Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument

REGULATION (EC) No 1638/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 24 October 2006

laying down general provisions establishing a European Neighbourhood and Partnership Instrument

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission,

Acting in accordance with the procedure laid down in Article 251 of the Treaty[(1)],

Whereas:

(1) A new framework for planning and delivering assistance is proposed in order to make the Community's external assistance more effective. This Regulation constitutes one of the general instruments providing direct support for the European Union's external policies.

(2) The Copenhagen European Council of 12 and 13 December 2002 confirmed that enlargement of the European Union presents an important opportunity to take forward relations with neighbouring countries based on shared political and economic values, and that the European Union remains determined to avoid new dividing lines in Europe and to promote stability and prosperity within and beyond the new borders of the European Union.

(3) The Brussels European Council of 17 and 18 June 2004 reiterated the importance it attached to strengthening cooperation with those neighbours, on the basis of partnership and joint ownership and building on shared values of democracy and respect for human rights.

(4) The privileged relationship between the European Union and its neighbours should build on commitments to common values, including democracy, the rule of law, good governance and respect for human rights, and to the principles of market economy, open, rule-based and fair trade, sustainable development and poverty reduction.

(5) It is important that Community assistance under this Regulation be provided in compliance with the international agreements and international conventions to which the Community, the Member States and the partner countries are parties and that it be delivered taking into account the general principles of international law commonly accepted by the parties.

Changes to legislation: *There are currently no known outstanding effects for the Regulation (EC) No 1638/2006 of the European Parliament and of the Council. (See end of Document for details)*

(6) In eastern Europe and the southern Caucasus, the Partnership and Cooperation Agreements provide the basis for contractual relations. In the Mediterranean, the Euro-Mediterranean Partnership (the Barcelona Process) provides a regional framework for cooperation which is complemented by a network of Association Agreements.

(7) Under the European Neighbourhood Policy, a set of priorities are defined together by the European Union and the partner countries, to be incorporated in a series of jointly agreed Action Plans, covering a number of key areas for specific action, including political dialogue and reform, trade and economic reform, equitable social and economic development, justice and home affairs, energy, transport, information society, environment, research and innovation, the development of civil society and people-to-people contacts. Progress towards meeting these priorities will contribute to realising the full potential of the Partnership and Cooperation Agreements and the Association Agreements.

(8) In order to support the partner countries' commitment to common values and principles and their efforts in the implementation of the action plans, the Community should be in a position to provide assistance to those countries and to support various forms of cooperation among them and between them and the Member States with the aim of developing a zone of shared stability, security and prosperity involving a significant degree of economic integration and political cooperation.

(9) Promotion of political, economic and social reforms across the neighbourhood is an important objective of Community assistance. In the Mediterranean this objective will be further pursued within the Mediterranean strand of the Strategic Partnership with the Mediterranean and the Middle East. The relevant elements of the European Union strategy for Africa will be taken into account in the relations with the Mediterranean neighbours from North Africa.

(10) It is important that support to be provided to neighbouring developing countries within the framework established by the European Neighbourhood Policy should be coherent with the objectives and principles of the European Community Development Policy, as outlined in the Joint Statement entitled 'The European Consensus on Development'[(2)] adopted on 20 December 2005 by the Council and the Representatives of the Governments of the Member States meeting within the Council, the European Parliament and the Commission.

(11) The European Union and Russia have decided to develop their specific strategic partnership through the creation of four common spaces, and Community assistance will be used to support the development of this partnership and to promote cross-border cooperation at the border between Russia and its European Union neighbours.

(12) The Northern Dimension provides a framework for cooperation between the European Union, Russia, Norway and Iceland and it is important that Community assistance be also used to support activities contributing to the implementation of such a framework. The new objectives of this policy will be set out in a political declaration and a policy framework document to be prepared on the basis of the guidelines approved by the Northern Dimension ministerial meeting of 21 November 2005.

(13) For Mediterranean partners, assistance and cooperation should take place within the framework of the Euro-Mediterranean Partnership established by the Barcelona Declaration of 28 November 1995 and affirmed at the 10th anniversary Euro-Mediterranean Summit of 28 November 2005, and should take into account the agreement reached in that context on establishing a free-trade area for goods by 2010 and beginning a process of asymmetric liberalisation.

(14) It is important to foster cooperation both at the European Union external border and among partner countries, especially those among them that are geographically close to each other.

(15) In order to avoid the creation of new dividing lines, it is particularly important to remove obstacles to effective cross-border cooperation along the external borders of the European Union. Cross-border cooperation should contribute to integrated and sustainable regional development between neighbouring border regions and harmonious territorial integration across the Community and with neighbouring countries. This aim can best be achieved by combining external policy objectives with environmentally sustainable economic and social cohesion.

(16) In order to assist neighbouring partner countries in achieving their objectives, and to promote cooperation between them and Member States, it is desirable to establish a single policy-driven instrument which will replace a number of existing instruments, ensuring coherence and simplifying assistance programming and management.

(17) This instrument should also support cross-border cooperation between partner countries and the Member States bringing substantial efficiency gains operating through a single management mechanism and with a single set of procedures. It should build on the experience acquired from the implementation of the Neighbourhood Programmes in the period 2004 to 2006 and operate on the basis of principles such as multi-annual programming, partnership and cofinancing.

(18) It is important that border regions which belong to countries of the European Economic Area (EEA) and which are currently taking part in cross-border cooperation involving Member States and partner countries may continue to do so on the basis of their own resources.

(19) This Regulation establishes for the period 2007 to 2013 a financial envelope which constitutes the prime reference amount for the budgetary authority according to point 37 of the Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management[(3)].

(20) The measures necessary for the implementation of this Regulation should be adopted 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[(4)].

(21) The use of the management procedure should be applicable when defining the implementing rules which will govern the implementation of cross-border cooperation and when adopting strategy papers, action programmes and special measures not provided for in strategy papers whose value exceeds the threshold of EUR 10 000 000.

Changes to legislation: *There are currently no known outstanding effects for the Regulation (EC) No 1638/2006 of the European Parliament and of the Council. (See end of Document for details)*

(22) Since the objectives of this Regulation, namely to promote enhanced cooperation and progressive economic integration between the European Union and neighbouring countries, cannot be sufficiently achieved by the Member States and can, by reason of the scale of the action, be better achieved at Community level, the Community may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty. 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.

(23) This Regulation makes it necessary to repeal Council Regulations (EEC) No 1762/92 of 29 June 1992 on the implementation of the Protocols on financial and technical cooperation concluded by the Community with Mediterranean non-member countries[(5)], (EC) No 1734/94 of 11 July 1994 on financial and technical cooperation with the West Bank and the Gaza Strip[(6)] and (EC) No 1488/96 of 23 July 1996 on financial and technical measures to accompany (MEDA) the reform of economic and social structures in the framework of the Euro-Mediterranean partnership[(7)]. Equally, this Regulation will replace 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[(8)], which expires on 31 December 2006,

HAVE ADOPTED THIS REGULATION:

TITLE I

OBJECTIVES AND PRINCIPLES

Article 1

Subject matter and scope

1 This Regulation establishes a Neighbourhood and Partnership Instrument to provide Community assistance for the development of an area of prosperity and good neighbourliness involving the European Union, and the countries and territories listed in the Annex (hereinafter partner countries).

2 Community assistance shall be used for the benefit of partner countries. Community assistance may be used for the common benefit of Member States and partner countries and their regions, for the purpose of promoting cross-border and trans-regional cooperation as defined in Article 6.

3 The European Union is founded on the values of liberty, democracy, respect for human rights and fundamental freedoms and the rule of law and seeks to promote commitment to these values in partner countries through dialogue and cooperation.

***Changes to legislation:** There are currently no known outstanding effects for the Regulation (EC) No 1638/2006 of the European Parliament and of the Council. (See end of Document for details)*

Article 2

Scope of Community assistance

1 Community assistance shall promote enhanced cooperation and progressive economic integration between the European Union and the partner countries and, in particular, the implementation of partnership and cooperation agreements, association agreements or other existing and future agreements. It shall also encourage partner countries' efforts aimed at promoting good governance and equitable social and economic development.

2 Community assistance shall be used to support measures within the following areas of cooperation:

(a) promoting political dialogue and reform;

(b) promoting legislative and regulatory approximation towards higher standards in all relevant areas and in particular to encourage the progressive participation of partner countries in the internal market and the intensification of trade;

(c) strengthening of national institutions and bodies responsible for the elaboration and the effective implementation of policies in areas covered in association agreements, partnership and cooperation agreements, and other multilateral agreements to which the Community and/or its Member States and partner countries are parties, whose purpose is the achievement of objectives as defined in this Article;

(d) promoting the rule of law and good governance, including strengthening the effectiveness of public administration and the impartiality and effectiveness of the judiciary, and supporting the fight against corruption and fraud;

(e) promoting sustainable development in all aspects;

(f) pursuing regional and local development efforts, in both rural and urban areas, in order to reduce imbalances and improve regional and local development capacity;

(g) promoting environmental protection, nature conservation and sustainable management of natural resources including fresh water and marine resources;

(h) supporting policies aimed at poverty reduction, to help achieve the UN Millennium Development Goals;

(i) supporting policies to promote social development, social inclusion, gender equality, non-discrimination, employment and social protection including protection of migrant workers, social dialogues, and respect for trade union rights and core labour standards, including on child labour;

(j) supporting policies to promote health, education and training, including not only measures to combat the major communicable diseases and non-communicable diseases and disorders, but also access to services and education for good health, including reproductive and infant health for girls and women;

(k) promoting and protecting human rights and fundamental freedoms, including women's rights and children's rights;

(l) supporting democratisation, *inter alia*, by enhancing the role of civil society organisations and promoting media pluralism, as well as through electoral observation and assistance;