Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument

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THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 209(1) and 212(2) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[(1)],

Having regard to the opinion of the Committee of the Regions[(2)],

Acting in accordance with the ordinary legislative procedure[(3)],

Whereas:

(1) This Regulation establishes the European Neighbourhood Instrument (ENI) as one of the instruments providing direct support for the European Union's external policies. It replaces Regulation (EC) No 1638/2006 of the European Parliament and of the Council[(4)], which expired on 31 December 2013.

(2) Article 8 of the Treaty on European Union (TEU) provides that the Union is to develop a special relationship with neighbouring countries, aiming to establish an area of prosperity and good neighbourliness, founded on the values of the Union and characterised by close and peaceful relations based on cooperation.

(3) Under the European Neighbourhood Policy (ENP), the Union offers European Neighbourhood countries a privileged relationship, building upon a mutual commitment to, and promotion of, the values of democracy and human rights, the rule of law, good governance and the principles of a market economy and sustainable and inclusive development. It further provides, where appropriate, a framework for enhanced mobility and people-to-people contacts, particularly through visa facilitation and readmission agreements, and, on a case-by-case basis, through visa liberalisation.

(4) Since it was launched, the ENP has strengthened relations with partner countries and brought tangible benefits to both the Union and its partners, including the launch of regional initiatives and support to democratisation in the European Neighbourhood. A number of major developments in the European Neighbourhood prompted a comprehensive strategic review of the ENP in 2011. The review provides, inter alia, for greater support to partners committed to building democratic societies and undertaking

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reforms in line with the incentive-based approach (‘more for more’) and the principle of ‘mutual accountability’, partnership with societies and a more differentiated and tailor-made approach towards the individual partner countries. This Regulation should establish clear links between the ENP framework and the support to be provided under this Regulation.

(5) This Regulation should support the implementation of political initiatives that have shaped the ENP: the Eastern Partnership between the Union and its eastern neighbours, the Partnership for Democracy and Shared Prosperity and the Union for the Mediterranean in the southern neighbourhood. Those initiatives are all strategically important and offer equally meaningful political frameworks for deepening relations with and among partner countries, based on the principles of mutual accountability, shared ownership and responsibility. This Regulation should also support the implementation of regional cooperation throughout the European Neighbourhood, inter alia in the framework of the Northern Dimension policy or the Black Sea Synergy, as well as, primarily in the case of cross-border cooperation, the external aspects of relevant macro-regional strategies.

(6) The objectives of this Regulation should be pursued with the appropriate involvement of external action partners, including civil society organisations and local authorities, in preparing, implementing and monitoring Union support, given the importance of their roles. This Regulation should also support the strengthening of the capacity of civil society organisations to guarantee effective domestic accountability and local ownership, and to play a full role in the democratisation process.

(7) This Regulation acknowledges the specific status of the Russian Federation as both a Union neighbour and a strategic partner in the region.

(8) Support under both this Regulation and the European Regional Development Fund (ERDF) should be provided for the cross-border cooperation programmes between, on the one hand, Member States and, on the other hand, partner countries and/or the Russian Federation (‘other cross-border cooperation participating countries’) along the external borders of the Union, in order to promote integrated and sustainable regional development and cooperation between neighbouring border areas and harmonious territorial integration across the Union and with neighbouring countries. To secure efficient implementation of cross-border cooperation, it is important to harmonise procedures with those within the context of European territorial cooperation, where applicable.

(9) Furthermore, it is important to foster and facilitate cooperation between the Union and its partners and other participating countries for their common benefit, in particular through the best and most effective coordination of resources provided and the pooling of contributions from internal and external instruments of the Union budget, in particular for the benefit of cross-border cooperation and regional cooperation projects, infrastructure projects of Union interest involving neighbouring countries, and other areas of cooperation.

(10) Territorial units along the borders that belong to countries of the European Economic Area (EEA) and the relevant territorial units in the beneficiaries listed in Annex I

to Regulation (EU) No 231/2014 of the European Parliament and of the Council[(5)] should also be able to participate in cross-border cooperation. Participation of the EEA countries in the cross-border cooperation programmes should continue to be based on their own resources.

(11) It is expected that the Member States, partner countries and other participating countries taking part in cross -border cooperation and in regional cooperation will provide co-financing. This will strengthen country ownership, increase the financial resources at the disposal of the programmes and facilitate the participation of local stakeholders.

(12) For the purpose of harmonising the terminology used in this Regulation with that of the European territorial cooperation, the implementation documents for cross-border cooperation programmes should be called joint operational programmes.

(13) Support to be provided to neighbouring countries within the framework established by the ENP should be coherent with the objectives and principles of the Union's external policies and, in particular, its development policy and the common foreign and security policy. Coherence with the external dimensions of the Union's internal policies and instruments should also be ensured.

(14) The Union should seek the most efficient use of available resources in order to optimise the impact of its external action. That should be achieved through coherence and complementarity between the Union's instruments for external action, as well as the creation of synergies between the ENI, other Union instruments for financing external action and other policies of the Union. This should further entail mutual reinforcement of the programmes devised under the instruments for financing external action.

(15) The Joint EU–Africa Strategy is of relevance for relations with the Mediterranean neighbours from North Africa.

(16) The Union and its Member States should improve the coherence, effectiveness and complementarity of their respective policies on cooperation with neighbouring countries. To ensure that the Union's cooperation and that of the Member States complement and reinforce each other, it is appropriate to provide for joint programming, which should be implemented whenever possible and relevant. Proper cooperation and coordination with other non-Union donors should also be ensured.

(17) Union support under this Regulation should in principle be aligned to corresponding national or local strategies and measures of partner countries and, where relevant, also to those of the Russian Federation.

(18) The Commission should seek the most efficient use of available resources by using financial instruments with leverage effect. Such effect could be increased by enabling funds invested and generated by financial instruments to be used and re-used.

(19) Fighting climate change is one of the great challenges which the Union faces and urgent international action is needed. In accordance with the intent stated in the Commission Communication of 29 June 2011 entitled ‘A budget for Europe 2020’ of increasing the climate-related proportion of the Union budget to at least 20 %, this Regulation should contribute to the attainment of that goal.

(20) A stable framework of cooperation with neighbouring countries in the area of energy and resources, consistent with the Union's internal market rules, contributes to enhancing the Union's security in that area.

(21) Gender equality, the rights of persons belonging to minorities and the fight against discrimination and inequalities are cross-cutting objectives in all actions undertaken under this Regulation.

(22) In relations with its partners worldwide, the Union is committed to promoting decent work and social justice, and ratifying and effectively implementing internationally recognised labour standards, including the eradication of child labour, and multilateral environmental agreements.

(23) This Regulation lays down a financial envelope for its period of application which is to constitute the prime reference amount, within the meaning of point 17 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management[(6)], for the European Parliament and the Council during the annual budgetary procedure.

(24) The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, the imposition of penalties. Those measures should be carried out in accordance with the applicable agreements concluded with international organisations and third countries.

(25) In order to adapt Union support under this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of amending the list of priorities for Union support under this Regulation and financial allocations per type of programme. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

(26) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission.

(27) The implementing powers relating to multi-annual single support frameworks, other programming documents and implementing rules laying down specific provisions for the implementation of cross-border cooperation should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[(7)].

(28) The examination procedure should in principle be used for the adoption of such implementing acts, given the nature of those implementing acts, in particular their policy orientation or their financial implications, except in the case of measures of a small financial scale.

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(29) Common rules and procedures for the implementation of the Union's instruments for financing external action are laid down in Regulation (EU) No 236/2014 of the European Parliament and of the Council[8].

(30) The organisation and functioning of the European External Action Service (EEAS) are established in Council Decision 2010/427/EU[9].

(31) In European Neighbourhood countries, where alignment to Union rules and standards is one of the key policy objectives, the Union is best placed to deliver its support under this Regulation. Certain specific support can only be provided at Union level. Member States' transition experience can also contribute to the success of reforms in European Neighbourhood countries and to promoting universal values in the European Neighbourhood.

(32) Since the objectives of this Regulation cannot be sufficiently achieved by the Member States but can rather, by reason of the scale and effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 TEU. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.

(33) It is appropriate to align the period of application of this Regulation with that of Council Regulation (EU, Euratom) No 1311/2013[10]. Therefore, this Regulation should apply from 1 January 2014 until 31 December 2020,

HAVE ADOPTED THIS REGULATION:

TITLE I

OBJECTIVES AND PRINCIPLES

Article 1

General objective and scope

1 This Regulation establishes a European Neighbourhood Instrument (ENI) with a view to advancing further towards an area of shared prosperity and good neighbourliness involving the Union and the countries and territories listed in Annex I (‘the partner countries’) by developing a special relationship founded on cooperation, peace and security, mutual accountability and a shared commitment to the universal values of democracy, the rule of law and respect for human rights in accordance with the TEU.

2 Union support under this Regulation shall be used for the benefit of partner countries and the areas involved in cross-border cooperation. It can also be used for the common benefit of the Union and partner countries.

3 Union support under this Regulation may also be used for the purpose of enabling the Russian Federation to participate in cross-border cooperation, in regional cooperation with Union participation and in relevant multi-country programmes, including in cooperation on education, in particular student exchanges.