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INFORMATION NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council

Subject: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the Instrument for Pre-accession Assistance (IPA III)
- Outcome of the European Parliament's first reading,
(Strasbourg, 25 to 28 March 2019)

I. INTRODUCTION

The rapporteurs, José Ignacio SALAFRANCA SANCHEZ-NEYRA (EPP, FR) and Knut FLECKENSTEIN (S&D, DE), presented a report on the proposal for a Regulation on behalf of the Committee on Foreign Affairs. The report contained 122 amendments (amendments number 1 to 122) to the proposal. In addition, the Greens/EFA political group tabled 1 amendment (amendment number 123), the Committee on Foreign Affairs tabled 5 amendments (amendments number 124 to 129) and the EFDD political group tabled 1 amendment (amendment number 130).

II. VOTE

When it voted on 27 March 2019, the plenary adopted amendments number 1 to 57, 62 to 70, 72 to 80, and 82 to 129 to the proposal for a Regulation. No other amendments were adopted.

The Commission's proposal as thus amended constitutes the Parliament's first-reading position which is contained in its legislative resolution as set out in the Annex hereto¹.

¹ The version of the Parliament's position in the legislative resolution has been marked up to indicate the changes made by the amendments to the Commission's proposal. Additions to the Commission's text are highlighted in *bold and italics*. The symbol "■" indicates deleted text.

Instrument for Pre-accession Assistance (IPA III) *I**

European Parliament legislative resolution of 27 March 2019 on the proposal for a regulation of the European Parliament and of the Council establishing the Instrument for Pre-accession Assistance (IPA III) (COM(2018)0465 – C8-0274/2018 – 2018/0247(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2018)0465),
 - having regard to Article 294(2) and Article 212(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0274/2018),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 12 December 2018²,
 - having regard to the opinion of the Committee of the Regions of 6 December 2018³,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs and also the opinions of the Committee on International Trade, the Committee on Budgets, the Committee on the Environment, Public Health and Food Safety, the Committee on Regional Development and the Committee on Civil Liberties, Justice and Home Affairs (A8-0174/2019),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

² OJ C 110, 22.3.2019, p. 156.

³ OJ C 86, 7.3.2019, p. 8.

Amendment 1

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) The **objectives** of an instrument for pre-accession **are substantially distinct from the general objectives of Union external action as this instrument aims** to prepare the **beneficiaries** listed in Annex I for future membership of the Union and support their accession process. **It is therefore essential to have** a dedicated instrument in support of enlargement, **while ensuring its complementarity with** the general objectives of Union external action and in particular with the Neighbourhood, Development and International Cooperation Instrument (NDICI).

Amendment

(2) The **objective** of an instrument for pre-accession **is** to prepare the **beneficiaries** listed in Annex I (**“beneficiaries”**) for future membership of the Union and support their accession process, **in line with the general objectives of the Union’s external action, including respect for fundamental rights and principles as well as the protection and promotion of human rights, democracy and the rule of law as laid down in Article 21 of the Treaty on European Union.** **While the distinct nature of the accession process warrants** a dedicated instrument in support of enlargement, **the objectives and functioning of this instrument should be consistent with and complementary to** the general objectives of Union external action and in particular with the Neighbourhood, Development and International Cooperation Instrument (NDICI).

Amendment 2

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) Article 49 **of the Treaty on European Union (TEU)** provides that any European **state** which respects 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,

Amendment

(3) Article 49 TEU provides that any European **State** which respects 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, and commits to promote these values, may

and commits to promote these values, 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 Union has the capacity to integrate the new member. The Copenhagen 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.*

apply to become a member of the Union. *Those values are common to Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail.*

Amendment 3

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) The enlargement process is built on established criteria and fair and rigorous conditionality. Each beneficiary is assessed on the basis of its own merits. The assessment of progress achieved and the identification of shortcomings aim to provide incentives and guidance to the beneficiaries listed in Annex I to pursue the necessary far-reaching reforms. For the prospect of enlargement to become a reality, a firm commitment to the principle of the 'fundamentals first'¹⁵ remains essential. **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

Amendment

(4) The enlargement process is built on established criteria and fair and rigorous conditionality. Each beneficiary is assessed on the basis of its own merits. The assessment of progress achieved and the identification of shortcomings aim to provide incentives and guidance to the beneficiaries listed in Annex I to pursue the necessary far-reaching reforms. For the prospect of enlargement to become a reality, a firm commitment to the principle of the 'fundamentals first'¹⁵ remains essential. ***Good neighbourly relations and regional cooperation based on a definitive, inclusive and binding resolution of bilateral disputes are essential elements of the enlargement process and critical for security and stability of the Union as a whole. Progress***

Union.

towards accession depends on each applicant's respect for the Union's values and its capacity to undertake **and implement** the necessary reforms to align its political, institutional, legal, **social**, administrative and economic systems with the rules, standards, policies and practices in the Union. ***The Negotiating Framework sets out requirements against which progress in the accession negotiations with each candidate country is assessed.***

¹⁵ The 'fundamentals first' approach links rule of law and fundamental rights with the two other crucial areas of the accession process: economic governance – strengthened focus on economic development and improved competitiveness – and the strengthening of democratic institutions and public administration reform. Each of the three fundamentals is of crucial importance for the reform processes in the candidate countries and potential candidates and addresses key concerns of the citizens.

¹⁵ The 'fundamentals first' approach links rule of law and fundamental rights with the two other crucial areas of the accession process: economic governance – strengthened focus on economic development and improved competitiveness – and the strengthening of democratic institutions and public administration reform. Each of the three fundamentals is of crucial importance for the reform processes in the candidate countries and potential candidates and addresses key concerns of the citizens.

Amendment 4

Proposal for a regulation

Recital 4 a (new)

Text proposed by the Commission

Amendment

(4 a) Any European State which has applied to join the Union can become a member of the Union only where it has been confirmed that it fully meets the accession criteria established at the Copenhagen European Council in June 1993 (the ‘Copenhagen criteria’) and provided that the Union has the capacity to integrate the new member. The Copenhagen criteria relate to the stability of institutions which guarantee 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 the pursuit of the aims of political, economic and monetary union.

Amendment 5

Proposal for a regulation Recital 5

Text proposed by the Commission

(5) *The* enlargement policy *of the Union* is an *investment in* peace, security and stability *in Europe*. It provides increased economic and trade opportunities to the mutual benefit of the Union and the aspiring Member States. The prospect of Union membership has a powerful transformative effect, embedding positive democratic, political, economic and societal change.

Amendment

(5) Enlargement policy is an *integral part of the Union's external action, contributing to* peace, security, *prosperity* and stability *both within and outside the Union's borders*. It provides increased economic and trade opportunities to the mutual benefit of the Union and the aspiring Member States, *while respecting the principle of progressive integration to ensure a smooth transformation of the beneficiaries*. The prospect of Union membership has a powerful transformative effect, embedding positive democratic, political, economic and societal change.

Amendment 6

Proposal for a regulation Recital 7

Text proposed by the Commission

(7) Assistance should also be provided in compliance with the agreements concluded by the Union with the beneficiaries *listed in Annex I*. Assistance should mainly focus on assisting the beneficiaries *listed in*

Amendment

(7) Assistance should also be provided in compliance with the *international* agreements concluded by the Union, *including* with the beneficiaries. Assistance should mainly focus on

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 also support the key principles and rights as defined in the European Pillar of Social Rights.¹⁷ 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 and economic governance, underpinning a smart, sustainable and inclusive growth agenda, including through implementation of regional development, agriculture and rural development, social and employment policies and the development of the digital economy and society, also in line with the flagship initiative Digital Agenda for the Western Balkans.

¹⁷ European Pillar of Social Rights solemnly proclaimed by the European Parliament, the Council and the Commission at the Gothenburg Social Summit for Fair Jobs and Growth, Gothenburg 17 November 2017.

assisting the beneficiaries to strengthen democratic institutions and the rule of law, reform the judiciary and public administration, respect fundamental rights, ***including those of minorities*** and promote gender equality, tolerance, social inclusion, ***respect for international labour standards on workers' rights*** and non-discrimination ***of vulnerable groups, including children and people with disabilities***. Assistance should also support ***adherence by the beneficiaries to*** the key principles and rights as defined in the European Pillar of Social Rights¹⁷ ***as well as to the social market economy and convergence towards the social acquis***. 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, ***with the aim to develop good neighbourly relations and enhance reconciliation***. It should also ***promote sectoral regional co-operation structures and*** enhance their economic and social development and economic governance, ***foster economic integration with the Union single market, including customs cooperation, and promote an open and fair trade***, underpinning a smart, sustainable and inclusive growth agenda, including through implementation of regional development, ***cohesion and inclusion***, agriculture and rural development, social and employment policies and the development of the digital economy and society, also in line with the flagship initiative Digital Agenda for the Western Balkans.

¹⁷ European Pillar of Social Rights solemnly proclaimed by the European Parliament, the Council and the Commission at the Gothenburg Social Summit for Fair Jobs and Growth, Gothenburg 17 November 2017.

Amendment 7

Proposal for a regulation Recital 7 a (new)

Text proposed by the Commission

Amendment

(7 a) Taking into consideration the transformatory nature of the reform process during the enlargement process in the candidate countries, the Union should enhance its efforts in prioritising key areas for Union funding, such as institution and security building, and enhance its support to candidate countries when implementing projects with a view of protecting those candidate countries from non-EU influences.

Amendment 8

Proposal for a regulation Recital 7 b (new)

Text proposed by the Commission

Amendment

(7 b) The Union's efforts to support reform progress in candidate countries through IPA funding should be well communicated in candidate countries, as well as in the Member States. The Union, in that regard, should enhance communication and campaign efforts in order to ensure visibility of the IPA funding, as the main EU instrument of peace and stability in enlargement area.

Amendment 9

Proposal for a regulation Recital 7 c (new)

Text proposed by the Commission

Amendment

(7 c) The importance of the facilitation and implementation of the budget is

recognised as regards institution building, which will in return help in anticipation of possible security issues, and prevent possible future illegal migratory flows towards the Member States.

Amendment 10

Proposal for a regulation Recital 9

Text proposed by the Commission

(9) Enhanced strategic and operational cooperation between the Union and the beneficiaries listed in Annex I on security is pivotal to addressing effectively and efficiently security and terrorism threats.

Amendment

(9) Enhanced strategic and operational cooperation between the Union and the beneficiaries listed in Annex I on security ***and defence sector reform*** is pivotal to addressing effectively and efficiently security, ***organised crime*** and terrorism threats.

Amendment 11

Proposal for a regulation Recital 9 a (new)

Text proposed by the Commission

Amendment

(9 a) Actions under the instrument established by this Regulation should also contribute to assisting the beneficiaries in the progressive alignment with the Common Foreign and Security Policy (CFSP), and the implementation of restrictive measures as well as the Union's broader external policies in international institutions and multilateral fora. The Commission should encourage the beneficiaries to uphold a rules- and values-based global order and cooperate on the promotion of multilateralism and the further strengthening of the international trading system, including

Amendment 12

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) ***It is essential to further step up*** cooperation on migration including border management, ensuring access to international protection, sharing relevant information, strengthening the development benefits of migration, facilitating legal and labour migration, enhancing border control and ***pursuing our effort in the*** fight against irregular migration, trafficking in human beings and ***migrant*** smuggling.

Amendment

(10) Cooperation on migration, including border management ***and control***, ensuring access to international protection, sharing relevant information, strengthening the development benefits of migration, facilitating legal and labour migration, enhancing border control and ***efforts to prevent and discourage irregular migration and forced displacement, and to fight against*** trafficking in human beings and ***people smuggling are an important aspect of cooperation between the Union and the beneficiaries.***

Amendment 13

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) 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 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***

Amendment

(11) Strengthening the rule of law, including the ***independence of the judiciary***, fight against corruption, ***money laundering*** and organised crime, and good governance, including public administration reform, ***providing support for human rights defenders, continued alignment on transparency, public procurement, competition, state aid, intellectual property and foreign investment*** remain key challenges and are essential in order for beneficiaries to come closer to the Union and ***to prepare*** to fully assume the obligations of Union

requirements placed on the beneficiaries listed in Annex I as early as possible.

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 *be programmed to* address *these issues* as early as possible.

Amendment 14

Proposal for a regulation Recital 12

Text proposed by the Commission

(12) In accordance with the principle of participatory democracy, parliamentary oversight in each beneficiary *listed in Annex I* should be *encouraged* by the Commission.

Amendment

(12) *The parliamentary dimension remains fundamental in the accession process. Therefore,* in accordance with the principle of participatory democracy, *the strengthening of parliamentary capacities, parliamentary oversight, democratic procedures and fair representation* in each of the beneficiaries should be *promoted* by the *Commission*.

Amendment 15

Proposal for a regulation Recital 13

Text proposed by the Commission

(13) 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. Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the Sustainable Development Goals (SDGs), this Programme should contribute to mainstream climate action in the Union's

Amendment

(13) The beneficiaries 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. Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the Sustainable Development Goals (SDGs), this Programme should contribute to mainstream climate action in the Union's policies and to the achievement of an

policies and to the achievement of an overall target of 25 % of the EU budget expenditures supporting climate objectives. Actions under this Programme **are expected** to contribute 16 % of the overall financial envelope of the Programme to climate objectives. Relevant actions will be identified during the Programme's preparation and **implementation**, and the overall contribution from this Programme should be part of relevant evaluations and review processes.

overall target of 25 % of the EU budget expenditures supporting climate objectives. Actions under this Programme **should aim** to contribute **at least** 16 % of the overall financial envelope of the Programme to climate objectives, **striving to achieve the goal that climate-related spending reaches 30 % of MFF expenditure by 2027**. **Priority should be given to environmental projects addressing cross-border pollution**. Relevant actions will be identified during the Programme's preparation and **execution**, and the overall contribution from this Programme should be part of relevant evaluations and review processes.

Amendment 16

Proposal for a regulation

Recital 16

Text proposed by the Commission

(16) 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.

Amendment

(16) The Commission and the Member States should ensure compliance, coherence, **consistency** and complementarity of **external financing** 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. **Diverse independent** civil society **organisations and different types and levels of local authorities should play a meaningful role in the process. In line with the principle of inclusive partnership**, civil society **organisations** should be **part of both the design, implementation, monitoring and evaluation of the** programmes **executed** through government bodies and **be** direct

beneficiaries of Union assistance.

Amendment 17

Proposal for a regulation Recital 17

Text proposed by the Commission

(17) ***The priorities for action towards meeting*** objectives in the relevant policy areas ***which will be supported under this Regulation*** should be defined in a programming framework established by the Commission ***for the duration of the Union multiannual financial framework for the period from 2021 to 2027*** in partnership with the beneficiaries ***listed in Annex I***, based on the enlargement agenda and their specific needs, in line with the general and specific objectives defined by this Regulation ***and*** taking relevant national strategies into due account. The programming framework should identify the areas to be supported through assistance with an indicative allocation per area of support, including an estimate of climate-related expenditure.

Amendment

(17) ***Specific and measurable*** objectives in the relevant policy areas should be defined ***for each beneficiary, followed up by priorities for action towards meeting these objectives*** in a programming framework established by the Commission ***by means of delegated acts. The programming framework should be established*** in partnership with the beneficiaries, based on the enlargement agenda and their specific needs, in line with the general and specific objectives defined by this Regulation ***and the principles of Union external action***, taking relevant national strategies ***and pertaining European Parliament resolutions*** into due account. ***That partnership should include, as appropriate, competent authorities, as well as civil society organisations. The Commission should encourage cooperation among the relevant stakeholders and donor co-ordination. The programming framework should be reviewed following the mid-term*** evaluation. The programming framework should identify the areas to be supported through assistance with an indicative allocation per area of support, including an estimate of climate-related expenditure.

Amendment 18

Proposal for a regulation Recital 18

Text proposed by the Commission

(18) 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.

Amendment

(18) It is in the *common* interest *of the Union and* the beneficiaries *to assist* the beneficiaries' efforts to reform *their political, legal and economic systems* with a view to Union membership. Assistance should be managed *in accordance with a performance-based approach* and with *significant* incentives for *more effective and efficient use of funds* for those who demonstrate their commitment to reform through efficient implementation of pre-accession assistance and progress towards meeting the membership criteria. *Assistance should be allocated in line with the "fair share" principle and clear consequences in cases of serious deterioration or lack of progress in the respect for human dignity, freedom, democracy, equality, the rule of law and human rights.*

Amendment 19

Proposal for a regulation Recital 18 a (new)

Text proposed by the Commission

Amendment

(18 a) *The Commission should set up clear monitoring and evaluation mechanisms to ensure that the objectives and actions concerning different beneficiaries remain relevant and feasible and to regularly measure progress. To that effect, every objective should be accompanied by one or more performance indicators, assessing the beneficiaries' adoption of reforms and their concrete*

implementation.

Amendment 20

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) 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. Assistance should continue to make use of the structures and instruments that have proved their worth in the pre-accession process.

Amendment

(19) The transition from direct management of pre-accession funds by the Commission to indirect management by the beneficiaries should be progressive and in line with the respective capacities of those beneficiaries. ***That transition should be reversed or suspended in specific policy or programme areas in the event that the beneficiaries fail to fulfil relevant obligations or to administer the Union funds in accordance with the established rules, principles and objectives. Such a decision should give due consideration to any possible negative economic and social consequences.*** Assistance should continue to make use of the structures and instruments that have proved their worth in the pre-accession process.

Amendment 21

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) 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 among the Union's external financing instruments, as well as the creation of synergies with other Union policies and programmes. This includes, where relevant, coherence and complementarity with macro-financial

Amendment

(20) 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, ***in order to avoid the overlapping with other existing external financing instruments,*** through coherence, ***consistency*** and complementarity among the Union's external financing instruments, as well as the creation of synergies with

assistance.

other Union policies and programmes. This includes, where relevant, coherence and complementarity with macro-financial assistance.

Amendment 22

Proposal for a regulation Recital 21 a (new)

Text proposed by the Commission

Amendment

(21 a) *Without prejudice to the budgetary procedure and the provisions on the suspension of aid established in international agreements with beneficiaries, the power to adopt delegated 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 Annex I to this Regulation in order to suspend or partially suspend Union assistance. That power should be used in cases where there is consistent backsliding on one or more of the Copenhagen criteria or where a beneficiary fails to respect the principles of democracy, the rule of law, human rights and fundamental freedoms or violates the commitments taken in the relevant agreements concluded with the Union. Where the Commission finds that the reasons justifying the suspension of assistance no longer apply, it should be empowered to adopt delegated acts to amend Annex I in order to reinstate Union assistance.*

Amendment 23

Proposal for a regulation Recital 24

Text proposed by the Commission

Amendment

(24) The types of financing and the methods of **implementation** under this Regulation should be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. This should include consideration of the use of lump sums, flat rates and unit costs, as well as financing not linked to costs as referred to in Article 125(1) of the Financial Regulation.

(24) The types of financing and the methods of **execution** under this Regulation should be chosen on the basis of their ability to achieve the specific objectives of the actions and to deliver results, taking into account, in particular, the costs of controls, the administrative burden, and the expected risk of non-compliance. This should include consideration of the use of lump sums, flat rates and unit costs, as well as financing not linked to costs as referred to in Article 125(1) of the Financial Regulation.

Amendment 24

Proposal for a regulation

Recital 25

Text proposed by the Commission

(25) The Union should continue to apply common rules for the implementation of the external actions. Rules and procedures for the **implementation** of the Union's instruments for financing external action are laid down in Regulation (EU) No [NDICI] of the European Parliament and of the Council. Additional detailed provisions should be laid down for addressing the specific situations in particular for cross-border cooperation, agriculture and rural development policy area.

Amendment

(25) The Union should continue to apply common rules for the implementation of the external actions. Rules and procedures for the **application** of the Union's instruments for financing external action are laid down in Regulation (EU) No [NDICI] of the European Parliament and of the Council. Additional detailed provisions should be laid down for addressing the specific situations in particular for cross-border cooperation, agriculture and rural development policy area.

Amendment 25

Proposal for a regulation

Recital 26

Text proposed by the Commission

(26) External actions are often implemented in a highly volatile environment requiring a continuous and rapid adaptation to the evolving needs of Union partners and to global challenges

Amendment

(26) External actions are often implemented in a highly volatile environment requiring a continuous and rapid adaptation to the evolving needs of Union partners and to global challenges

such as human rights, democracy and good governance, security and stability, climate change and environment **and** irregular migration and its root causes. Reconciling the principle of predictability with the need to react rapidly to new needs consequently means adapting the financial **implementation** of the programmes. To increase the ability of the Union to respond to unforeseen needs, while respecting the principle that the Union budget is set annually, this Regulation should preserve the possibility to apply the flexibilities already allowed by the Financial Regulation for other policies, namely carry-overs and re-commitments of committed funds, to ensure an efficient use of the EU funds both for the EU citizens and the beneficiaries listed in Annex I, thus maximising the EU funds available for the EU external action interventions.

such as human rights, democracy and good governance, security, **defence** and stability, climate change and environment, **economic protectionism**, irregular migration **and forced displacement** and its root causes. Reconciling the principle of predictability with the need to react rapidly to new needs consequently means adapting the financial **execution** of the programmes. To increase the ability of the Union to respond to unforeseen needs, while respecting the principle that the Union budget is set annually, this Regulation should preserve the possibility to apply the flexibilities already allowed by the Financial Regulation for other policies, namely carry-overs and re-commitments of committed funds **while adhering to the goals and objectives laid down in this Regulation**, to ensure an efficient use of the EU funds both for the EU citizens and the beneficiaries listed in Annex I, thus maximising the EU funds available for the EU external action interventions. **Additional forms of flexibility should be allowed, such as reallocation among priorities, phasing projects and over-contracting.**

Amendment 26

Proposal for a regulation Recital 29 a (new)

Text proposed by the Commission

Amendment

(29 a) Cross border cooperation programmes are the most visible programmes of the Instrument of Pre-Accession Assistance, as well as being well-known by citizens. Cross border cooperation programmes could therefore significantly improve the visibility of Union-funded projects in the candidate states;

Amendment 27

Proposal for a regulation Recital 31 a (new)

Text proposed by the Commission

Amendment

(31 a) *All funding allocations under this Regulation should be carried out in a transparent, effective, accountable, depoliticised and non-discriminatory manner, including by means of an equitable distribution reflecting the needs of the regions and local municipalities. The Commission, the Vice-President/High Representative of the Union for Foreign Affairs and Security Policy (“VP/HR”), and in particular Union delegations should monitor closely that those criteria are met and the principles of transparency, accountability and non-discrimination are respected in the allocation of funds.*

Amendment 28

Proposal for a regulation Recital 31 b (new)

Text proposed by the Commission

Amendment

(31 b) *The Commission, the VP/HR, and in particular Union delegations and the beneficiaries should enhance the visibility of the Union’s pre-accession assistance in order to communicate the added value of the Union’s support. The recipients of Union funding should acknowledge the origin of the Union’s funding and ensure its proper visibility. IPA should contribute to financing communication actions for promotion of the results of the Union’s assistance to multiple audiences in the beneficiaries.*

Amendment 29

Proposal for a regulation Recital 33

Text proposed by the Commission

Amendment

(33) In order to ensure uniform conditions for the implementation of this Regulation in particular on specific conditions and structures for indirect management with the beneficiaries listed in Annex I and on the implementation of rural development assistance, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with [Regulation (EU) No 182/2011²⁵ of the European Parliament and of the Council]. 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.

deleted

²⁵ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

Amendment 30

Proposal for a regulation Recital 34

Text proposed by the Commission

Amendment

(34) The committee established under this Regulation should be competent also

deleted

for legal acts and commitments under Regulation (EC) No 1085/2006²⁶, under Regulation (EU) No 231/2014 as well as for the implementation of Article 3 of Council regulation (EC) No 389/2006²⁷.

²⁶ *Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA) (OJ L 210, 31.7.2006, p. 82).*

²⁷ *Council Regulation (EC) No 389/2006 of 27 February 2006 establishing an instrument of financial support for encouraging the economic development of the Turkish Cypriot community and amending Regulation (EC) No 2667/2000 on the European Agency for Reconstruction (OJ L 65, 7.3.2006, p. 5).*

Amendment 31

Proposal for a regulation Recital 34 a (new)

Text proposed by the Commission

Amendment

(34 a) The European Parliament should be fully involved in the design, programming, monitoring and evaluation phases of the instruments in order to guarantee political control and democratic scrutiny and accountability of Union funding in the field of external action. An enhanced dialogue between the institutions should be established in order to ensure that the European Parliament is in a position to exercise political control during the application of this Regulation in a systematic and smooth manner, thereby enhancing both efficiency and legitimacy.

Amendment 32

Proposal for a regulation

Article 2 – paragraph 1 – point 1 a (new)

Text proposed by the Commission

Amendment

(1 a) ‘Fair share principle of assistance’ means complementing the performance-based approach with a corrective allocation mechanism, in cases where assistance provided to the beneficiary would otherwise be disproportionately low or high as compared to the other beneficiaries, taking into account the needs of the population affected and the relative progress on reforms related to the opening of accession negotiations or progress therein;

Amendment 33

Proposal for a regulation

Article 3 – paragraph 1

Text proposed by the Commission

Amendment

1. The general objective of IPA III shall be to support the beneficiaries ***listed in Annex I*** in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries to comply with Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership, thereby contributing to ***their*** stability, security and prosperity.

1. The general objective of IPA III shall be to support the beneficiaries in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries to comply with Union values and ***acquis and*** to progressively align to Union rules, standards, policies and practices with a view to Union membership, thereby contributing to ***peace, stability, security and prosperity as well as to the strategic interests of the Union.***

Amendment 34

Proposal for a regulation

Article 3 – paragraph 2 – point a

Text proposed by the Commission

(a) **To** strengthen the rule of law, democracy, the respect of human rights, fundamental rights and international law, civil society and **security as well as improve migration management including border management;**

Amendment

(a) **to** strengthen the rule of law, democracy, the respect of human rights, **including those of minorities and children, gender equality,** fundamental rights and international law, civil society, **academic freedom, peace** and security, **the respect for cultural diversity, non-discrimination and tolerance;**

Amendment 35

Proposal for a regulation

Article 3 – paragraph 2 – point a a (new)

Text proposed by the Commission

Amendment

(a a) to address forced displacement and irregular migration, ensuring that migration takes place in a safe, orderly and regular manner, and safeguarding access to international protection;

Amendment 36

Proposal for a regulation

Article 3 – paragraph 2 – point b

Text proposed by the Commission

(b) **To** reinforce the effectiveness of public administration and support structural reforms and good governance at all levels;

Amendment

(b) **to** reinforce the effectiveness of public administration and support **transparency,** structural reforms, **judicial independence fight against corruption** and good governance at all levels, **including in the field of public procurement, state-aid, competition, foreign investments and intellectual property;**

Amendment 37

Proposal for a regulation

Article 3 – paragraph 2 – point c

Text proposed by the Commission

(c) **To** shape the rules, standards, policies and practices of the beneficiaries **listed in Annex I** in alignment to those of the Union and to reinforce reconciliation and good neighbourly relations, as well as people to people contacts and communication;

Amendment

(c) **to** shape the rules, standards, policies and practices of the beneficiaries in alignment to those of the Union, **including on CFSP, strengthen the rules-based multilateral international order** and to reinforce **internal and external** reconciliation and good neighbourly relations, as well as **peace-building and conflict prevention, including through confidence-building and mediation, inclusive and integrated education** people to people contacts, **freedom of the media** and communication;

Amendment 38

Proposal for a regulation

Article 3 – paragraph 2 – point d

Text proposed by the Commission

(d) **To** strengthen economic **and** social development including through increased connectivity and regional development, agriculture and rural development and social and employment policies, **to reinforce environmental protection, increase resilience to climate change, accelerate the shift towards a low-carbon economy and develop the digital economy and society.**

Amendment

(d) **to** strengthen economic, social **and territorial** development **and cohesion** including through increased connectivity and regional development, agriculture and rural development and social and employment policies, **reducing poverty and regional imbalances, promoting social protection and inclusion by strengthening state-level regional cooperation structures, small and medium-sized enterprises (SMEs), the capacities of community-based initiatives, supporting investment in rural areas and improving business and investment climate;**

Amendment 39

Proposal for a regulation

Article 3 – paragraph 2 – point d a (new)

Text proposed by the Commission

Amendment

(da) to reinforce environmental protection, increase resilience to climate change, accelerate the shift towards a low-carbon economy and develop the digital economy and society, thereby creating job opportunities, in particular for the youth;

Amendment 40

Proposal for a regulation

Article 3 – paragraph 2 – point e

Text proposed by the Commission

Amendment

(e) ***to*** support territorial and cross-border cooperation.

(e) ***to*** support territorial and cross-border cooperation ***including across maritime borders, and enhance trade and economic relations by fully implementing existing agreements with the Union, reducing regional imbalances.***

Amendment 41

Proposal for a regulation

Article 4 – paragraph 1

Text proposed by the Commission

Amendment

1. The financial envelope for the implementation of IPA III for the period 2021-2027 shall be EUR ***14 500 000 000*** in current prices.

1. The financial envelope for the implementation of IPA III for the period 2021-2027 shall be EUR ***13 009 976 000 in 2018 prices (EUR 14 663 401 000 in current prices).***

Amendment 42

Proposal for a regulation Article 4 – paragraph 2

Text proposed by the Commission

2. The amount referred to in paragraph 1 **may** be used for technical and administrative assistance for the **implementation** of the Programme, **such as** preparatory, monitoring, control, audit and evaluation activities including corporate information technology systems and any activities related to the preparation of the successor programme for pre-accession assistance, **in accordance with Article 20 of [NDICI Regulation]**.

Amendment

2. **A set percentage of** the amount referred to in paragraph 1 **shall** be used for technical and administrative assistance for the **execution** of the Programme, **which shall include** preparatory, monitoring, control, audit and evaluation activities, **support for institutional strengthening and administrative capacity-building** including corporate information technology systems and any activities related to the preparation of the successor programme for pre-accession assistance.

Amendment 43

Proposal for a regulation Article 5 – paragraph 1

Text proposed by the Commission

1. In **implementing** this Regulation, consistency, synergies and complementarities with other areas of Union external action, with other relevant Union policies and programmes, as well as policy coherence for development shall be ensured.

Amendment

1. In **applying** this Regulation, consistency, synergies and complementarities with other areas of Union external action, with other relevant Union policies and programmes, as well as policy coherence for development shall be ensured.

Amendment 44

Proposal for a regulation Article 5 – paragraph 2

Text proposed by the Commission

2. The [NDICI Regulation] shall apply

Amendment

2. Regulation (EU) .../[NDICI]

to activities *implemented* under this Regulation where referred to in this Regulation.

Regulation] shall apply to activities *executed* under this Regulation where referred to in this Regulation.

Amendment 45

Proposal for a regulation Article 5 – paragraph 4

Text proposed by the Commission

4. Assistance under IPA III may be provided to the type of actions provided for under the European Regional Development Fund and the Cohesion Fund³⁰, the European Social Fund Plus³¹ **and** the European Agricultural Fund for Rural Development³².

³⁰ COM(2018)0372 final Proposal for a Regulation of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion Fund.

³¹ COM(2018)0382 final Proposal of the European Parliament and of the Council on the European Social Fund Plus (ESF+)

³² COM(2018)0392 final Proposal for a Regulation of the European Parliament and of the Council establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council.

Amendment

4. Assistance under IPA III may be provided to the type of actions provided for under the European Regional Development Fund and the Cohesion Fund³⁰, the European Social Fund Plus³¹, the European Agricultural Fund for Rural Development³² **and the Justice, Rights and Values Fund, at national level as well as in a cross-border, transnational, interregional or macro-regional context.**

³⁰ COM(2018)0372 final Proposal for a Regulation of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion Fund.

³¹ COM(2018)0382 final Proposal of the European Parliament and of the Council on the European Social Fund Plus (ESF+)

³² COM(2018)0392 final Proposal for a Regulation of the European Parliament and of the Council establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council.

Amendment 46

Proposal for a regulation Article 5 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The Commission shall allocate a percentage of IPA III resources to prepare the beneficiaries listed in Annex I for the participation in the European Structural and Investment Funds (ESIF), in particular in the European Social Fund (ESF).

Amendment 47

Proposal for a regulation Article 5 – paragraph 5

Text proposed by the Commission

Amendment

5. The [ERDF]³² shall contribute to programmes or measures established for cross-border cooperation between the beneficiaries **listed in Annex I** and Member States. These programmes and measures shall be adopted by the Commission in accordance with Article 16. The amount of the contribution from IPA-CBC shall be determined pursuant to Article 10 (3) of [ETC Regulation]. IPA-Cross Border Cooperation programmes shall be managed in accordance with [ETC Regulation].

5. The [ERDF]³² shall contribute to programmes or measures established for cross-border cooperation between the beneficiaries and **one or more** Member States. These programmes and measures shall be adopted by the Commission in accordance with Article 16. The amount of the contribution from IPA-CBC shall be determined pursuant to Article 10 (3) of [ETC Regulation], **with a maximum threshold for an IPA III contribution set at 85 %**. IPA-Cross Border Cooperation programmes shall be managed in accordance with [ETC Regulation].

³² COM(2018)0372 final Proposal for a Regulation of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion

³² COM(2018)0372 final Proposal for a Regulation of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion

Amendment 48**Proposal for a regulation
Article 5 – paragraph 8***Text proposed by the Commission*

8. In duly justified circumstances and in order to ensure the coherence and effectiveness of Union financing or to foster regional cooperation, the Commission may decide to extend the eligibility of action programmes and measures referred to in Article 8(1) to countries, territories and regions other than those referred in Annex I, where the programme or measure to be **implemented** is of a global, regional or cross-border nature.

Amendment

8. In duly justified circumstances and in order to ensure the coherence and effectiveness of Union financing or to foster regional cooperation, the Commission may decide to extend the eligibility of action programmes and measures referred to in Article 8(1) to countries, territories and regions other than those referred in Annex I, where the programme or measure to be **applied** is of a global, regional or cross-border nature.

Amendment 49**Proposal for a regulation
Article 6 – paragraph 1***Text proposed by the Commission*

1. The enlargement policy framework defined by the European Council and the Council, the agreements that establish a legally binding relationship with the beneficiaries **listed in Annex I**, as well as relevant resolutions of the European Parliament, communications of the Commission or joint Communications of the Commission and the High Representative of the Union for Foreign Affairs and Security Policy, shall constitute the **overall** policy framework for the **implementation** of this regulation. The Commission shall ensure coherence between the assistance and the enlargement

Amendment

1. The enlargement policy framework defined by the European Council and the Council, the agreements that establish a legally binding relationship with the beneficiaries, as well as relevant resolutions of the European Parliament, communications of the Commission or joint Communications of the Commission and the High Representative of the Union for Foreign Affairs and Security Policy, shall constitute the **comprehensive** policy framework for the **application** of this regulation. The Commission shall ensure coherence between the assistance and the **overall** enlargement policy framework.

policy framework.

The VP/HR and the Commission shall ensure coordination between the Union's external action and the enlargement policy within the framework of the policy objectives set out in Article 3.

The Commission shall coordinate programming under this Regulation with appropriate involvement of the EEAS.

The enlargement policy framework shall be the basis on which assistance is provided.

Amendment 50

Proposal for a regulation Article 6 – paragraph 2

Text proposed by the Commission

2. Programmes and actions under this Regulation shall mainstream climate change, environmental protection and gender equality and shall, where applicable, address interlinkages between Sustainable Development Goals³³, to promote integrated actions that can create co-benefits and meet multiple objectives in a coherent way.

33

https://ec.europa.eu/europeaid/policies/sustainable-development-goals_en

Amendment

2. Programmes and actions under this Regulation shall mainstream climate change, environmental protection, **human rights conflict prevention and resolution, migration and forced displacement, security, social and regional cohesion, poverty reduction** and gender equality and shall, where applicable, address interlinkages between Sustainable Development Goals³⁴, to promote integrated actions that can create co-benefits and meet multiple objectives in a coherent way. **They shall aim to contribute at least 16 % of the overall financial envelope to climate objectives.**

33

https://ec.europa.eu/europeaid/policies/sustainable-development-goals_en

Amendment 51

Proposal for a regulation
Article 6 – paragraph 3

Text proposed by the Commission

3. The Commission and the Member States shall cooperate in ensuring coherence and shall **strive to** avoid duplication between assistance provided under IPA III and other assistance provided by the Union, the Member States and the European Investment Bank, in line with the established principles for strengthening operational coordination in the field of external assistance, and for the harmonisation of policies and procedures, in particular the international principles on development effectiveness.³⁵ Coordination shall involve regular consultations, frequent exchanges of information during the different phases of the assistance cycle and inclusive meetings aimed at coordinating the assistance and shall constitute a key step in the programming processes of the Union and the Member States.

35

https://ec.europa.eu/europeaid/policies/eu-approach-aid-effectiveness_en

Amendment

3. The Commission and the Member States shall cooperate in ensuring coherence and shall avoid duplication between assistance provided under IPA III and other assistance provided by the Union, the Member States and the European Investment Bank, in line with the established principles for strengthening operational coordination in the field of external assistance, and for the harmonisation of policies and procedures, in particular the international principles on development effectiveness.³⁵ Coordination shall involve regular consultations, frequent exchanges of information during the different phases of the assistance cycle and inclusive meetings aimed at coordinating the assistance and shall constitute a key step in the programming processes of the Union and the Member States. ***The assistance shall aim at ensuring alignment with the Union strategy for smart, sustainable and inclusive growth, effective and efficient implementation of the funds, arrangements for the partnership principle and an integrated approach to territorial development.***

35

https://ec.europa.eu/europeaid/policies/eu-approach-aid-effectiveness_en

Amendment 52

Proposal for a regulation
Article 6 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3 a. The Commission shall act in

partnership with the beneficiaries. The partnership shall include, as appropriate, competent national and local authorities, as well as civil society organisations, enabling them to play a meaningful role during the design, implementation and monitoring phases.

The Commission shall encourage coordination among the relevant stakeholders. IPA III assistance shall strengthen the capacities of civil society organisations, including, as appropriate, as direct beneficiaries of assistance;

Amendment 53

Proposal for a regulation Chapter 3 – title

Text proposed by the Commission

IMPLEMENTATION

Amendment

PROGRAMMING FRAMEWORK AND EXECUTION

Amendment 54

Proposal for a regulation Article 7 – paragraph 1

Text proposed by the Commission

1. *Assistance under IPA III shall be based on an IPA programming framework for the delivery of the specific objectives referred to in Article 3. The IPA programming framework shall be established by the Commission for the duration of the Union's multiannual financial framework.*

Amendment

1. *This Regulation shall be supplemented by an IPA programming framework establishing further provisions on how the specific objectives referred to in Article 3 shall be pursued. The IPA programming framework shall be established by the Commission by means of delegated acts, in accordance with paragraph 3 of this Article.*

The Commission shall submit to the European Parliament the relevant programming documents in due time

prior to the start of the programming period. Those documents shall lay down the indicative allocations per thematic window and, where available, per country/region, covering expected results and the choice of assistance arrangements.

Amendment 55

Proposal for a regulation

Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The European Parliament and the Council shall authorise the annual appropriations within the limits of the multiannual financial framework for the period from 2021 to 2027.

Amendment 56

Proposal for a regulation

Article 7 – paragraph 2 – subparagraph 1

Text proposed by the Commission

Amendment

The IPA programming framework shall take relevant national strategies and sector policies into due account.

The IPA programming framework shall take relevant ***resolutions and positions of the European Parliament and*** national strategies and sector policies into due account.

Amendment 57

Proposal for a regulation Article 7 – paragraph 3

Text proposed by the Commission

3. Without prejudice to paragraph 4, the IPA programming framework ***shall be adopted by the Commission*** by means of ***an implementing act. That implementing act shall be adopted in accordance with the examination procedure of the Committee referred to in Article 16.***

Amendment

3. Without prejudice to paragraph 4 of this Article, ***the Commission shall adopt*** the IPA programming framework, ***including the arrangements to enact the “fair share” principle,*** by means of ***delegated acts in, accordance with Article 14. The IPA programming framework shall expire by 30 June 2025 at the latest. The Commission shall adopt a new IPA programming framework by 30 June 2025, based on the mid-term evaluation being consistent with the other external financing instruments and taking into account relevant resolutions of the European Parliament. The Commission may also review, where necessary, the effective implementation of the IPA programming framework, in particular where there are substantive changes in the policy framework referred to in Article 6 and taking into account relevant resolutions of the European Parliament.***

Amendment 123

Proposal for a regulation

Article 7 – paragraph 5

Text proposed by the Commission

5. The IPA programming framework shall ***include*** indicators for assessing

Amendment

5. The IPA programming framework shall ***be based on clear and verifiable***

progress with regard to attainment of the targets set therein.

performance indicators *set out in Annex IV* for assessing progress with regard to attainment of the targets set therein, *inter alia, progress and results in the areas of:*

(a) democracy, the rule of law and an independent and efficient justice system;

(b) human rights and fundamental freedoms, including the rights of persons belonging to minorities and vulnerable groups;

(c) gender equality and women's rights;

(d) the fight against corruption and organised crime;

(e) reconciliation, peace-building good neighbourly relations;

(f) freedom of the media;

(g) tackling climate change in compliance with the obligations set out in the Paris Agreement.

The Commission shall include progress against those indicators in its annual reports.

The performance-based approach under this Regulation shall be subject to a regular exchange of views in the European Parliament and in the Council.

Amendment 124

Proposal for a regulation

Article 7 a (new)

Text proposed by the Commission

Amendment

Article 7 a

Mid-term review and evaluation

1. The Commission shall adopt a new IPA programming framework based on the mid-term evaluation. No later than 30 June 2024, the Commission shall submit a mid-term evaluation report on the application of this Regulation. The mid-term evaluation report shall cover the period from 1 January 2021 to 31 December 2023 and shall examine the Union contribution to the achievement of the objectives of this Regulation, by means of indicators measuring the results delivered and any findings and conclusions concerning the impact of this Regulation.

The European Parliament may provide input to that evaluation. The Commission and the EEAS shall organise a consultation with key stakeholders and beneficiaries, including civil society organisations. The Commission and

EEAS shall give particular attention to ensure that the most marginalised are represented.

The Commission shall also evaluate the impact and effectiveness of its actions per area of intervention, and the effectiveness of programming, by means of external evaluations. The Commission and the EEAS shall take into account proposals and views of the European Parliament and the Council on independent external evaluations. The interim evaluation shall assess how the Union performed on targets established by this Regulation.

2. The mid-term evaluation report shall also address efficiency, the added value, the functioning of the simplified and streamlined external financing architecture, internal and external coherence, and the continued relevance of the objectives of this Regulation, the complementarity and synergies between the actions funded, the contribution of the measures to consistent Union external action, and the degree to which the public in recipient countries are aware of Union financial support, where appropriate.

3. The mid-term evaluation report shall be undertaken for the specific purpose of improving the application of Union funding. It shall inform decisions on the renewal, modification or suspension of

the types of actions implemented under this Regulation.

4. The mid-term evaluation report shall also contain consolidated information from relevant annual reports on all funding governed by this Regulation, including external assigned revenues and contributions to trust funds offering a breakdown of spending by beneficiary country, use of financial instruments, commitments and payments.

5. The Commission shall communicate the conclusions of the evaluations, accompanied by its observations, to the European Parliament, to the Council and to Member States. The results shall feed into programme design and resource allocation.

6. The Commission shall associate all relevant stakeholders, including civil society organisations, in the evaluation process of the Union's funding provided under this Regulation, and may, where appropriate, seek to undertake joint evaluations with the Member States with close involvement of the beneficiaries.

7. The Commission shall submit the mid-term evaluation report referred to in this Article to the European Parliament and to the Council, accompanied, if appropriate, by legislative proposals setting out

necessary amendments to this Regulation.

8. At the end of the period of application of this Regulation, but no later than three years after the end of the period specified in Article 1, the Commission shall carry out a final evaluation of the Regulation on the same terms as the mid-term evaluation referred to in this Article.

Amendment 125

Proposal for a regulation

Article 7 b (new)

Text proposed by the Commission

Amendment

Article 7 b

Suspension of assistance

1. Where a beneficiary fails to respect the principle of democracy, the rule of law, good governance, respect for human rights and fundamental freedoms, or nuclear safety standards, or violates the commitments taken in the relevant agreements concluded with the Union or consistently backslides on one or more of the Copenhagen criteria, the Commission shall be empowered, in accordance with Article 14, to adopt delegated acts to

amend Annex I to this Regulation in order to suspend or partially suspend Union assistance. In the event of a partial suspension, the programmes for which the suspension applies shall be indicated.

2. Where the Commission finds that the reasons justifying the suspension of assistance no longer apply, it shall be empowered to adopt delegated acts, in accordance with Article 14, to amend Annex I in order to reinstate Union assistance.

3. In cases of partial suspension, Union assistance shall primarily be used to support civil society organisations and non-state actors for measures aimed at promoting human rights and fundamental freedoms and supporting democratisation and dialogue processes in partner countries.

4. The Commission shall take due account of relevant European Parliament resolutions in its decision-making.

Amendment 126

Proposal for a regulation

Article 7 c (new)

Article 7 c

Governance

A horizontal steering group composed of all relevant Commission and EEAS services and chaired by the VP/HR or a representative of that office shall be responsible for the steering, coordination and management of this instrument throughout the management cycle in order to ensure consistency, efficiency, transparency and accountability of all Union external financing. The VP/HR shall ensure overall political coordination of the Union's external action. Throughout the whole cycle of programming, planning and application of the instrument, the VP/HR and the EEAS shall work with the relevant members and services of the Commission, identified on the basis of the nature and objectives of the action foreseen, building upon their expertise. The VP/HR, the EEAS and the Commission shall prepare all proposals for decisions in accordance with the Commission's procedures and shall submit them for adoption.

The European Parliament shall be fully involved in the design, programming,

monitoring and evaluation phases of the external financing instruments in order to guarantee political control and democratic scrutiny and accountability of Union funding in the field of external action.

Amendment 62

Proposal for a regulation Article 8 – title

Text proposed by the Commission

Implementing measures and methods

Amendment

Executing measures and methods

Amendment 63

Proposal for a regulation Article 8 – paragraph 1

Text proposed by the Commission

1. Assistance under IPA III shall be **implemented** in direct management or in indirect management in accordance with the Financial Regulation through annual or multi-annual action plans and measures as referred to in **Chapter III of Title II of [NDICI Regulation]. Chapter III of Title II of [NDICI Regulation] shall apply to this Regulation with the exception of paragraph 1 of Article 24 [eligible persons and entities].**

Amendment

1. Assistance under IPA III shall be **executed** in direct management or in indirect management in accordance with the Financial Regulation through annual or multi-annual action plans and measures.as referred to in **Chapter III a.**

Amendment 64

Proposal for a regulation Article 8 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Indirect management may be reversed if the beneficiary is unable or unwilling to administer the awarded funds in accordance with the established rules, principles and objectives under this Regulation. In the event of a beneficiary's failure to observe the principles of democracy, the rule of law and respect for human rights and fundamental freedoms or in the event of violation of the commitments taken in the relevant agreements concluded with the Union, the Commission may, in specific policy areas or programmes, revert from indirect management with that beneficiary to indirect management by one or more entrusted entities other than a beneficiary or to direct management.

Amendment 65

Proposal for a regulation Article 8 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. The Commission shall hold a dialogue with the European Parliament, and take into account the European Parliament's views on areas in which the latter is running its own assistance programmes, such as capacity-building and election observation.

Amendment 66

Proposal for a regulation Article 8 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The Commission shall keep the European Parliament fully involved on issues related to the planning and implementation of measures pursuant to this Article, including any envisaged substantial changes or allocations.

Amendment 67

Proposal for a regulation Article 8 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. Disbursement of the general or sector budget support shall be conditional upon satisfactory progress being made towards achieving the objectives agreed with a beneficiary.

The Commission shall apply the budget support conditionality criteria set out in the Article 23(4) of Regulation (EU) .../... [NDICI Regulation]. It shall take steps to reduce or suspend Union funding through budget support in cases of systemic irregularities in the management and control systems or unsatisfactory progress being made in achieving the objectives agreed with the beneficiary.

The reintroduction of assistance by the Commission following the suspension referred to in this Article shall be accompanied by a targeted assistance to national audit authorities.

Amendment 68

Proposal for a regulation Chapter III a (new) – title

Text proposed by the Commission

Amendment

Chapter IIIa **Execution**

Amendment 69

Proposal for a regulation Article 8 a (new)

Text proposed by the Commission

Amendment

Article 8a

Action plans and measures

1. The Commission shall adopt annual or multiannual action plans or measures. The measures may take the form of individual measures, special measures, support measures or exceptional assistance measures. Action plans and measures shall specify for each action the objectives pursued, the expected results and main activities, the methods of application, the budget and any associated support expenditures.

2. Action plans shall be based on programming documents, except for cases referred to in paragraphs 3 and 4.

When necessary, an action may be adopted as an individual measure before or after the adoption of action plans. Individual measures shall be based on programming documents, except for cases referred to in paragraph 3 and in other duly justified cases.

In the event of unforeseen needs or circumstances, and when funding is not possible from more appropriate sources, the Commission is empowered to adopt delegated acts in accordance with Article 34 of Regulation ...[NDICI

Regulation] laying down special measures not based on the programming documents.

3. Annual or multiannual action plans and individual measures may be used to execute rapid response actions referred to in Article 4(4)(b) of Regulation ...[NDICI Regulation].

4. The Commission may adopt exceptional assistance measures for rapid response actions as referred to in Article 4(4)(a) of Regulation ...[NDICI Regulation].

5. Measures taken under Article 19 (3) and (4) may have a duration of up to 18 months, which may be extended twice by a further period of up to six months, up to a total maximum duration of 30 months, in the event of objective and unforeseen obstacles to execution, provided that there is no increase in the financial amount of the measure.

In cases of protracted crisis and conflict, the Commission may adopt a second exceptional assistance measure of a duration of up to 18 months. In duly justified cases, further measures may be adopted where the continuity of the Union's action under this paragraph is essential and cannot be ensured by other means.

Amendment 70

Proposal for a regulation Article 8 b (new)

Text proposed by the Commission

Amendment

Article 8b

Support measures

1. Union financing may cover expenditure to support the execution of the Instrument and the achievement of its

objectives, including administrative support associated with the preparation, follow-up, monitoring, control, audit and evaluation activities necessary for such execution, as well as expenditure at headquarters and Union delegations for the administrative support needed for the programme, and to manage operations financed under this Regulation, including information and communication actions, and corporate information technology systems.

2. When support expenditure is not included in the action plans or measures referred to in Article 8c, the Commission shall adopt, where applicable, support measures. Union financing under support measures may cover:

(a) studies, meetings, information, awareness-raising, training, preparation and exchange of lessons learnt and best practices, publication activities and any other administrative or technical assistance expenditure necessary for the programming and management of actions, including remunerated external experts;

(b) research and innovation activities and studies on relevant issues and the dissemination thereof;

(c) expenditure related to the provision of information and communication actions, including the development of communication strategies and corporate communication and visibility of the political priorities of the Union.

Amendment 127

Proposal for a regulation

Article 8 c (new)

Article 8c

Adoption of action plans and measures

1. The Commission shall adopt action plans and measures by means of a Commission decision in accordance with the Financial Regulation.

2. The Commission shall take account of the relevant policy approach of the Council and the European Parliament for the planning and subsequent application of such action plans and measures, in the interests of consistency of the Union's external action.

The Commission shall immediately inform the European Parliament about the planning of action plans and measures pursuant to this Article, including the financial amounts envisaged, and shall also inform the European Parliament when making substantial changes or extensions to that assistance. As soon as possible following the adoption or substantial modification of a measure, and in any case within one month thereof, the Commission shall report to the European Parliament and to the Council and give an overview of the nature and the rationale of the measure adopted, its duration, budget and its

context, including the complementarity of that measure with other ongoing and planned Union assistance. For exceptional assistance measures, the Commission shall also indicate whether to what extent and how it will ensure the continuity of the policy executed through the exceptional assistance by medium- and long-term assistance under this Regulation.

3. Before adopting action plans and measures not based on programming documents pursuant to Article 8a(2), other than for cases referred to in Article 8a (3) and (4), the Commission shall adopt a delegated act in accordance with Article 14 in order to supplement this Regulation by setting out the specific objectives to be pursued, the results expected, the instruments to be used, the main activities and the indicative financial allocations of these action plans and measures.

4. Appropriate human rights, social and environmental screening, including for climate change and biodiversity impacts, shall be undertaken at the level of actions, in accordance with the applicable legislative acts of the Union, including Directive 2011/92/EU^{1a} of the European Parliament and of the Council and Council Directive 85/337/EEC^{1b},

comprising, where applicable, an environmental impact assessment for environmentally sensitive actions, in particular for major new infrastructure.

Additionally, ex-ante human rights, gender, social and labour impact assessments, as well as conflict analysis and risk assessment shall be conducted.

Where relevant, human rights, social and strategic environmental assessments shall be used in the execution of sectoral programmes. The Commission shall ensure the involvement of interested stakeholders in these assessments and public access to the results of such assessments.

^{1a} Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (codification) (OJ L 26 28.1.2012. p.1).

^{1b} Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment (OJ L 175, 5.07.1985. p. 40).

Amendment 72

Proposal for a regulation Article 8 d (new)

Text proposed by the Commission

Amendment

Article 8d

Methods of cooperation

- 1. Financing under this Instrument shall be implemented by the Commission, as provided for by the Financial Regulation, either directly by the Commission itself, by Union delegations and by executive agencies, or indirectly through any of the entities listed in Article 62 (1) c) of the Financial Regulation.*
- 2. Financing under this Instrument may also be provided through contributions to international, regional or national funds, such as those established or managed by the EIB, by Member States, by partner countries and regions or by international organisations, or other donors.*
- 3. The entities listed in Article 62(1)(c) of the Financial Regulation and in Article 29(1) of Regulation ...[NDICI Regulation] shall annually fulfil their reporting obligations under Article 155 of the Financial Regulation. The reporting requirements for any of these entities are laid down in the framework partnership agreement, the contribution agreement, the agreement on budgetary guarantees or the financing agreement.*
- 4. Actions financed under this Instrument may be implemented by means of parallel or joint co-financing.*
- 5. In the case of parallel co-financing, an action is split into a number of clearly identifiable components which are each financed by the different partners providing co-financing in such a way that the end-use of the financing can always be identified.*
- 6. In the case of joint co-financing, the total cost of an action is shared between*

the partners providing the co-financing 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 action.

7. Cooperation between the Union and its partners may take the form, inter alia, of:

(a) triangular arrangements whereby the Union coordinates with third countries its assistance funding to a partner country or region;

(b) administrative cooperation measures such as twinning between public institutions, local authorities, national public bodies or private law entities entrusted with public service tasks of a Member State and those of a partner country or region, as well as cooperation measures involving public sector experts dispatched from the Member States and their regional and local authorities;

(c) contributions to the necessary costs of setting up and administering a public-private partnership including support of broad participation by setting up independent third party CSO body to assess and monitor public-private partnership set-ups;

(d) sector policy support programmes whereby the Union provides support to a partner country's sector programme

(e) contributions to the cost of the countries' participation in Union programmes and actions implemented by Union agencies and bodies, as well as bodies or persons entrusted with implementation of specific actions in the Common Foreign and Security Policy pursuant to Title V of the Treaty on European Union;

(f) interest rate subsidies.

Amendment 73

Text proposed by the Commission

Amendment

Article 8e

Forms of Union funding and methods of application

1. The Union funding may be provided through the types of financing envisaged by the Financial Regulation and in particular:

- (a) grants;***
- (b) procurement contracts for services, supplies or works;***
- (c) budget support;***
- (d) contributions to trust funds set up by the Commission, in accordance with Article 234 of the Financial Regulation;***
- (e) financial instruments;***
- (f) budgetary guarantees;***
- (g) blending;***
- (h) debt relief in the context of internationally agreed debt relief programme;***
- (i) financial assistance;***
- (j) remunerated external experts.***

2. When working with stakeholders of partner countries, the Commission shall take into account their specificities, including their needs and the relevant context, when defining the financing modalities, the type of contribution, the award modalities and the administrative provisions for the management of grants, with a view to reaching and best responding to the widest possible range of such stakeholders. That assessment shall take into account the conditions for a meaningful participation and involvement of all stakeholders, in particular local civil society. Specific modalities shall be encouraged in accordance with the Financial Regulation, such as partnership agreements, authorisations of financial

support to third parties, direct award or eligibility-restricted calls for proposals, or lump sums, unit costs and flat-rate financing as well as financing not linked to costs as envisaged in Article 125(1) of the Financial Regulation. Those different modalities shall ensure transparency, traceability and innovation. Cooperation between local and international NGOs shall be encouraged in order to bolster local civil society's capacities with a view to achieving its full participation in development programmes.

3. In addition of the cases referred to in Article 195 of the Financial Regulation, the direct award procedure may be used for;

(a) low-value grants to human rights defenders and to mechanisms for the protection of human rights defenders at risk, to finance urgent protection actions, where appropriate without the need for co-financing, as well as to mediators and other civil society actors involved in crisis and armed conflict related dialogue, conflict resolution, reconciliation and peace-building;

(b) grants, where appropriate without the need for co-financing, to finance actions in the most difficult conditions where the publication of a call for proposals would be inappropriate including situations where there is a serious lack of fundamental freedoms, threats to democratic institutions, escalation of crisis, armed conflict where human security is most at risk or where human rights organisations and defenders, mediators and other civil society actors involved in crisis and armed conflict related dialogue, reconciliation and peace-building operate under the most difficult conditions. Such grants shall not exceed EUR 1 000 000 and shall have a duration of up to 18 months, which may be extended by a further 12 months in the event of objective and unforeseen obstacles to their application;

(c) grants to the Office of the UN High Commissioner for Human Rights as well as to Global Campus, the European Inter-University Centre for Human Rights and Democratisation, providing a European Master's Degree in Human Rights and Democratisation, and its associated network of universities delivering human rights postgraduate diplomas, including scholarships to students, researchers, teachers, and human rights defenders from third countries.

(d) Small projects as described in Article 23a of Regulation ...[NDICI Regulation].

Budget support as referred to in point (c) of paragraph 1, including through sector reform performance contracts, shall be based on country ownership, mutual accountability and shared commitments to universal values, democracy, human rights, gender equality, social inclusion and human development and the rule of law, and aims at strengthening partnerships between the Union and partner countries. It shall include reinforced policy dialogue, capacity development, and improved governance, complementing partners' efforts to collect more and spend better in order to support sustainable and inclusive socio-economic development which benefits all, decent job creation, with particular attention to young people, the reduction of inequalities and poverty eradication with due regard to local economies, environmental and social rights.

Any decision to provide budget support shall be based on budget support policies agreed by the Union, a clear set of eligibility criteria and a careful assessment of the risks and benefits. One of the key determinants of that decision shall be an assessment of the commitment, record and progress of partner countries with regard to democracy, human rights and the rule of law.

4. Budget support shall be differentiated in such a way as to respond better to the political, economic and social context of the partner country, taking into account situations of fragility.

When providing budget support in accordance with Article 236 of the Financial Regulation, the Commission shall clearly define and monitor criteria for budget support conditionality, including progress in reforms and transparency, and shall support the development of parliamentary control, national audit capacities, CSO participation in monitoring and increased transparency and public access to information and development of strong public procurement systems that support local economic development and local businesses.

5. Disbursement of the budget support shall be based on indicators demonstrating satisfactory progress being made towards achieving the objectives agreed with the partner country.

6. Financial instruments under this Regulation may take forms such as loans, guarantees, equity or quasi-equity, investments or participations, and risk-sharing instruments, whenever possible and in accordance with the principles laid down in Article 209(1) of the Financial Regulation under the lead of the EIB, a multilateral European finance institution, such as the European Bank for Reconstruction and Development, or a bilateral European finance institution, such as bilateral development banks, possibly pooled with additional other forms of financial support, both from Member States and third parties.

Contributions to Union financial instruments under this Regulation may be made by Member States as well as any entity referred to in Article 62(1)(c) of the Financial Regulation.

7. Those financial instruments may be grouped into facilities for application and

reporting purposes

8. The Commission and the EEAS shall not enter into new or renewed operations with entities incorporated or established in jurisdictions defined under the relevant Union policy as non-cooperative, or that are identified as high risk third countries pursuant to Article 9(2) of Directive(EU) 2015/849 of the European Parliament and of the Council, or that do not effectively comply with Union or internationally agreed tax standards on transparency and exchange of information.

9. The Union's funding shall not generate or activate the collection of specific taxes, duties or charges.

10. Taxes, duties and charges imposed by partner countries may be eligible for financing under this Regulation.

Amendment 74

Proposal for a regulation Article 8 f (new)

Text proposed by the Commission

Amendment

Article 8f

Carry-overs, annual instalments, commitment appropriations, re-payments and revenue generated by financial instruments

1. In addition to Article 12(2) of the Financial Regulation, unused commitment and payment appropriations under this Regulation shall be automatically carried over and may be committed up to 31 December of the following financial year. The carried-over amount shall be used first in the following financial year.

The Commission shall submit to the European Parliament and to the Council information on appropriations which

were automatically carried over, including the amounts involved, in line with Article 12(6) of the Financial Regulation.

2. In addition to the rules laid down in Article 15 of the Financial Regulation on making appropriations available again, commitment appropriations corresponding to the amount of decommitments made as a result of total or partial non implementation of an action under this Regulation shall be made available again to the benefit of the budget line of origin.

References to Article 15 of the Financial Regulation in Article 12(1)(b) of Regulation laying down the multi annual financial framework shall be understood as including a reference to this paragraph for the purpose of this Regulation.

3. Budgetary commitments for actions extending over more than one financial year may be broken down over several years into annual instalments, in line with Article 112(2) of the Financial Regulation.

The third subparagraph of Article 114(2) of the Financial Regulation shall not apply to these multiannual actions. The Commission shall automatically decommit any portion of a budgetary commitment for an action that by 31 December of the fifth year following that of the budgetary commitment has not been used for the purpose of pre-financing or making interim payments or for which no certified statement of expenditure or any payment request has been submitted.

Paragraph 2 of this Article shall also apply to annual instalments.

4. By way of derogation from Article 209(3) of the Financial Regulation repayments and revenues generated by a financial instrument shall be assigned to the budget line of origin as internal assigned revenue after deduction of management costs and fees. Every five years, the Commission shall examine the

contribution made to the achievement of Union objectives, and the effectiveness, of existing financial instruments.

Amendment 75

Proposal for a regulation Article 9 – paragraph 4

Text proposed by the Commission

4. Where cross border cooperation programmes are discontinued in accordance with Article 12 of [ETC Regulation], support from this Regulation to the discontinued programme that remains available may be used to finance any other actions eligible under this Regulation.

Amendment

4. Where cross border cooperation programmes are discontinued in accordance with Article 12 of [ETC Regulation], support from this Regulation to the discontinued programme that remains available may be used to finance any other actions eligible under this Regulation. ***In such a case, if there are no eligible actions to be financed in the current year, appropriations may be carried over to the following year.***

Amendment 76

Proposal for a regulation Chapter VI – Title

Text proposed by the Commission

MONITORING **AND** EVALUATION

Amendment

MONITORING, **REPORTING**,
EVALUATION **AND**
COMMUNICATION

Amendment 77

Proposal for a regulation Article 12 – paragraph 2

Text proposed by the Commission

2. Indicators to monitor **implementation** and progress of the IPA III towards the achievement of the specific

Amendment

2. Indicators to monitor **execution** and progress of the IPA III towards the achievement of the specific objectives set

objectives set out in Article 3 are set in Annex IV to this Regulation.

out in Article 3 are set in Annex IV to this Regulation.

Amendment 78

Proposal for a regulation Article 12 – paragraph 4

Text proposed by the Commission

4. In addition to the indicators referred to in Annex IV, the enlargement reports shall be taken into account in the results framework of IPA III assistance.

Amendment

4. In addition to the indicators referred to in Annex IV, the enlargement reports **and the Commission's assessments of the Economic Reform Programmes** shall be taken into account in the results framework of IPA III assistance.

Amendment 79

Proposal for a regulation Article 12 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. The Commission shall submit and present the interim and final evaluation reports referred to in Article 32 of Regulation (EU) .../... [NDICI Regulation] to the European Parliament and the Council. Those reports shall be made public by the Commission.

Amendment 80

Proposal for a regulation Article 12 – paragraph 5

Text proposed by the Commission

5. In addition to Article 129 of the Financial Regulation on the protection of the financial interests of the Union, under indirect management, beneficiaries ***listed in Annex I*** shall report the irregularities including fraud which have been the subject of a primary administrative or judicial finding, without delay, to the Commission and keep the latter informed of the progress of administrative and legal proceeding. Reporting shall be done by electronic means, using the Irregularity Management System, established by the Commission.

Amendment

5. In addition to Article 129 of the Financial Regulation on the protection of the financial interests of the Union, under indirect management, beneficiaries shall report the irregularities including fraud which have been the subject of a primary administrative or judicial finding, without delay, to the Commission and keep the latter informed of the progress of administrative and legal proceeding. Reporting shall be done by electronic means, using the Irregularity Management System, established by the Commission. ***The Commission shall support the development in the beneficiaries of parliamentary control and audit capacities and increased transparency and public access to information. The Commission, the VP/HR and in particular Union delegations in the beneficiaries shall ensure that all funding allocations under indirect management are carried out in a transparent, depoliticised and non-partial manner, including by equitable distribution, reflecting the needs of the regions and local municipalities.***

Amendment 128

Proposal for a regulation

Article 14 – paragraph 2

Text proposed by the Commission

Amendment

2. The power to adopt delegated acts as referred to in Article **13** shall be conferred on the Commission.

2. The power to adopt delegated acts as referred to in Article **7(3)**, **Article 7a**, **Articles 7b (1) and (2)**, **Article 8c (3)**, and **Articles 13 and 15** shall be conferred on the Commission.

Amendment 82

Proposal for a regulation Article 14 a (new)

Text proposed by the Commission

Amendment

Article 14 a

Democratic Accountability

1. In order to enhance dialogue between the institutions and services of the Union, in particular the European Parliament, the Commission and the EEAS, foster the overall coherence of all External Financing Instruments, and to ensure greater transparency and accountability, as well as the expediency in the adoption of acts and measures by the Commission, the European Parliament may invite the Commission and the EEAS to appear before it to discuss the strategic orientations and guidelines for the programming under this Regulation. That dialogue may take place prior to the adoption of delegated acts and of the draft annual budget by the Commission or, at the request of the European Parliament, the Commission or the EEAS, on an ad hoc basis in view of major political developments.

2. Where a dialogue referred to in paragraph 1 is due to take place, the Commission and the EEAS shall present to the European Parliament all relevant documents in relation to that dialogue. Where the dialogue is related to the annual budget, consolidated information on all action plans and measures adopted

or planned in accordance with Article 8 c, information on cooperation per country, region and thematic area, and the use of rapid response actions and the External Action Guarantee shall be provided.

3. The Commission and the EEAS shall take the utmost account of the position expressed by the European Parliament. In the event that the Commission or the EEAS do not take the European Parliament's positions into account, they shall provide due justification.

4. The Commission and the EEAS, in particular through the steering group pursuant to Article 7 c, shall be responsible for keeping the European Parliament informed about the state of this Regulation's application, in particular about ongoing measures, actions and results.

Amendment 83

Proposal for a regulation Article 15 – title

Text proposed by the Commission

Amendment

Adoption of further **implementing** rules

Adoption of further rules

Amendment 84

Proposal for a regulation Article 15 – paragraph 1

Text proposed by the Commission

Amendment

1. Specific rules **establishing uniform conditions for implementing this Regulation in particular** in relation to the structures to be set up in preparation for accession and to rural development

1. Specific rules in relation to the structures to be set up in preparation for accession and to rural development assistance, shall be adopted **by means of delegated acts**.

assistance, shall be adopted *in accordance with the examination procedure referred to in Article 16*.

Amendment 85

Proposal for a regulation Article 15 – paragraph 2

Text proposed by the Commission

2. *Where reference is made to this paragraph, Article 5 of Regulation (EU) No. 182/2011 shall apply.*

Amendment

2. *The Commission shall adopt action plans and measures by decision in accordance with the Financial Regulation.*

Amendment 86

Proposal for a regulation Article 16

Text proposed by the Commission

Article 16

Committee

1. *The Commission shall be assisted by a committee (the ‘Instrument for Pre-accession Assistance Committee’). That committee shall be a committee within the meaning of [Regulation (EU) No 182/2011].*

2. *Where the opinion of the committee is to be obtained by a written procedure, the procedure shall be terminated without result when, within the time limit for delivery of the opinion, the chair of the committee so decides or a simple majority of committee members so requests.*

3. *An observer from the EIB shall take part in the Committee's proceedings with regard to questions concerning the EIB.*

4. *The IPA III Committee shall assist the Commission and shall be competent also for legal acts and commitments under Regulation (EC) No 1085/2006, Regulation 231/2014 and the implementation of Article 3 of Regulation (EC) No 389/2006.*

Amendment

deleted

5. The IPA III Committee shall not be competent for the contribution to Erasmus+ as specified in Article 5(3).

Amendment 87

Proposal for a regulation Article 17 – title

Text proposed by the Commission

Information, communication and publicity

Amendment

Information, communication, **visibility** and publicity

Amendment 88

Proposal for a regulation Article 17 – paragraph 1

Text proposed by the Commission

1. **Articles 36 and 37 of [Regulation NDICI] shall apply.**

Amendment

1. **When providing financial assistance under this Regulation, the Commission, the VP/HR and in particular the Union delegations in the beneficiaries shall take all necessary measures to ensure the visibility of the Union's financial support, including monitoring recipients' compliance with those requirements. IPA-financed actions shall be subject to the requirements set out in the Communication and Visibility Manual for EU External Actions. The Commission shall adopt guidance for Union-funded projects on visibility and communication actions for each beneficiary.**

Amendment 89

Proposal for a regulation Article 17 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission shall take measures to strengthen strategic communication and public diplomacy for communicating the values of the Union and highlighting the added value of the Union’s support.

Amendment 90

Proposal for a regulation Article 17 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. The recipients of Union funding shall acknowledge the origin of the Union funding and ensure its proper visibility by:

(a) providing a statement highlighting the support received from the Union in a visible manner on documents and communication material relating to the implementation of the funds, including on an official website, where such a website exists; and

(b) promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public.

The Commission shall implement information and communication actions relating to this Regulation, as well as the actions set out by it and the results achieved. Financial resources allocated to this Regulation shall also contribute to the corporate communication of the

political priorities of the Union, insofar as those priorities are directly related to the objectives referred to in Article 3 and in Annexes II and III.

Amendment 91

Proposal for a regulation Article 19 – paragraph 2

Text proposed by the Commission

It shall apply from 1 January 2021.

Amendment

It shall apply from 1 January 2021 ***until 31 December 2027.***

Amendment 129

Proposal for a regulation

Annex I – paragraph 8

Text proposed by the Commission

The ***former Yugoslav*** Republic of
Macedonia

Amendment

The Republic of ***North*** Macedonia

Amendment 92

Proposal for a regulation Annex II – paragraph 1 – point a

Text proposed by the Commission

(a) Establishing and promoting from an

Amendment

(a) Establishing and promoting from an

early stage the proper functioning of the institutions necessary in order to secure the rule of law. Interventions in this area shall aim at: establishing independent, accountable and efficient judicial systems, including transparent and merit-based recruitment and promoting judicial cooperation, evaluation and promotion systems and effective disciplinary procedures in cases of wrongdoing; ensuring the establishment of **robust** systems to protect the borders, manage migration flows and provide asylum to those in need; developing effective tools to prevent and fight organised crime, trafficking in human beings, migrants smuggling, money laundering/financing of terrorism and corruption; promoting and protecting human rights, rights of persons belonging to minorities including Roma as well as lesbian, gay, bisexual, transgender and intersex persons fundamental freedoms, including freedom of the media and data protection.

early stage the proper functioning of the institutions necessary in order to secure the rule of law. Interventions in this area shall aim at: **separation of powers**, establishing independent, accountable and efficient judicial systems, including transparent and merit-based recruitment and promoting judicial cooperation, evaluation and promotion systems and effective disciplinary procedures in cases of wrongdoing; ensuring the establishment of **adequate** systems to protect the borders, manage migration flows and provide asylum to those in need; developing effective tools to prevent and fight organised crime, trafficking in human beings, migrants smuggling, **drug trafficking**, money laundering/financing of terrorism and corruption; promoting and protecting human rights, **including rights of the child, gender equality**, rights of persons belonging to minorities including Roma as well as lesbian, gay, bisexual, transgender and intersex persons fundamental freedoms, including freedom of the media and data protection.

Amendment 93

Proposal for a regulation Annex II – paragraph 1 – point c

Text proposed by the Commission

(c) Strengthening economic governance: Interventions shall aim at supporting participation in the economic reform programme (ERP) process and systematic cooperation with international financial institutions on fundamentals of economic policy. Enhancing the capacity to strengthen macroeconomic stability and supporting progress towards becoming a functioning market economy with the capacity to cope with competitive pressures and market forces within the Union;

Amendment

(c) Strengthening economic governance: Interventions shall aim at supporting participation in the economic reform programme (ERP) process and systematic cooperation with international financial institutions on fundamentals of economic policy **and strengthening of multilateral economic institutions**. Enhancing the capacity to strengthen macroeconomic stability, **social cohesion** and supporting progress towards **sustainable development and** becoming a functioning market economy with the capacity to cope with

competitive pressures and market forces within the Union;

Amendment 94

Proposal for a regulation Annex II – paragraph 1 – point d

Text proposed by the Commission

(d) Strengthening the Union and its partners' capacity to prevent conflict, build peace and address pre-and post-crisis including through early warning and conflict-sensitive risk analysis; promoting people to people networking, reconciliation, peace-building and confidence-building measures, supporting capacity building in support of security and development (CBSD) actions.

Amendment

(d) Strengthening the Union and its partners' capacity to prevent conflict, build peace, ***good neighbourly relations*** and address pre-and post-crisis including through early warning and conflict-sensitive risk analysis; promoting people to people networking, reconciliation, ***accountability, international justice***, peace-building and confidence-building measures, ***including setting up the Regional commission for the establishment of facts about war crimes and other serious violations of human rights committed in the former Yugoslavia (RECOM), as well as*** supporting capacity building in support of security and development (CBSD) actions, ***strengthening the capabilities of cyber defence and strategic communication to foster systematic uncovering of disinformation..***

Amendment 95

Proposal for a regulation Annex II – paragraph 1 – point e

Text proposed by the Commission

(e) Strengthening the capacities of civil society organisations and social partners' organisations, including professional associations, in beneficiaries ***listed in***

Amendment

(e) Strengthening the capacities, ***independence and plurality*** of civil society organisations and social partners' organisations, including professional

Annex I and encouraging networking at all levels among Union-based organisations and those of beneficiaries **listed in Annex I**, enabling them to engage in an effective dialogue with public and private actors.

associations, in beneficiaries and encouraging networking at all levels among Union-based organisations and those of beneficiaries, enabling them to engage in an effective dialogue with public and private actors. **Assistance shall endeavour to be accessible to a variety of organisations in beneficiaries that is as wide as possible.**

Amendment 96

Proposal for a regulation Annex II – paragraph 1 – point f

Text proposed by the Commission

(f) Promoting the alignment of partner countries' rules, standards, policies and practices to those of the Union, including state aid rules.

Amendment

(f) Promoting the alignment of partner countries' rules, standards, policies and practices to those of the Union, including **CFSP, public procurement and** state aid rules.

Amendment 97

Proposal for a regulation Annex II – paragraph 1 – point g

Text proposed by the Commission

(g) Strengthening access to and quality of education, training and lifelong learning at all levels, and offering support to cultural and creative sectors. Interventions in this area shall aim at: promoting equal access to quality **early-childhood** education and care, primary and secondary education, improving the provision of basic skills; increasing educational attainment levels, reducing early school-leaving and reinforcing teachers' training. Developing vocational education and training (VET) systems and promoting work-based learning systems to facilitate the transition

Amendment

(g) Strengthening access to and quality of education, training and lifelong learning at all levels, and offering support to cultural and creative sectors **and sport**. Interventions in this area shall aim at: promoting equal access to quality **inclusive and community-based early childhood** education and care, primary and secondary education, improving the provision of basic skills; increasing educational attainment levels, reducing early school-leaving and reinforcing teachers' training; **empowering children and youth and enabling them to reach their full potential**. Developing

to the labour market; improving the quality and relevance of higher education; encouraging alumni related activities; enhancing access to lifelong learning and supporting investment in education and training infrastructure particularly with a view to reducing territorial disparities and fostering non-segregated education and including through the use of digital technologies.

vocational education and training (VET) systems and promoting work-based learning systems to facilitate the transition to the labour market; improving the quality and relevance of higher education; encouraging alumni related activities; enhancing access to lifelong learning **and physical activity** and supporting investment in education and training **and sport** infrastructure particularly with a view to reducing territorial disparities and fostering non-segregated education and including through the use of digital technologies.

Amendment 98

Proposal for a regulation Annex II – paragraph 1 – point h

Text proposed by the Commission

(h) Fostering quality employment and access to the labour market. Interventions in this area shall aim at: tackling high unemployment and inactivity by supporting sustainable labour market integration in particular of young people (especially those not in employment, education or training (NEET)), women, long-term unemployed and all under-represented groups. Measures shall stimulate quality job creation and support the effective enforcement of labour rules and standards across the entire territory. Other key areas of intervention shall be to support gender equality, promoting employability and productivity, the adaptation of workers and enterprises to change, the establishment of a sustainable social dialogue and the modernisation and strengthening of labour market institutions such as public employment services and labour inspectorates.

Amendment

(h) Fostering quality employment and access to the labour market. Interventions in this area shall aim at: tackling high unemployment and inactivity by supporting sustainable labour market integration in particular of young people (especially those not in employment, education or training (NEET)), women, long-term unemployed and all under-represented groups. Measures shall stimulate quality job creation and support the effective enforcement of labour rules and **internationally agreed** standards across the entire territory **including by fostering adherence to the key principles and rights as referred to in the European Pillar of Social Rights**. Other key areas of intervention shall be to support gender equality, promoting employability and productivity, the adaptation of workers and enterprises to change, the establishment of a sustainable social dialogue and the modernisation and strengthening of labour market institutions such as public employment services and labour

inspectorates.

Amendment 99

Proposal for a regulation Annex II – paragraph 1 – point i

Text proposed by the Commission

(i) Promoting social protection and inclusion and combating poverty. Interventions in this area shall aim at modernising social protection systems to provide effective, efficient, and adequate protection throughout all stages of a person's life, fostering social inclusion, promoting equal opportunities and addressing inequalities and poverty. Interventions in this area shall also focus on: integrating marginalised communities such as the Roma; combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation; enhancing access to affordable, sustainable and high quality services, such as early childhood education and care, housing, healthcare and essential social services and long term care, including through the modernisation of social protection systems.

Amendment

(i) Promoting social protection and inclusion and combating poverty. Interventions in this area shall aim at modernising social protection systems to provide effective, efficient, and adequate protection throughout all stages of a person's life fostering social inclusion, promoting equal opportunities, addressing inequalities and poverty, **and promoting the transition from institutional to family and community based care**. Interventions in this area shall also focus on: integrating marginalised communities such as the Roma; combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation; enhancing access to affordable, sustainable and high quality **family and community based** services, such as **inclusive and non-segregated** early childhood education and care, housing, healthcare and essential social services and long term care, including through the modernisation of social protection systems. **Actions that contribute to any form of segregation or social exclusion shall not be supported.**

Amendment 100

Proposal for a regulation Annex II – paragraph 1 – point j

Text proposed by the Commission

(j) Promoting smart, sustainable,

Amendment

(j) Promoting smart, sustainable,

inclusive, safe transport and removing bottlenecks in key network infrastructures, by investing in projects with high EU value-added. The investments should be prioritised according to their relevance to TEN-T connections with the EU, contribution to sustainable mobility, reduced emissions, environmental impact, safe mobility, in synergy with the reforms promoted by the Transport Community Treaty.

inclusive, safe transport and removing bottlenecks in key network infrastructures, by investing in projects with high EU value-added. The investments should be prioritised according to their relevance to TEN-T connections with the EU, **cross-border links, job creation**, contribution to sustainable mobility, reduced emissions, environmental impact, safe mobility, in synergy with the reforms promoted by the Transport Community Treaty.

Amendment 101

Proposal for a regulation Annex II – paragraph 1 – point k

Text proposed by the Commission

(k) Improving the private-sector environment and competitiveness of enterprises, including smart specialisation, as key drivers of growth, job creation and cohesion. Priority shall be given to projects which improve the business environment.

Amendment

(k) Improving the private-sector environment and competitiveness of enterprises, **in particular SMEs**, including smart specialisation, as key drivers of growth, job creation and cohesion. Priority shall be given to **sustainable** projects which improve the business environment.

Amendment 102

Proposal for a regulation Annex II – paragraph 1 – point m

Text proposed by the Commission

(m) Contributing to the security and safety of food supply and the maintenance of diversified and viable farming systems in vibrant rural communities and the countryside.

Amendment

(m) Contributing to the security and safety of food **and water** supply and the maintenance of diversified and viable farming systems in vibrant rural communities and the countryside.

Amendment 103

Proposal for a regulation Annex II – paragraph 1 – point p

Text proposed by the Commission

(p) Increasing the ability of the agri-food and fisheries sectors to cope with competitive pressure and market forces as well as to progressively align with the Union rules and standards, while pursuing economic, social and environmental goals in balanced territorial development of rural and coastal areas.

Amendment

(p) Increasing the ability of the agri-food and fisheries sectors to cope with competitive pressure and market forces as well as to progressively align with the Union rules and standards ***with a view to raising the capacity to exports to the Union market***, while pursuing economic, social and environmental goals in balanced territorial development of rural and coastal areas.

Amendment 104

Proposal for a regulation Annex II – paragraph 1 – point p a (new)

Text proposed by the Commission

Amendment

(p a) Promoting activities and improving long-term strategies and policies aimed at preventing and countering radicalisation and violent extremism.

Amendment 105

Proposal for a regulation Annex III – paragraph 1 – point a

Text proposed by the Commission

Amendment

(a) promoting employment, labour mobility and social and cultural inclusion across borders through, inter alia: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of

(a) promoting employment, labour mobility and social and cultural inclusion across borders through, inter alia: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of

immigrants' communities and vulnerable groups; investment in public employment services; and supporting investment in public health **and** social services;

immigrants' communities and vulnerable groups; investment in public employment services; and supporting investment in public health **as well as the transition to family- and community-based** social services;

Amendment 106

Proposal for a regulation Annex III – paragraph 1 – point d a (new)

Text proposed by the Commission

Amendment

(d a) promoting the removal of unnecessary barriers to trade, including bureaucratic hurdles, tariffs and non-tariffs barriers

Amendment 107

Proposal for a regulation Annex III – paragraph 1 – point e

Text proposed by the Commission

Amendment

(e) encouraging tourism and cultural and natural heritage;

(e) encouraging tourism, **sport**, and cultural and natural heritage;

Amendment 108

Proposal for a regulation Annex III – paragraph 1 – point f

Text proposed by the Commission

Amendment

(f) investing in youth, education and skills through, inter alia, developing and implementing joint education, vocational training, training schemes and infrastructure supporting joint youth activities;

(f) investing in youth, **sport**, education and skills through, inter alia, **ensuring skills and qualifications recognition**, developing and implementing joint education, vocational training, training schemes and infrastructure supporting joint

youth activities;

Amendment 109

Proposal for a regulation Annex III – paragraph 1– point g

Text proposed by the Commission

(g) promoting local and regional governance **and** enhancing the planning and administrative capacity of local and regional authorities;

Amendment

(g) promoting local and regional **governance, including cross-border cooperation between administrations with a view to fostering reconciliation and peace-building**, enhancing the planning and administrative capacity of local and regional authorities;

Amendment 110

Proposal for a regulation Annex III – paragraph 1 – point g a (new)

Text proposed by the Commission

Amendment

(ga) investing in the capacity-building of civil society organisations;

Amendment 111

Proposal for a regulation Annex III – paragraph 1 – point g b (new)

Text proposed by the Commission

Amendment

(g b) promoting cross-border cooperation between administrations with a view to fostering reconciliation and peace-building, including setting up the Regional commission for the establishment of facts about war crimes

and other serious violations of human rights committed in the former Yugoslavia (RECOM);

Amendment 112

Proposal for a regulation Annex III – paragraph 1 – point i a (new)

Text proposed by the Commission

Amendment

(i a) improving cross-border police and judicial cooperation and information exchange to facilitate the investigation and prosecution of cross-border organised crime and linked cases of economic and financial crime and corruption, trafficking and smuggling.

Amendment 113

Proposal for a regulation Annex IV – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

The following list of key performance indicators shall be used to help measure the Union's contribution to the achievement of its specific objectives:

The following list of key performance indicators ***and their annual evolution*** shall be used to help measure the Union's contribution to the achievement of its specific objectives ***and the progress made by the beneficiaries***:

Amendment 114

Proposal for a regulation Annex IV – paragraph 1 – point 1 a (new)

Text proposed by the Commission

Amendment

1a. Composite indicator on partners' efforts related to reconciliation, peace-

building, good neighbourly relations and international obligations, gender equality and women's rights;

Amendment 115

Proposal for a regulation Annex IV – paragraph 1 – point 1 b (new)

Text proposed by the Commission

Amendment

1b. Absence of violence indicator in conjunction with reductions in drivers of conflict (e.g political or economic exclusion) against a baseline assessment.

Amendment 116

Proposal for a regulation Annex IV – paragraph 1 – point 1 c (new)

Text proposed by the Commission

Amendment

1c. The share of the beneficiaries' citizens that think they are well informed about the Union's assistance under this Regulation (source European Commission).

Amendment 117

Proposal for a regulation Annex IV – paragraph 1 – point 3 a (new)

Text proposed by the Commission

Amendment

3a. The rate and annual evolution of the alignment with the CFSP decisions and measures (source EEAS).

Amendment 118

Proposal for a regulation Annex IV – paragraph 1 – point 5

Text proposed by the Commission

5. Public social security expenditure (percentage of GDP) (source ILO) *or* Employment Rate (*source*: national statistics)

Amendment

5. Public social security expenditure (percentage of GDP), as indicated by ILO, ***health expenditure, income inequality, poverty rate***, employment rate ***and unemployment rate***, as indicated by ***official national statistics***.

Amendment 119

Proposal for a regulation Annex IV – paragraph 1 – point 5 a (new)

Text proposed by the Commission

Amendment

5a. Changes in the GINI coefficient of a beneficiary over time.

Amendment 120

Proposal for a regulation Annex IV – paragraph 1 – point 10

Text proposed by the Commission

10. Number of cross-border cooperation programmes ***concluded*** among IPA beneficiaries and IPA/EU MS (*source* European Commission)

Amendment

10. Number of cross-border cooperation programmes ***concluded and implemented*** among IPA beneficiaries and IPA/EU MS, ***as indicated by the*** European Commission.

Amendment 121

**Proposal for a regulation
Annex IV – paragraph 1 – point 10 a (new)**

Text proposed by the Commission

Amendment

10a. The number of new organisations participating in actions and programmes over time.

Amendment 122

**Proposal for a regulation
Annex IV –paragraph 2**

Text proposed by the Commission

Amendment

Indicators will, where relevant, be sex disaggregated.

Indicators will, where relevant, be disaggregated **at minimum age and gender level.**