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DRAFT STATEMENT OF THE COUNCIL'S REASONS

Subject: Position of the Council at the first reading in view of the adoption of the Proposal for a Regulation of the European Parliament and of the Council establishing the Rights and Values programme

– Draft Statement of the Council's reasons

I. INTRODUCTION

1. On 30 May 2018 the Commission adopted the Proposal for a Regulation of the European Parliament and of the Council establishing the Rights and Values programme for the period 2021-2027¹.

¹ 9605/1/18 REV 1

2. The examination of the proposal started in October 2018 and was completed in December. On 19 December 2018, COREPER granted a partial mandate for negotiations². Since the proposed Regulation is one of the package of proposals linked to the Multiannual Financial Framework (hereinafter: MFF), all provisions with budgetary implications or of a horizontal nature were set aside, pending further progress on the MFF.
3. On 20 February 2019, COREPER granted an extension of the partial mandate, which allowed to negotiate the provisions, recitals and activities linked with the new strand on Union values proposed by the European Parliament.
4. Four trilogues were organised, on 22 January, 5 February, 20 February and 6 March 2019, which were preceded by several technical meetings and drafting sessions. Within the Council, three meetings of the Ad Hoc Working Party on JHA Financial Instruments were organised to inform Member States on the progress of the negotiations and receive their feedback, which took place on 1, 15 and 28 February 2019.
5. These negotiations allowed to reach a common understanding with the European Parliament³ on the non-bracketed parts of the proposal, for which the Presidency has been granted a mandate. The outcome of those negotiations is set out in document 7249/1/19. On 13 March 2019, Coreper confirmed the common understanding reached with the European Parliament.
6. The European Parliament confirmed the common understanding on 17 April 2019, through the adoption of its legislative resolution (first reading).

² 15347/18

³ 7249/1/19

7. On 16 November 2020, Coreper examined the provisional political agreement reached by negotiators on the Multiannual Financial Framework 2021-2027. This allowed Coreper to adopt the full mandate for negotiations on the Rights and Values programme, on 2 December 2020.
8. Two further trilogues were held on 10 and 17 December 2020. A provisional political agreement with the European Parliament was reached on 17 December 2020.
9. Meanwhile, on 17 December 2020, the various elements of the MFF package were formally adopted by Council.
10. On 3 February 2021, Coreper analysed the final compromise text and expressed its support for it.
11. On 4 February 2021, the Chair of the European Parliament's Committee on Civil Liberties, Justice and Home Affairs sent a letter to the Chair of Coreper (Part 2), confirming the European Parliament's agreement on the outcome of interinstitutional negotiations (subject to legal-linguistic verification by both institutions).
12. On 17 February 2021, Coreper reached a political agreement on the compromise text.

II. OBJECTIVE

13. The Rights and Values programme aims at protecting and promoting rights and values enshrined in the EU Treaties in order to sustain open, democratic and inclusive societies. In the Commission proposal, it had three specific objectives: (i) to promote equality and rights (gender equality, anti-discrimination, rights of children), (ii) to promote citizens engagement and participation in the democratic life of the Union (Citizens' engagement and participation strand) and (iii) to fight violence, notably against children and women (Daphne strand). A fourth objective was added, following negotiations with the European Parliament with the objective of protecting and promoting Union values (Union values strand).

III. ANALYSIS OF THE COUNCIL'S POSITION AT FIRST READING

New strand

14. A new fourth strand (Union values), additional to three existing ones (Equality and right strand, Citizens engagement and participation strand and Daphne strand) was introduced. This strand is particularly intended to promote democracy and the rule of law. These elements are fundamental in building citizens' trust in the Union and in ensuring mutual trust among Member States. In this way, the programme will contribute to the construction of a more democratic Union, respect for the rule of law and democratic dialogue, transparency and good governance.
15. The extra funding provided through the additional allocation ensures that the Union values strand is adequately financed and the proper implementation of the three other strands is not undermined.

Allocation of funds

16. With the amount of the original financial envelope more than doubled, through the increase due to the additional allocation, the programme will receive adequate funding. The allocation of funds among the four strands of the programme devotes a very substantial sum of € 689.5 million (in current prices) to the new Union Values strand and sets out the basic conditions for it to receive funding already in 2021 - a joint declaration by the European Parliament and the Council calls upon the Commission to take all appropriate actions to reach that objective. At the same time, a 'flexibility amount' of € 91.2 million (in current prices) is left unattributed, so as to be able to tackle any emerging needs.

Earmarking and implementation

17. In order to highlight major policy priorities, a limited earmarking was introduced within each strand. At the same time, to ensure a sound implementation and the ability to respond to future challenges, the flexibility margin for the Commission to deviate annually from that earmarking was increased from five to ten percent. Similarly, it was confirmed that the adoption of the annual work programme will take place through implementing acts.

IV. CONCLUSION

18. The Council's position at first reading reflects the compromise reached in negotiations between the Council and the European Parliament. The latter was confirmed by the above mentioned letter from the Chair of the European Parliament's Committee on Civil Liberties, Justice and Home Affairs and subsequently endorsed by Coreper on 17 February 2021.