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NOTE

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| From: | Presidency |
| To: | Permanent Representatives Committee |
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| Subject: | Regulation establishing the Neighbourhood, Development and International Cooperation Instrument (NDICI) Thematic Package: Peace, stability and conflict prevention, including CBSD - State of play and guidance for further work |

DOCUMENT PARTIALLY ACCESSIBLE TO THE PUBLIC (22.05.2019)

Delegations will find enclosed the thematic package on Peace, stability and conflict prevention, including CBSD.

Draft
Regulation of the European Parliament and of the Council
establishing the Neighbourhood, Development and International Cooperation Instrument (NDICI)

Thematic package for: Peace, stability and conflict prevention, including CBSD REV 3

NB. Please note that only the elements related to this package will be considered provisionally agreed from the lines currently in red and from the lines related to Art. 3: “objectives”.

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| Recital 8 Line 18 | (8) The implementation of this Regulation should be guided by the five priorities established in the Global Strategy for the European Union’s Foreign and Security Policy (the 'Global Strategy') ¹ , presented on 19 June 2016, which represents the Union's vision and the framework for united and responsible external engagement in partnership with others, to advance its values and interests. The Union should enhance partnerships, promote policy dialogue and collective responses to challenges of global concern. Its action should support the Union’s interests and values in all its aspects, including preserving peace, preventing conflicts, strengthening international security, fighting root causes of irregular migration and assisting populations, countries and regions | | DELETED FROM THIS POINT UNTIL THE END OF THE COLUMN (page 25) |

¹ "Shared Vision, Common Action: A Stronger Europe. A global Strategy for the European Union's Foreign and Security Policy", June 2016.

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| | confronting natural or man-made disasters, supporting trade policy, economic diplomacy and economic cooperation, promoting digital solutions and technologies, and fostering the international dimension of Union's policies. In promoting its interests, the Union should comply with, and promote, the principles of respect for high social and environmental standards, for the rule of law, for international law and for human rights. | | |
| Recital 11 Line 21 | (11) In accordance with the Global Strategy and the Sendai Framework for Disaster Risk Reduction (2015-2030) as adopted on 18 March 2015 ² , recognition should be given to the need to move away from crisis response and containment to a more structural, long-term approach that more effectively addresses situations of fragility, natural and man-made disasters, and protracted crises. Greater emphasis and collective approaches are required on risk reduction, prevention, mitigation and preparedness; and further efforts are required to enhance swift response and a durable recovery. This Regulation should therefore contribute to strengthening resilience and linking humanitarian aid and development action | | |

² "Sendai Framework for Disaster Risk Reduction", adopted on 18 March 2015 and endorsed by the United Nations General Assembly on 3 June 2015 (A/RES/69/283).

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| | through rapid response actions. | | |
| Recital 17 Line 27 | (17) This Regulation should reflect the need to focus on strategic priorities, both geographically – the European Neighbourhood and Africa, as well as countries that are fragile and most in need, but also thematically – security, migration, climate change and human rights. | | |
| Recital 19 Line 29 | (19) The European Neighbourhood Policy, as reviewed in 2015 ³ , aims at the stabilisation of neighbouring countries and strengthening resilience, particularly by boosting economic development, as the Union's main political priorities. In order to attain its objective, the reviewed European Neighbourhood Policy has been focusing on four priority areas: good governance, democracy, the rule of law and human rights, with a particular focus in engaging further with civil society; economic development; security; migration and mobility, including tackling the root causes of irregular migration and forced displacement. Differentiation and enhanced mutual ownership are the hallmark of the European Neighbourhood Policy, recognising different levels of engagement, and reflecting the interests of each country | | |

³ Joint communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, "Review of the European Neighbourhood policy", 18 November 2015.

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| | concerning the nature and focus of its partnership with the Union. | | |
| Recital 21 Line 31 | (21) 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, notably the Instrument for Pre-Accession III ⁴ , the Humanitarian Aid Instrument ⁵ , the Decision on Overseas Countries and Territories ⁶ , the European Instrument for Nuclear Safety to complement the Neighbourhood, Development and International Cooperation Instrument on the basis of the Euratom Treaty ⁷ , the common foreign and security policy and the newly proposed European Peace Facility ⁸ which is financed outside the Union budget, as well as the creation of synergies with other Union policies and | | |

⁴ COM (2018) 465 final Proposal for a Regulation of the European Parliament and of the Council establishing the Instrument for Pre-accession Assistance (IPA III)

⁵ Council Regulation (EC) No 1257/96 of 20 June 1996 concerning humanitarian aid (OJ L 163, 2.7.1996, p. 1).

⁶ COM(2018) 461 final Proposal for a Council Decision on the Association of the Overseas Countries and Territories with the European Union including relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other ('Overseas Association Decision').

⁷ COM(2018) 462 final Proposal for a Council Regulation establishing a European Instrument for Nuclear Safety complementing the Neighbourhood, Development and International Cooperation Instrument on the basis of the Euratom Treaty.

⁸ C(2018) 3800 final Proposal of the High Representative of the Union for Foreign Affairs and Security Policy to the Council for a Council Decision establishing a European Peace Facility.

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| | Programmes. This includes coherence and complementarity with macro-financial assistance, where relevant. In order to maximise the impact of combined interventions to achieve a common objective, this Regulation should allow for the combination of funding with other Union Programmes, as long as the contributions do not cover the same costs. | | |
| Recital 39 Line 49 | (39) External actions are often implemented in a highly volatile environment requiring continuous and rapid adaptation to the evolving needs of Union partners and to global challenges to human rights, democracy and good governance, security and stability, climate change and environment, oceans, and the migration crisis 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 EU to respond to unforeseen needs, building on the successful experience of the European Development Fund (EDF), an amount should be left unallocated as an emerging challenges and priorities cushion. It should be mobilised in accordance with the procedures established in this Regulation. | | |
| Recital | | | |

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| 40bis Line 50bis | | | |
| Article 3.2 b Objectives Line 80 | (b) at global level, to consolidate and support democracy, rule of law and human rights, support civil society organisations, further stability and peace and address other global challenges including migration and mobility; | DELETED FROM THIS POINT UNTIL THE END OF THE COLUMN (page 25) | |
| Article 3.2 c Objectives Line 81 | (c) to respond rapidly to: situations of crisis, instability and conflict; resilience challenges and linking of humanitarian aid and development action; and foreign policy needs and priorities. | | |
| Article 4.3(c) Scope and structure Line 100 | (c) Stability and Peace; | | |
| Article 4.4 Scope and structure Line 104 | 4. The rapid response actions shall enable early action to: | | |

| <i>Line</i> | <i>Commission proposal</i> | <i>REV 2</i> | <i>REV 3 quater</i> |
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| Line 105 | (a) contribute to stability and conflict prevention in situations of urgency, emerging crisis, crisis and post-crisis; | | |
| Line 105.bis | | | |
| Line 106 | (b) contribute to strengthening resilience of states, societies, communities and individuals and to linking humanitarian aid and development action; | | |
| Line 107 | (c) address foreign policy needs and priorities. | | |
| Line 108 | Rapid response actions may cover all third countries as well as overseas countries and territories as defined in Council Decision .../... (EU). | | |
| Line 109 | In order to attain the objectives laid down in Article 3, rapid response actions shall be based on the areas of intervention listed in Annex IV. | | |
| Article 4.5 Line 110 | 5. Actions under this Regulation shall be primarily implemented through geographic programmes. | | |
| Article 6 Budget Line 129 | – Stability and Peace EUR 1 000 million | | |
| Line 131 | (c) EUR 4 000 million for rapid response actions. | | |

| <i>Line</i> | <i>Commission proposal</i> | <i>REV 2</i> | <i>REV 3 quater</i> |
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| Article 8.9 General principles Line 147 | 6. Programmes and actions under this Regulation shall mainstream climate change, environmental protection and gender equality and shall address interlinkages between Sustainable Development Goals, to promote integrated actions that can create co-benefits and meet multiple objectives in a coherent way. These programmes and actions shall be based on an analysis of risks and vulnerabilities, integrate a resilience approach and be conflict sensitive. They shall be guided by the principle of leaving no one behind. | | |
| <i>New Article (to be included before art. 9)</i> | | | |
| Article 9 Line 150 | Article 9 Capacity building of military actors in support of development and security for development | | |

| <i>Line</i> | <i>Commission proposal</i> | <i>REV 2</i> | <i>REV 3 quater</i> |
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| Article 9.1 Line 151 | 1. In accordance with Article 41(2) of the Treaty on European Union, Union funding under this Regulation shall not be used to finance the procurement of arms or ammunition, or operations having military or defence implications. | | |
| Article 9.2 Line 152 | 2. In order to contribute to sustainable development, which requires the achievement of stable, peaceful and inclusive societies, Union assistance under this Regulation may be used in the context of a wider security sector reform or to build the capacity of military actors in partner countries, under the exceptional circumstances set out in paragraph 4, to deliver development activities and security for development activities. | | |
| Article 9.3 Line 153 | 3. Assistance pursuant to this Article may cover in particular the provision of capacity building programmes in support of development and security for development, including training, mentoring and advice, as well as the provision of equipment, infrastructure improvements and services directly related to that assistance. | | |
| Article 9.4 Line 154 | 4. Assistance pursuant to this Article shall be provided only: | | |
| Line 155 | (a) where requirements cannot be met by recourse to non-military actors to adequately reach Union objectives under this Regulation and there is a threat to the | | |

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| | existence of functioning State institutions or to the protection of human rights and fundamental freedoms and State institutions cannot cope with that threat; and | | |
| Line 156 | (b) where a consensus exists between the partner country concerned and the Union that military actors are key for preserving, establishing or re-establishing the conditions essential for sustainable development, including in crises and fragile or destabilised contexts and situations. | | |
| Article 9.5 Line 157 | 5. Union assistance pursuant to this Article shall not be used to finance capacity building of military actors for purposes other than the delivery of development activities and security for development activities. In particular, it shall not be used to finance: | | |
| Line 158 | (a) recurrent military expenditure; | | |
| Line 159 | (b) the procurement of arms and ammunition, or any other equipment designed to deliver lethal force; | | |

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| Line 160 | (c) training which is designed to contribute specifically to the fighting capacity of the armed forces. | | |
| Article 9.6 Line 161 | 6. When designing and implementing measures pursuant to this Article, the Commission shall promote ownership by the partner country. It shall also develop the necessary elements and the good practices required to ensure sustainability in the medium and long term and shall promote the rule of law and established international law principles. | | |
| Article 9.7 Line 162 | 7. The Commission shall establish appropriate risk assessment, monitoring and evaluation procedures for measures pursuant to this Article. | | |
| Article 10 Line 168 bis | 6. When drawing up the programming documents for countries and regions in crisis, or post-crisis, fragile and vulnerable situations, due account shall be taken of the special needs and circumstances of the countries or regions concerned. | | |
| Article 10 Line 168 ter | Where partner countries or regions are directly involved in, or affected by, a crisis, post-crisis or situation of fragility, special emphasis shall be placed on stepping up coordination amongst all relevant actors to help the transition from an emergency situation to the development phase. | | |
| Article 11.6 | 6. When drawing up the programming documents for countries and regions in | | |

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| Program- ing Line 186 | crisis, or post-crisis, fragile and vulnerable situations, due account shall be taken of the special needs and circumstances of the countries or regions concerned. | | |
| Line 187 | Where partner countries or regions are directly involved in, or affected by, a crisis, post-crisis or situation of fragility, special emphasis shall be placed on stepping up coordination amongst all relevant actors to help the transition from an emergency situation to the development phase. | | |
| Article 15.1 cushion Line 209 | 1. The amount referred to in Article 6(3) shall be used <i>inter alia</i> : | | |
| Line 210 | (a) to ensure an appropriate response of the Union in the event of unforeseen circumstances; | | |

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| Line 211 | (b) to address new needs or emerging challenges, such as those at the Union's or its neighbours' borders linked to crisis and post-crisis situations or migratory pressure; | | |
| Line 212 | (c) to promote new Union led or international initiatives or priorities. | | |
| Article 17.2 Performance-based approach Line 226 | 2. The performance-based approach shall not apply to support to civil society, people-to-people contacts, including cooperation between local authorities, support for the improvement of human rights, or crisis-related support measures. In the event of serious or persistent degradation of democracy, human rights or rule of law, support to these actions may be increased. | | |
| Article 19.4 Line 242 | 4. The Commission may adopt exceptional assistance measures for rapid response actions as referred to in Article 4(4)(a). | | |
| Article 21 Line 251 | Article 21 Adoption of action plans and measures | | |
| Line 252 | 1. Action plans and measures shall be adopted by means of implementing acts adopted in accordance with the examination procedure referred to in Article 35(2). | | |

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| Line 253 | 2. The procedure referred to in paragraph 1 shall not be required for: | | |
| Line 254 | (a) action plans, individual measures and support measures, for which the Union's funding does not exceed EUR 10 million; | | |
| Line 255 | (b) special measures as well as action plans and measures adopted in order to implement rapid response actions for which the Union's funding does not exceed EUR 20 million; | | |
| Line 255.bis | | | |
| Line 256 | (c) technical amendments, provided such amendments do not substantially affect the objectives of the action plan or measure concerned, such as: | | |
| Line 257 | (i) change of method of implementation; | | |
| Line 257.bis | | | |
| Line 258 | (ii) reassignments of funds between actions contained in an action plan; | | |
| Line 259 | (iii) increases or reductions of the budget of action plans and measures by not more than 20 % of the initial budget and not exceeding EUR 10 million; | | |

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| Line 260 | In case of multiannual action plans and measures, the thresholds referred to in paragraph (2)(a), (b) and (c) (iii) shall be applicable on a yearly basis. | | |
| Line 261 | When adopted in accordance with this paragraph, action plans and measures, except exceptional assistance measures, and technical amendments shall be communicated to the European Parliament and to the Member States through the relevant committee referred to in Article 35 within one month of their adoption. | | |
| Line 262 | 3. Before the adoption or extension of exceptional assistance measures not exceeding EUR 20 million, the Commission shall inform the Council of their nature and objectives and of the financial amounts envisaged. The Commission shall inform the Council before making significant substantive changes to exceptional assistance measures already adopted. The Commission shall take account of the relevant policy approach of the Council for the planning and subsequent implementation of such measures, in the interests of consistency of the Union's external action. | | |
| Line 263 | The Commission shall keep the European Parliament duly informed, in a timely manner, about the planning and the implementation of exceptional assistance measures pursuant to this Article, including | | |

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| | the financial amounts envisaged, and shall also inform the European Parliament when making substantial changes or extensions to that assistance. | | |
| Line 264 | 4. In the event of duly justified imperative grounds of urgency, such as crises including natural or man-made disasters, immediate threats to democracy, the rule of law, human rights or fundamental freedoms, the Commission may adopt action plans and measures or amendments to existing action plans and measures, as immediately applicable implementing acts, in accordance with the procedure referred to in Article 35(4). | | |
| Line 266.ter | | | |
| Article 22.7(e) Line 279 | (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; | | |

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| Article 24 Line 316 | 2. Without prejudice to the limitations inherent to the nature and objectives of the action, participation in procurement, grant and prize award procedures for actions financed under the Human Rights and Democracy and Stability and Peace programmes as well as rapid response actions, shall be open without limitations. | | |
| Annex II Line 35 | (p) Stepping up coordination amongst all relevant actors to help the transition from an emergency situation to the development phase; | | |
| Annex II Line 88 | 6. Security, stability and peace | | |
| Annex II Line 89 | (a) Contributing to peace and stability through building resilience of states, societies, communities and individuals to political, economic, environmental, demographic and societal pressures and shocks; | | |
| Annex II Line 90 | (b) Supporting conflict prevention, early warning and peacebuilding through mediation, crisis management, and stabilisation; | | |
| Annex II Line 90.bis | | | |
| Annex II Line 91 | | | |
| Annex II Line 92 | | | |
| Annex II Line 93 | (e) Supporting regional and international initiatives contributing to security, stability | | |

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| | and peace; | | |

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| Annex III Lines 135-148 | 3. AREAS OF INTERVENTION FOR STABILITY AND PEACE | | |
| Line 136 | 1. Assistance for conflict prevention, peace-building and crisis preparedness | | |
| Line 137 | The Union shall provide technical and financial assistance covering support for measures aimed at building and strengthening the capacity of the partners to prevent conflict, build peace and address pre- and post-crisis needs in close coordination with the United Nations and other international, regional and sub-regional organisations, and State and civil society actors, in relation to their efforts mainly in the following areas, including specific attention to women participation: | | |
| Line 138 | (a) early warning and conflict-sensitive risk analysis; confidence-building, mediation, dialogue and reconciliation measures; | | |
| Line 139 | (b) post-conflict recovery as well as post-disaster recovery; | | |

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| Line 140 | (c) peace-building and state-building support actions; | | |
| Line 141 | (d) conflict prevention and crisis response; | | |
| Line 141.bis | | | |
| Line 142 | (e) Capacity Building for Security and Development (CBSD). | | |
| Line 143 | 2. Assistance in addressing global and trans-regional threats and emerging threats | | |
| Line 144 | The Union shall provide technical and financial assistance to support partners' efforts and Union actions addressing global and trans-regional threats and emerging threats mainly in the following areas: | | |

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| Line 145 | (a) threats to law and order, and to the security and safety of individuals including terrorism, violent extremism, organised crime, cyber-crime, hybrid threats, illicit trafficking, trade and transit; | | |
| Line 146 | (b) threats to public spaces, critical infrastructure, cybersecurity, to public health or to environmental stability, maritime security threats, threats deriving from climate change impacts; | | |
| Line 147 | (c) mitigation against risks, whether of an intentional, accidental or natural origin, related to chemical, biological, radiological and nuclear materials or agents and risks to related installations or sites; | | |
| Line 148 | (d) Capacity Building for Security and Development (CBSD). | | |
| ANNEX IV Line 207 | (b) a situation posing a threat to democracy, law and order, the protection of human rights and fundamental freedoms, or the security and safety of individuals, in particular those exposed to gender-based violence in situations of instability; | | |

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| ANNEX IV Line 208. | (c) a situation threatening to escalate into armed conflict or to severely destabilise the third country or countries concerned. | | |
| ANNEX IV Line 208.bis | | | |
| ANNEX IV Line 209 | 2. Actions contributing to strengthening resilience and linking humanitarian aid and development action | | |
| ANNEX IV Line 210 | Rapid response actions referred to in point b) of Article 4(4) shall be designed to effectively strengthen resilience and to link humanitarian aid and development actions, which cannot be swiftly addressed through geographic and thematic programmes. | | |
| ANNEX IV Line 212 | (a) strengthen resilience by supporting individuals, communities, institutions, and countries to better prepare for, withstand, adapt to and quickly recover from political, economic, and societal pressures and shocks, natural or man-made disasters, conflicts and global threats; including by reinforce the capacity of a state - in the face of significant pressures to rapidly build, maintain or restore its core functions, and basic social and political cohesion and of societies, communities and individuals to manage opportunities and risks in a peaceful | | |

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| | and stable manner and to build, maintain or restore livelihoods in the face of major pressures; | | |
| ANNEX IV Line 213 | (b) mitigate the short-term adverse effects resulting from exogenous shocks creating macroeconomic instability and aims at safeguarding socioeconomic reforms and priority public expenditure for socio-economic development and poverty reduction; | | |
| ANNEX IV Line 215.bis | | | |