Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II)

REGULATION (EU) No 231/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

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establishing an Instrument for Pre-accession Assistance (IPA II)

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 Article 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) In its Communication of 29 June 2011 entitled 'A Budget for Europe 2020', the Commission set the framework for the Union's instruments for financing external action, including the Instrument for Pre-accession Assistance ('IPA II').

(2) As Council Regulation (EC) No 1085/2006[(4)] expired on 31 December 2013, and in order to make the external action of the Union more effective, a framework for planning and delivering external assistance should be maintained for the period from 2014 to 2020. The enlargement policy of the Union should continue to be supported by a specific instrument for financing external action. IPA II should therefore be established.

(3) Article 49 of the Treaty on European Union (TEU) provides that any European State which endorses the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities, may apply to become a member of the Union. A European State which has applied to join the Union can become a member only when it has been confirmed that it meets the membership criteria established at the Copenhagen European Council in June 1993 (the 'Copenhagen criteria') and provided that the accession does not overstretch the capacity of the Union to integrate the new member. Those criteria relate to the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities, the existence of a functioning market economy as well as the capacity to cope with competitive pressure and market forces within the Union, and the ability to assume not only the rights but also the obligations under the Treaties, including adherence to the aims of political, economic and monetary union.

(4) The enlargement strategy based on consolidation, conditionality and communication, combined with the Union's capacity to integrate new members, continues to form the basis for a renewed consensus on enlargement. The accession process is based on objective criteria and on the application of the principle of equal treatment of all applicants, with each one being assessed on its own merits. Progression towards accession depends on each applicant's respect for the Union's values and its capacity to undertake the necessary reforms to align its political, institutional, legal, administrative and economic systems with the rules, standards, policies and practices in the Union.

(5) The enlargement process reinforces peace, democracy and stability in Europe and allows the Union to be better positioned to address global challenges. The transformative power of the enlargement process generates far-reaching political and economic reform in the enlargement countries which also benefits the Union as a whole.

(6) The European Council has granted the status of candidate country to Iceland, Montenegro, the former Yugoslav Republic of Macedonia, Turkey and Serbia. It has confirmed the European perspective of the Western Balkans. Without prejudice to positions on status or to any future decisions to be taken by the European Council or by the Council, those benefiting from such a European perspective which have not been granted candidate country status may be considered as potential candidates for the sole purpose of this Regulation. Financial assistance under this Regulation should be granted to all beneficiaries listed in Annex I.

(7) Assistance under this Regulation should be provided in accordance with the enlargement policy framework defined by the European Council and the Council and taking due account of the Communication on the Enlargement Strategy and the Progress Reports comprised in the annual enlargement package of the Commission, as well as of the relevant resolutions of the European Parliament. Assistance should also be provided in compliance with the agreements concluded by the Union with the beneficiaries listed in Annex I, and in accordance with the European and Accession Partnerships. Assistance should mainly focus on a selected number of policy areas that will help the beneficiaries listed in Annex I to strengthen democratic institutions and the rule of law, reform the judiciary and public administration, respect fundamental rights and promote gender equality, tolerance, social inclusion and non-discrimination. Assistance should continue to support their efforts to advance regional, macro-regional and cross-border cooperation as well as territorial development, including through implementation of Union macro-regional strategies. It should also enhance their economic and social development, underpinning a smart, sustainable and inclusive growth agenda with a particular focus on small and medium-sized enterprises, with a view to attainment of the targets of the Europe 2020 strategy for smart, sustainable and inclusive growth (the ‘Europe 2020 Strategy’) and progressive alignment with the Copenhagen criteria. The coherence between the financial assistance and the overall progress made in the implementation of the pre-accession strategy should be strengthened.

(8) In order to take account of changes in the enlargement policy framework or of significant developments in the beneficiaries listed in Annex I, 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 adapting and updating the thematic priorities for assistance listed in Annex II. 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.

(9) Strengthening the rule of law, including the fight against corruption and organised crime, and good governance, including public administration reform, remain key challenges in most of the beneficiaries listed in Annex I and are essential in order for those beneficiaries to come closer to the Union and later to fully assume the obligations of Union membership. In view of the longer-term nature of the reforms pursued in those areas and the need to build up track records, financial assistance under this Regulation should address the requirements placed on the beneficiaries listed in Annex I as early as possible.

(10) The beneficiaries listed in Annex I need to be better prepared to address global challenges, such as sustainable development and climate change, and align with the Union's efforts to address those issues. Union assistance under this Regulation should also contribute to the attainment of the goal of raising the climate-related proportion of the Union budget to at least 20 %.

(11) The Union should also provide support to the transition towards accession for the benefit of all the beneficiaries listed in Annex I, based on the experience of its Member States. This cooperation should focus in particular on the sharing of experience acquired by the Member States in the reform process.

(12) The Commission and the Member States should ensure compliance, coherence, and complementarity of their assistance, in particular through regular consultations and frequent exchanges of information during the different phases of the assistance cycle. The necessary steps should also be taken to ensure better coordination and complementarity, including through regular consultations, with other donors. The role of civil society should be enhanced both in programmes implemented through government bodies and as a direct beneficiary of Union assistance.

(13) The priorities for action towards meeting objectives in the relevant policy areas which will be supported under this Regulation should be defined in indicative strategy papers established by the Commission for the duration of the Union's multiannual financial framework for the period from 2014 to 2020 in partnership with the beneficiaries listed in Annex I, based on their specific needs and the enlargement agenda, in line with the general and specific objectives defined by this Regulation and taking relevant national strategies into due account. The strategy papers should also identify the policy areas to be supported through assistance and, without prejudice to the prerogatives of the European Parliament and of the Council, should lay down the indicative allocations of Union funds per policy area, broken down per year, including an estimate of climate-related expenditure. Sufficient flexibility should be built in to cater for emerging needs and to give incentives to improve performance. The strategy papers should ensure coherence and consistency with the efforts of the beneficiaries listed in Annex I, as

reflected in their national budgets, and should take into account the support provided by other donors. In order to take into account internal and external developments, the strategy papers should be reviewed and revised as appropriate.

(14) It is in the Union's interest to assist the beneficiaries listed in Annex I in their efforts to reform with a view to Union membership. Assistance should be managed with a strong focus on results and with incentives for those who demonstrate their commitment to reform through efficient implementation of pre-accession assistance and progress towards meeting the membership criteria.

(15) Assistance should continue to make use of the structures and instruments that have proved their worth in the pre-accession process. The transition from direct management of pre-accession funds by the Commission to indirect management by the beneficiaries listed in Annex I should be progressive and in line with the respective capacities of those beneficiaries. In accordance with the principle of participatory democracy, parliamentary oversight in each beneficiary listed in Annex I of the assistance provided to that beneficiary should be encouraged by the Commission.

(16) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers relate to the strategy papers, programming documents and the specific rules establishing such uniform conditions and should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[(5)]. Given the nature of those implementing acts, in particular their policy orientation nature or their financial implications, the examination procedure should in principle be used for their adoption, except in the case of measures of a small financial scale. When establishing the uniform conditions for implementing this Regulation, the lessons learnt from the management and implementation of past pre-accession assistance should be taken into account. Those uniform conditions should be amended if developments so require.

(17) The committee established under this Regulation should be competent also for legal acts and commitments under Regulation (EC) No 1085/2006, as well as for the implementation of Article 3 of Council Regulation (EC) No 389/2006[(6)].

(18) 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 on budgetary matters and on sound financial management[(7)], for the European Parliament and the Council during the annual budgetary procedure.

(19) 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 IPA II, 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.

***Changes to legislation:** There are currently no known outstanding effects for the Regulation (EU) No 231/2014 of the European Parliament and of the Council. (See end of Document for details)*

(20) 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].

(21) Since the objective of this Regulation cannot be sufficiently achieved by the Member States but can rather 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 that objective.

(22) It is appropriate to ensure a smooth transition without interruption between the Instrument for Pre-accession Assistance ('IPA') established under Regulation (EC) No 1085/2006, and IPA II and to align the period of application of this Regulation with that of Council Regulation (EU, Euratom) No 1311/2013[9]. Therefore, this Regulation should apply from 1 January 2014 until 31 December 2020,

HAVE ADOPTED THIS REGULATION:

TITLE I

GENERAL PROVISIONS

Article 1

General objective

The Instrument for Pre–accession Assistance for the period from 2014 to 2020 ('IPA II') shall support the beneficiaries listed in Annex I in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries in order to comply with the Union's values and to progressively align to the Union's rules, standards, policies and practices, with a view to Union membership.

Through such support, IPA II shall contribute to stability, security and prosperity in the beneficiaries listed in Annex I.

Article 2

Specific objectives

1 Assistance under this Regulation shall pursue the achievement of the following specific objectives according to the needs of each of the beneficiaries listed in Annex I, as well as their individual enlargement agenda:

a support for political reforms, inter alia through:

(i) strengthening of democracy and its institutions, including an independent and efficient judiciary, and of the rule of law, including its implementation;

(ii) promotion and protection of human rights and fundamental freedoms, enhanced respect for the rights of persons belonging to minorities, including lesbian, gay, bisexual, transgender and intersex persons, promotion of gender