparation of its proposals for the new financial perspectives. The Commission established the "Peace Group" which was tasked with leading the identification of the future priorities for external relations and the instruments needed to serve those priorities. This Group functioned at both the level of the external relations Commissioners and the services. It met regularly between April and December 2003 and developed the principles, which were set out in the Communication "Building our Common Future, Policy Challenges and Budgetary Means of the Enlarged Union 2007-2013"³⁵. The need to align objectives and instruments more closely to European Union values and interests was identified as being fundamentally important.

In particular, the "Peace Group" underlined that the European Union's values, reflected by its democratic tradition, social model and integration experience, include human dignity, the rule of law, human rights, solidarity, equality between the sexes, adherence to the multilateral system of the United Nations and support, within the multilateral economic system, for

³⁵ COM(2004) 101 du 10 février 2004.

regionalism as a force for development and stability. It emphasised that its interests drive the European Union to promote stable international growth founded on sustainable development. In this way it guarantees itself increasing outlets and quality jobs on competitive, open and regulated markets. Finally, the “Peace Group” recommended that the European Union promotes its values and interests by operating simultaneously as a continental power, and as a global economic and political player.

As far as external community instruments are concerned, the “Peace Group” recognised that the European Union's co-operation and assistance policy is the result of 50 years of successive sedimentation, which results in a multiplication of assistance instruments and a fragmentation of aid management both in terms of programming and implementation functions (even if recent policy and structural reforms have helped to improve coherence and consistency of the European Union's co-operation and assistance policy).

The “Peace Group” put forward that the European Union’s framework for external assistance should be rationalised and simplified by a reduction in the number of legal bases, the number of budget lines, and the number of programmes. More precisely, it recommended that:

- the complex structure of existing aid programs (EDF, ALA, MEDA, TACIS, CARDS, etc...) covering a wide range of interventions (peacekeeping and post-crisis operations; rehabilitation; economic reforms; projects; human rights programs; budgetary support) should be significantly streamlined;
- European Community and Member States policies and implementation should be harmonised.

Furthermore, the “Peace Group” underlined the following points:

- Large geographic programmes based on the principles of ownership and partnership with partner countries and regions and thematic programmes allowing for policy initiatives by the Community should be maintained;
- Strategy papers, subject to regular reviews, are the right tool to ensure overall policy coherence and to respect external policy objectives in the different areas as well as in the external aspects of internal policies;
- Resources should be allocated to partner countries according to expected and measured performances and strategy papers process, backed up by stronger analytical capabilities, should confront goals and achievements;
- Performance-based allocations do not mean increased conditionality in the traditional sense and the issue of political conditionality should be approached cautiously, on the basis of lessons drawn from experience;
- Though this is not necessarily a solution in each and every case, such concerns for results, namely the political and economic reforms in the partner countries, leads the Commission to suggest, where possible, moving further financial and technical assistance from projects towards sector programmes, budget support and macro-economic financial assistance which facilitate both the absorption by the partner country since its own budgetary procedures are used, and donors’ co-ordination as well as quick disbursement subject to compliance though.

The current proposal also takes account of the vast literature of work on development, the practice of other international and bi-lateral donors, as well as of the principles and objectives of the reform of the management of external assistance launched by the Commission in May 2000.

5.1.3 Dispositions prises à la suite de l'évaluation ex post

While the diversity of evaluations undertaken during the last five years to a large extent precludes the definition of any single overarching finding, the various sets of results available continue to isolate a cluster of key issues.

These results underline the fact that clearly-defined and realistic objectives, associated with agreed criteria for success, remain of great importance for the successful implementation of external assistance. At the same time, sensitivity to possible changes in the circumstances and capacity of partner organisations will be nurtured through appropriate institutional support, policy dialogue and technical assistance.

Coherent and comprehensive approaches will be formulated, embracing an array of means of interventions allowing for flexible planning and rapid delivery in response to any specific in-country situation.

Sound policy and methodological frameworks following the highest international standards will be translated into clear and realistic targets applying leaner procedures. Implementation will take full advantage of the devolution process to ensure optimal management capacity and information systems. At the ex-ante or feasibility stage, consideration of the full range of alternative choices of approach will be undertaken, including reflection on the most appropriate instruments and conditions for assistance, and favouring rapid and simple instruments for administration and operative management.

First positive results and the soundness of proposed improvements were evidenced through the latest evaluation reports.

5.2 Actions envisagées et modalités de l'intervention budgétaire

Afrique Sub-saharienne, Caraïbes, Pacifique et Océan Indien (ACP)

Populations visées

The ACP regroup 78 developing countries (76 countries covered by the EDF plus South Africa and East Timor) with a total population of 700 million. 42 of these countries are least developed countries and close from 50% of the ACP population lives with less than 1 USD per day.

Objectifs spécifiques

This programme is designated to finance cooperation activities at country, regional and at all ACP levels aimed at reducing poverty, promoting sustainable development, addressing in a balanced and integrated manner social, economic and environmental objectives, and the progressive integration of the ACP countries into the world economy. The programmes will be designed according to the approach and principles defined in the ACP-EC Partnership Agreement signed in Cotonou in June 2000. They will contribute to the achievement of the Millennium Development Goals and will be based on and promote the respect for all human

rights and fundamental freedoms, democracy based on the rule of law and transparent and accountable governance. The policy co-operation framework between the European Union and South Africa is set out in the Bi-Lateral Trade, Development and Cooperation Agreement (TDCA) which came into full force on 1 May 2004 as well as in the ACP-EC Partnership Agreement, to which South Africa is a Party as qualified in Protocol N°3.

Mesures à prendre

The co-operation programmes shall be tailored to each country's and region's circumstances, shall promote local ownership and the involvement of non state actors in the development process.

Interventions will be made in the form of grant subsidy with direct budget support and sector-specific programme aid as preferred intervention tools, or in the form of risk capital and loans managed by the European Investment Bank.

The priorities will be discussed with each partner government and with each partner regional organisation. They will be agreed upon in the form of Country Strategy Papers and Regional Strategy Papers that shall be coherent with the national and regional development and poverty reduction strategy papers and complementary to other donor interventions, in particular from Member states. These strategy papers will be operationalised through National and Regional Indicative five-year programmes to be signed by both parties. Those indicative programmes will define the focal sectors for Community interventions in line with the Joint Declaration by the Council and the Commission of November 2000 on the European Community's Development Policy, as well as a number of non focal areas for co-operation, taking into account cross-cutting issues. They will include a set of overall and sector-specific objectively measurable performance indicators related to the achievement of the Millennium Development Goals. The financial envelopes for each indicative programme will be defined on the basis of both needs and performance indicators and may be revised on the basis of periodic assessments of performance.

Moyen-orient(Est du Jourdain : Irak, Pays du Golfe, Yémen, Iran)

Populations visées

The population of the countries belonging to the Gulf Cooperation Council, Iran, Iraq and Yemen is likely to benefit under this Regulation.

Objectifs spécifiques

The major objectives for European Community co-operation with the Countries of East of Jordan are:

- Contribute to peace and security in the region and globally, through a broadening of Community engagement with the region;
- Promote the sustainable development of the less prosperous countries of the region, addressing the root causes of poverty;
- Contribute to the protection of human rights and to the spreading of democracy, good governance and the rule of law;

- Support reforms in the region
- Support domestic efforts in areas such as fight against organized crime, drugs trafficking, terrorism and non proliferation;
- Further strengthen mutual trade and investment flows with the region, and support trade related assistance with particular attention to the DDA and WTO implementation issues;
- Promote regional cooperation.

Mesures à prendre

Measures receiving Community support shall include, inter alia: support to reconstruction in Iraq in line with Commission's communications, support fight against all forms of trafficking, money laundering, organized crime, terrorism and non proliferation; supporting the development of network links to the EU, particularly for oil and gaz, support the implementation of the EU-GCC Free trade agreement (to be concluded in the near term); support to human rights and democracy programmes; support for programmes on environmental protection and sustainable management of natural resources; support for institutional, legal and administrative reforms; support to development of trade and investment; measures to improve governance and rule of law; support to higher education systems; support to policy reforms; support to poverty alleviation programmes in Yemen.

Amérique Latine

Populations visées

The entire population (500 million) in Latin America is likely to benefit under this Regulation.

Objectifs spécifiques

Community cooperation shall in particular pursue the following specific objectives:

- Promoting sustainable development addressing in a balanced and integrated manner social, economic and environmental objectives and promote harmonious and progressive integration and participation in the world economy;
- Increasing social cohesion by reducing poverty, exclusion and inequality;
- Promoting, democracy, rule of law and respect for human rights;
- Favouring regional integration in Latin America, and support the development of closer relations between Latin American partners and the European Union;
- Support trade related assistance with particular attention to the DDA and WTO implementation issues;
- Supporting rehabilitation, reconstruction and aid to uprooted people, with particular attention to the transition between emergency and development.

Mesures à prendre

Measures receiving Community support could relate inter alia to local and rural development, food aid, environmental protection and sustainable management of natural resources, trade assistance with particular attention for the DDA, fiscal and social policies and social sectors such as health and education and private sector. Special attention will be paid to promoting the transfer of European Union experience in the social and fiscal fields. Intra regional and bi-regional cooperation in the social and environmental fields will be encouraged. Assistance shall be provided to strengthening the institutional and legislative framework in particular to underpin democratic institutions, public administration, justice administration, and also to deal with threats to security such terrorism and organized crime. Measures could concern the management of asylum and migration flows. Assistance shall be provided to regional integration processes in Latin America, including, trade, institutional, customs and other aspects of regional integration. Closer relations between societies from both regions will be promoted through decentralised programmes.

Community cooperation shall also support sectors included in agreements with partner countries

Asie

Populations visées

The entire populations of developing countries in Asia are likely to benefit under this Regulation.

Objectifs spécifiques

The European Commission co-operation with Asia is based on Commission Communication: “Europe and Asia: a strategic framework for enhanced partnership”³⁶.

This Communication defines 6 major objectives for European Community co-operation with Asia, namely to:

- Contribute to peace and security in the region and globally, through a broadening of Community engagement with the region;
- Further strengthen mutual trade and investment flows with the region, and support trade related assistance with particular attention to the DDA and WTO implementation issues;
- Promote the sustainable development of the less prosperous countries of the region, addressing the root causes of poverty;
- Contribute to the protection of human rights and to the spreading of democracy, good governance and the rule of law;
- Build global partnerships and alliances with Asian countries, in appropriate international fora, to help address both the challenges and the opportunities offered by globalisation and to strengthen joint efforts on global environmental and security issues;

³⁶ COM(2001) 469 du 4 septembre 2001.

- Help strengthen mutual awareness and exchanges.

This global, Asia-wide strategy has been complemented by subsequent strategies at sub-regional and country level, notably for South East Asia³⁷, China³⁸ and India³⁹.

Supporting rehabilitation, reconstruction and aid to uprooted people, with particular attention to the transition between emergency and development, constitutes another objective of assistance to Asia.

Mesures à prendre

Measures receiving Community support shall include, inter alia: social services (health, education), whenever possible through sector-wide approaches, contributing to improving social cohesion; institution building measures notably in the areas of trade related technical assistance, with particular attention for the DDA, and the judiciary; measures in support of economic cooperation with an efficient private sector able to operate according to the global trade rules and the principles of a market economy; measures supporting environmental protection, sustainable management of natural resources, rural development and food security; measures to promote good governance, the rule of law and respect for human rights and democratisation; management of asylum and migration flows; measures addressing security issues, such as the fight against trafficking, crime, and terrorism; measures contributing to the development of media and communication sectors; statistical cooperation; measures supporting regional integration; support to cultural cooperation and higher education exchanges; measures to improve mutual awareness and visibility, measures aimed at supporting and assisting uprooted people.

Community cooperation shall also support sectors included in agreements with partner countries.

Asie Centrale

Populations visées

The entire population of Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan and Turkmenistan is likely to benefit under this Regulation.

Objectifs spécifiques

The major objectives for European Community co-operation with the Countries of Central Asia are:

- Contribute to peace and security in the region and globally, through a broadening of Community engagement with the region;

³⁷ Communication de la Commission « Un nouveau partenariat avec l'Asie du Sud-Est » (COM(2003) 399 du 9 juillet 2003).

³⁸ Document d'orientation de la Commission à transmettre au Conseil et au Parlement européen « Intérêts communs et défis de la relation UE-Chine - vers un partenariat mature (mise à jour des communications de la Commission européenne de 1998 et 2001 consacrées aux relations UE-Chine) » (COM(2003) 533 du 25 septembre 2003).

³⁹ Communication de la Commission « Un partenariat stratégique EU-Inde » (COM(2004) 430 du 16 juin 2004).

- Promote the sustainable development of the less prosperous countries of the region, addressing the root causes of poverty;
- Contribute to the protection of human rights and to the spreading of democracy, good governance and the rule of law;
- Promote regional cooperation in areas such as protection of the environment, management of natural resources; fight against organized crime, drugs trafficking and terrorism;
- Further strengthen mutual trade and investment flows with the region, and support trade related assistance with particular attention to the DDA and WTO implementation issues.

Mesures à prendre

Measures receiving Community support shall include, inter alia: support to border management, fight against all forms of trafficking, money laundering and organized crime; supporting the development of network links to the EU, particularly for oil and gaz, and to pan-European transport corridors; supporting programmes on environmental protection and sustainable management of natural resources; support for institutional, legal and administrative reforms; support to development of trade and investment; measures to improve governance and rule of law; support to higher education systems; support to policy reforms in public finances, agriculture and social protection; support to poverty alleviation programmes.

Initiatives globales et horizontales pour le développement et les aspects externes des politiques internes

Populations visées

The target populations vary according to the type of thematic programme. Some foresee a global outreach, eg protection of the global environment, others are specifically targeted at the most vulnerable segments of populations in developing countries, e.g. women and children, the rural poor, ill people, etc. Objectives and actions related to innovative approaches and promotion of the non-state actor dimension are targeted at NGOs, decentralised government structures in recipient countries, the private sector, trade unions, universities, foundations and research institutes as well as the populations, which ultimately benefit from their initiatives. The European Union population is a target for awareness-raising on development cooperation.

Objectifs spécifiques

Global and horizontal initiatives (so-called thematic programmes) contribute to the overarching objectives of poverty reduction (Millennium Development Goals), sustainable development and the integration of developing countries into the world economy. They are complementary to geographical programmes and pursue the following specific objectives:

- To promote the provision of global public goods through global, horizontal and targeted actions in support of sustainable development, which cover actions in fields such as environment, forests, knowledge and research, social development and other sectors;
- To promote multilateralism and global partnerships through the support to global initiatives (e.g. Highly Indebted Poor Countries initiative, Global Fund for AIDS, Tuberculosis and Malaria, Education Fast Track Initiative and Multilateral Environmental Agreements, the negotiation of new environmental agreements) and Multilateral

Agreements to which the Community is a Party. This will include financing of activities of multi-regional character implemented by international organisations such as the UN and international NGOs;

- To facilitate the mainstreaming of cross-cutting issues such as human rights, gender equality, trade, the environmental dimension in country and regional strategies and programmes;
- To support pilot and innovative approaches, the creation and exchange of knowledge and best practice and lessons-sharing between different actors, where the added value of such initiatives is clearly demonstrated and where it does not lead to a proliferation of tiny single-issue lines;
- To enhance participation and ownership of non-state actors by promoting actions that are actor-driven or actor-oriented;
- To initiate a process of change (e.g. awareness raising, institutional capacity-building) on sensitive issues that may not be tackled in the short-term through the geographical programmes because agreement cannot be reached with partner governments;
- To provide a flexible response to crisis and post-crisis situations in the transition towards development, including, but not restricted to, addressing food security measures and responses to trade shocks, in particular when this cannot be effectively supported under national indicative programmes;
- To initiate and/or maintain an anchor with countries where no agreed co-operation programme is in place (the so-called difficult partnerships);
- To raise awareness on development in the EU.

Mesures à prendre

Thematic strategies will be established for periods up to seven years. The strategic documents will set out the European Union's vision and priorities of its assistance within each priority theme and initiative. These multiannual programming documents will include: i) an analysis of the added value of Community aid compared with geographical instruments; ii) a situation analysis at international level and European Union level, including European Union commitments with regard to the specific global/horizontal issue, the position of the Council and the European Parliament; iii) the work priorities identified by the Commission, the operations financed previously and the lessons learned from them, including outcomes of evaluations; iv) the response strategy, including a detailed description of the theme, the geographical priorities if a geographical breakdown is envisaged, the measures taken (interventions); v) the multiannual programme, including annual amounts and forecasts, an indication of the type of interventions and the partners involved in their implementation, the instruments to be used for the selection of interventions and distribution of funds. Annual Work Programmes will be drawn up based on the multiannual thematic programming documents.

Démocratie et Droit de l'Homme

As set out in the thematic strategy, measures receiving Community support in pursuit of the present Regulation's objectives in the field of promoting democratisation and the rule of law, and respect for human rights and fundamental freedoms shall include:

- pertinent global, regional and country projects and programmes of local and EU non-governmental and civil society based organisations;
- cooperation with international organisations in the field of democratisation and human rights.

Migration management

In complementarity with geographical programmes, a thematic strategy may be set up in the field of asylum and migration covering the following types of actions :

- the development of third country's legislation in the field of legal immigration
- the development of legal migration;
- the development of legislation and national practices as regards international protection;
- the establishment in the third countries concerned of an effective and preventive policy in the fight against illegal migration, including the fight against trafficking in human beings and smuggling of migrants, and the development of relevant legislation;
- the readmission, in full respect of the law, and durable reintegration, into the third country concerned of persons who have illegally entered or remained on the territory of Member States or of persons who have unsuccessfully applied for asylum in the European Union or benefited from international protection there.

Coopération avec les pays industrialisés

Populations visées

Pays de l'OCDE et non membres de l'Union européenne.

Objectifs spécifiques

Specific objectives of the programme are:

- to promote a better understanding and a more widespread knowledge of the European Union in order to reinforce the influence of the European Union in bilateral and multilateral relations with the partner countries concerned as well as increase the visibility of the European Union there;
- to enhance people-to-people exchanges and promote sectoral dialogues and collaborative projects between the European Union and the partner countries to help the European Union and the partner countries developing further their bilateral relations;

- to promote investment and commercial relations between the European Union and partner countries.

Mesures à prendre

Measures receiving community support shall include projects targeting inter alia universities and other educational institutions, foundations, think tanks, research institutes, social partners, business and sectoral organisations and NGO's in the partner countries and in the EU and aiming notably at:

- enhancing people-to-people and academic exchanges - in particular student and faculty mobility and joint curriculum development - as well as dialogues between political, environmental, economic and business organisations, social partners, NGOs and civil society actors of the EU and the partner countries;
- developing joint cooperation projects in fields of common interest to the EU and partner countries such as the environment, energy and transport, customs, science and technology;
- stimulating EU-related curricular development in partner countries, research work and studies destined to provide input for the European Union and the partner countries, and EU-focused information activities in the partner countries;
- developing policy advice and public diplomacy initiatives to explain European union institutions, policies and positions and influence the way stakeholders groups and the general public in partner countries understand and react to European union policies, and affect the policies of their respective governments.

Community measures shall also include measures aiming at enhancing the European union business presence on the market of partner countries, including through export and commercial promotion; improving market access conditions and the regulatory framework for EU products and services in partner countries; facilitating bilateral investment flows with partner countries and contributing to making more influential the EU business presence in partner countries.

5.3 Modalités de mise en œuvre

Programmes may be implemented under direct centralised management by the Commission from Headquarters and/or through the devolved Commission Delegations using both statutory and temporary staff. They may also be implemented under decentralised management by the beneficiary country and under joint management with international organisations. The Regulation also leaves open the possibility for programme implementation under indirect centralised management arrangements by national public sector bodies or bodies governed by private law with a public service mission, or by an executive agency.

6. INCIDENCE FINANCIÈRE

6.1 Incidence financière totale sur la partie B (pour toute la période de programmation) (*prix courant*)

6.1.1 Intervention financière

Crédits d'engagement en millions d'euros (*à la 3^e décimale*)

Ventilation	2007	2008	2009	2010	2011	2012	2013	Total
Programme géographique Afrique Sub-saharienne, Caraïbes, Pacifique et Océan Indien	0	3.105	3.440	3.814	3.991	4.089	4.190	22.629
Programmes géographiques (autres), programmes thématiques et programme pour la coopération avec les pays industrialisés	2.364	2.665	2.729	2.807	2.926	3.083	3.256	19.830
TOTAL	2.364	5.770	6.169	6.621	6.917	7.172	7.446	42.459

6.1.2 Assistance technique et administrative (ATA), dépenses d'appui (DDA) et dépenses TI (crédits d'engagement)

Ventilation	2007	2008	2009	2010	2011	2012	2013	Total
Programme géographique Afrique Sub-saharienne, Caraïbes, Pacifique et Océan Indien – Dépenses de gestion administrative	0	129	143	159	166	170	176	943
Programmes géographiques (autres), programmes thématiques et programme pour la coopération avec les pays industrialisés – Dépenses de gestion administrative	98	112	114	117	123	129	134	827
TOTAL	98	241	257	276	289	299	310	1.770

7. IMPACT ON STAFF AND ADMINISTRATIVE EXPENDITURE

7.1. Impact on human resources

Types of post	Staff to be assigned to management of the action using existing and/or additional resources		Total	Description of tasks deriving from the action
	Number of permanent posts	Number of temporary posts		
Officials or temporary staff	HQ: 593 Del: 475		1068	
Other human resources		HQ: END: AUX: INT: <u>Ex BA-lines :</u> ATA: Delegations: <u>Ex BA-lines:</u> ALAT/AL: Ind. Expert:	21 71 2 107 1282 120	
Total			2671	

7.2. Overall financial impact of human resources (*prix 2004*)

Type of human resources	Amount (€)	Method of calculation *
Officials+Temporary staff		
HQ	64 044 000	593 x 108 000€
Delegation	92 225 050	475 x 194.158€
HQ:		
END		
AUX	935 424	21 x 44 544€
INT	4 029 960	71 x 56 760€
<u>Ex BA-lines:</u>	126 192	2 x 63 096€
ATA		
Delegations:	6 168 122	107 x 57 646€
<u>Ex BA-lines:</u>		
ALAT/AL		
Individ. Experts:	98 060 180	1282 x 76490€
	22 200 000	120 x 185 000€
Total	287 788 928	

Les montants correspondent aux dépenses totales pour 12 mois.

7.3 Autres dépenses de fonctionnement découlant de l'action (prix 2004)

Ligne budgétaire (n° et intitulé)	Montants en euros	Mode de calcul
Enveloppe globale (Titre A7)		
A0701 – Missions	4.738.800	2.154 missions x 2.200 € par mission
A07030 – Réunions	100.000	100 réunions x 1.000 € par réunion
A07031 – Comités obligatoires ⁽¹⁾	750.000	30 réunions x 25.000 € par réunion
A07032 – Comités non obligatoires ⁽¹⁾	0	
A07040 – Conférences	400.000	
A0705 – Études et consultations	200.000	
Autres dépenses (indiquer lesquelles)	0	
Systèmes d'information (A-5001/A-4300)	400.000	
Autres dépenses - partie A (indiquer lesquelles)	0	
Total	6.588.800 €	

Les montants correspondent aux dépenses totales de l'action pour 12 mois.

⁽¹⁾ Préciser le type de comité ainsi que le groupe auquel il appartient.

(prix 2004)

I.	Total annuel (7.2 + 7.3)	294.377.728 euros
II.	Durée de l'action	7 années
III.	Coût total de l'action (I x II)	2.060.644.096 euros

"Les besoins en ressources humaines et administratives seront couverts à l'intérieure de la dotation allouée à la DG gestionnaire dans le cadre de la procédure d'allocation annuelle".

"L'allocation de postes dépendra d'une part de l'organisation interne de la prochaine Commission et d'autre part d'une éventuelle réallocation de postes entre services suite aux nouvelles perspectives financières".

8. SUIVI ET ÉVALUATION

8.1 Système de suivi

The Commission will monitor progress of its external co-operation on all levels, *input* (in particular financial flows (commitments, contracts and payments), *activities / outputs* (project and programme execution, internal monitoring carried out on the spot by Commission Delegations), *progress / outcome* (external Results-Oriented Monitoring - ROM⁴⁰) and *impact* (Millennium Development Goals are jointly monitored with partners).

⁴⁰ The results-oriented monitoring system (ROM) allows a rapid appreciation of a project or programme's performance, as well as of its wider implications and provides the Commission with independent advice on its project portfolio. The system was initially developed and tested in 2000/2001 before expansion during 2002 to all regions of the Commission's external co-operation. Having one consistent approach ensures that the Commission has comparable data for all regions where it provides external assistance.

All countries and regional pluriannual indicative program will include the specific objectives and expected results for each area of co-operation, and a limited number of key outcome indicators in regard to economic and poverty situation. These indicators must relate to developments that are measurable in the short/medium term. If there is a Poverty Reduction Strategy Paper process under way, the indicators must correspond to those developed in that framework.

The programming of long-term external aid for partner countries and regions is carried out in the framework of the preparation of country and regional strategy papers (up to 7-years).. These country strategies also include a work plan or national / regional indicative programme jointly agreed between the Community and partner country/region concerned.

Under the principle of rolling programming, a review process is foreseen including annual operational reviews, mid-term reviews, and ad-hoc reviews where necessary. These review mechanism provides the flexibility required to ensure that operations are kept constantly in line with changes occurring in the economic situation, priorities and objectives of the partner country/region.

Reviews take a special interest on progress achieved in terms of financial execution of aid, as well as in terms of results achieved and evolution of the context in term of poverty reduction, economic performance and supported sectors. Updated intervention frameworks and indicator tables on focal sectors are annexed to review documents in order to facilitate the assessment at the time of the review. In particular, mid-term reviews may lead to a change of strategy, as well as a change in the country/region allocation in the light of the current needs and performance.

Les documents de stratégie thématique incluront une liste d'indicateurs permettant de suivre, dans la mesure des informations disponibles, l'évolution globale de la situation concernée par le thème.

Les programmes d'actions annuels incluront une information sur le type d'indicateurs de performances appropriés qui devront être suivi dans la mise en œuvre des actions financées par la Commission.

8.2 Modalités et périodicité de l'évaluation prévue

In application of current rules and in view of the vast scope of the activities foreseen, an evaluation system covering the different levels of intervention and types of instruments has been set up.

Notably, the financial regulation, as well as the internal control standards, calls for regular evaluation of all (sizable) activities. This is translated into the evaluation of single operations (e.g. development projects), of programmes (e.g. country strategies) and policy sectors or themes (e.g. transport or gender issues). Evaluations of are also necessary and ongoing of wider legal obligations such as the 3 Cs (Coherence, Complementarity, Coordination).

In practical terms, above mentioned obligations would amount to a yearly evaluation programme covering roughly the following: 30 country strategy evaluations (approximately 120 sizeable Country Strategy Papers covered over a 4 year cycle) , 4 evaluations of regional

and sub regional strategies; 4 evaluations of themes and sectors and 4 joint evaluations. It is also estimated that about 300 projects and other operations have to be evaluated each year.⁴¹

These works will be complemented by relevant works on databases, meta-analyses, methodology and training.

9. MESURES ANTIFRAUDE

La protection des intérêts financiers de la Communauté et la lutte contre les fraudes et autres irrégularités font partie intégrant du présent règlement.

Le suivi administratif des marchés et des paiements relève de la compétence des délégations de la CE dans les pays bénéficiaires.

Chacune des actions financées dans le cadre du présent règlement est supervisée par les délégations à tous les stades du cycle de projet. Cette supervision tient compte des obligations contractuelles ainsi que des principes d'analyse coût-efficacité et de saine gestion financière.

Tout accord ou contrat conclu en vertu du présent règlement prévoit expressément un suivi de la dépense autorisée dans le cadre des projets/programmes et de la mise en œuvre des activités ainsi que le contrôle financier de la Commission, notamment de l'Office européen de lutte antifraude (OLAF), ainsi que des audits de la Cour des comptes, effectués sur place si nécessaire. Il doit autoriser la Commission à procéder aux vérifications et inspections sur place visées par le règlement (Euratom, CE) no 2185/96 du 11 novembre 1996 relatif aux contrôles et vérifications sur place effectués par la Commission pour la protection des intérêts financiers des Communautés européennes contre les fraudes et autres irrégularités.

La nature des dépenses (éligibilité), le respect des budgets (dépenses effectives), la vérification des justificatifs et des documents (preuves des dépenses) font l'objet d'une attention particulière.

⁴¹ Le programme d'évaluation indiqué ici couvre l'ensemble des activités de coopération relevant des quatre instruments d'aide extérieures : « instrument de pré-adhésion », « instrument européen de voisinage et de partenariat », « instrument de stabilité » et « instrument de financement de la coopération au développement et de la coopération économique ». Les ressources humaines et les ressources financières nécessaires à la réalisation du programme d'évaluation sont estimées respectivement à 72 homme/an (57 AD et 15 AST) et à 24,6 millions d'€ par an.