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COVER NOTE

from:	The Committee of the Regions
to:	Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union

Subject:	Opinion of the Committee of the Regions - Global Europe: A new approach to financing EU External Action
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Delegations will find attached Committee of the Regions document CdR 732/2012.

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**Committee of the Regions****CIVEX-V-032****97th plenary session, 8–10 October 2012****OPINION
of the
Committee of the Regions****GLOBAL EUROPE: A NEW APPROACH TO FINANCING EU
EXTERNAL ACTION****THE COMMITTEE OF THE REGIONS**

- welcomes the jointly presented "Global Europe" package, as it will help to provide a more holistic perspective and more coherent development policy than has previously been the case. It agrees that funding should be increased for "external relations" where the EU can provide clear added value;
- notes that an updated framework for EU aid and a simplification of the rules for planning and implementing the instruments are welcomed by local and regional authorities, particularly those who want to contribute to development work despite their limited administrative resources;
- is keen to highlight the role of local and regional authorities in the EU's development work, as well as their role in the context of individual Member States' efforts to promote decentralisation and deeper democracy and in direct international cross-border cooperation between actors at subnational level;
- believes that the Commission's proposal for financing "Global Europe" should include adequate provision for strengthening the participation and cooperation of local and regional authorities, for example by limiting, or even removing, the co-financing requirement. Decentralisation is a good thing, strengthening as it does the role of local and regional authorities – all over the world;
- points out that creating local ownership and promoting democracy at grass-roots level require trust in the political system and in its representatives. A decentralised structure results in more effective institutions with greater legitimacy, and is the most important way of bringing the authorities and the public closer together. Open decision-making processes that respect the subsidiarity principle help to establish democratic principles among the general public, which paves the way for a pluralistic and tolerant society.

Rapporteur

Lotta Håkansson Harju (SE/PES)

Reference documents

Joint communication to the European Parliament and the Council – Global Europe: A New Approach to financing EU external action

COM(2011) 865 final

Proposal for a Regulation of the European Parliament and of the Council establishing common rules and procedures for the implementation of the Union's instruments for external action

COM(2011) 842 final

Communication from the Commission to the European Parliament and the Council – Preparation of the multiannual financial framework regarding the financing of EU cooperation for African, Caribbean and Pacific States and Overseas Countries and Territories for the 2014-2020 period (11th European Development Fund)

COM(2011) 837 final

Proposal for a Regulation of the European Parliament and of the Council on the Instrument for Pre-accession Assistance (IPA II)

COM(2011) 838 final

Proposal for a Regulation of the European Parliament and of the Council establishing a European Neighbourhood Instrument

COM(2011) 839 final

Proposal for a Regulation of the European Parliament and of the Council establishing a financing instrument for development cooperation

COM(2011) 840 final

Proposal for a Regulation of the European Parliament and of the Council establishing a Partnership Instrument for cooperation with third countries

COM(2011) 843 final

Proposal for a Regulation of the European Parliament and of the Council establishing a financing instrument for the promotion of democracy and human rights worldwide

COM(2011) 844 final

I. POLICY RECOMMENDATIONS

THE COMMITTEE OF THE REGIONS

General comments

1. welcomes the new generation of financing instruments for development policy, which aim to facilitate political dialogue and the implementation of measures, in line with the overarching "Agenda for Change" strategy¹ and within the proposed multiannual financial framework. The Committee welcomes the European Commission's proposal to increase the budget to EUR 70 billion, which is just under 7% of the EU's overall budget;
2. welcomes the jointly presented "Global Europe"² package, as it will help to provide a more holistic perspective and more coherent development policy than has previously been the case. It agrees that funding should be increased for "external relations" where the EU can provide clear added value by acting as an entity, and therefore finds it regrettable that the European Development Fund (EDF) is outside the EU's multiannual financial framework: more than EUR 34 billion is channelled through the EDF, but these funds are not included in the budget. The EDF should be subject to the same requirements in terms of transparency, effectiveness and accountability as the other financing instruments within the "Global Europe" package;
3. notes that an updated framework for EU aid and a simplification of the rules for planning and implementing the instruments are welcomed by local and regional authorities, particularly those who want to contribute to development work despite their limited administrative resources. There have been clear calls during the current programming period for the instruments to be simplified and clarified, and the CoR is pleased that the results of the Commission's consultations have been taken into account;
4. notes that a simpler regulatory framework, lower costs for participants and faster procedures for awarding contracts and grants are all much sought after improvements. Increasing flexibility and being quicker to adapt and adjust where the local context requires should also create the conditions for more effective work;
5. is keen to highlight the role of local and regional authorities in the EU's development work, as well as their role in the context of individual Member States' efforts to promote decentralisation and deeper democracy and in direct international cross-border cooperation between actors at subnational level, therefore points out that the particular role of the outermost regions must be taken into account – their geostrategic position makes them active

¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Increasing the impact of EU Development Policy: an Agenda for Change (COM(2011) 637 final).

² "Global Europe" or "Europe in the World" comprises COM(2011) 865, COM(2011) 842, COM(2011) 837, COM(2011) 838, COM(2011) 839, COM(2011) 840, COM(2011) 843 and COM(2011) 844.

borders and platforms of the EU in the world which can boost the effectiveness of EU development policy, as stated in Opinions CdR 408/2010 and CdR 364/2011;

6. notes that urbanisation has presented local and regional authorities with major challenges in terms of improving their own capacities and effectiveness and implementing strong and transparent systems of governance in order to meet the expectations of the population. To achieve this, they need the knowledge and experience of other municipalities. Local and regional partnership in its various forms often involves a broad spectrum of stakeholders. It has been shown that cooperation, particularly closer forms of cooperation such as public-public partnerships, and also public-private partnerships, involves few costs, but produces tangible and sustainable results, not least because it focuses on strengthening existing structures, with their existing statutory duties and responsibilities, and improving the capabilities of staff already working in local and regional government. The Commission's proposal for financing "Global Europe" should therefore include adequate provision for strengthening the participation and cooperation of local and regional authorities, for example by limiting, or even removing, the co-financing requirement. Decentralisation is a good thing, strengthening as it does the role of local and regional authorities – all over the world;
7. notes that development cooperation support for "civil society and local authorities" quite rightly gives explicit recognition to these stakeholders. However, the Committee calls for local and regional authorities and their public services also to have access to support within the framework of other thematic and geographical instruments. Support for and the involvement of local and regional authorities in community development is a *horizontal* issue and should not be restricted to a minor element of a single instrument;
8. believes that local and regional authorities should also be encouraged more strongly to cooperate within the "migration and asylum" thematic programme and thus to benefit from the funding. Cross-border international cooperation between local authorities that receive migrants and asylum seekers and the local authorities they come from could be improved and developed significantly. Local government plays an important role in shaping and implementing integration and repatriation programmes;
9. welcomes the fact that decentralised international development cooperation is getting explicit recognition and ever greater visibility, not only in the Commission's communication but also in other international contexts over recent years³. The role of local and regional authorities in sound community development and their importance in developing links between the public and different levels of government cannot be emphasised enough;
10. believes that, in the context of budgetary or sectoral support, requirements should be placed on partner countries to ensure that adequate levels of development aid actually reach the levels of government responsible for providing much needed and heavily utilised services for

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Agenda 21, adopted in Rio de Janeiro in 1992; the UN's Millennium Summit in 2000; the 2005 Paris Declaration; Busan 2011; Council of Europe Resolution 251 (2008) on City Diplomacy; and the UN Development Cooperation Forum taking place on 6 July 2012.

local residents. Resources and skilled staff should not be concentrated centrally, but distributed to the relevant subnational authorities;

11. stresses that local and regional authorities provide leadership and a combined voice for their respective citizens. They thus enable strong public participation that is rooted in the reality of everyday life. Local and regional authorities also provide many public services. In many cases, it is local and regional authorities who coordinate and promote cooperation between key social stakeholders such as non-profit organisations, private enterprise, faith communities and academia;
12. points out that the UN's global development goals, the millennium goals, are relevant not only to Member States and the UN but also, of course, to municipalities and regions. Local and regional authorities work to promote the sustainable development of society, and action at local and regional level is absolutely vital to achieving the millennium goals. Awareness needs to be raised regarding the role of subnational actors in local – and global – development. For example, projects are underway in the Netherlands and Sweden to highlight municipalities' contribution to, and responsibility for, the healthy, sustainable development of societies and the link with the UN's millennium goals;
13. supports the call made in the European Parliament's report on the future of EU development policy to dedicate the year 2015 to a "European Year for Development" in order to prepare the adequate follow-up to the MDGs;
14. welcomes the Commission's proposal for a joint seven-year programme, and considers that it will help to create a better environment for comprehensive social reform. The CoR advocates putting a clearer emphasis on results and setting stricter conditions, as proposed in the instruments. The Commission and the Member States' representatives should be aware that local and regional authorities can contribute to a proactive dialogue to provide inspiration for the programming of the relevant instruments;
15. would stress that decentralisation reforms and democracy building are complex, wide-ranging and disruptive processes that require persistence, predictability and a long-term perspective on the part of finance providers and cooperation partners;
16. points out that creating local ownership and promoting democracy at grass-roots level require trust in the political system and in its representatives. A decentralised structure results in more effective institutions with greater legitimacy, and is the most important way of bringing the authorities and the public closer together. Open decision-making processes that respect the subsidiarity principle help to establish democratic principles among the general public, which paves the way for a pluralistic and tolerant society;
17. believes that local and regional authorities both in the European Union and in the partner countries can – and should – play a decisive role in shaping policy and strategies at their respective levels, and similarly that they can and should be given the opportunity to contribute

to work at national and international level. Moreover, local and regional authorities are responsible, as service providers, for managing, coordinating and implementing the priorities set within, for example, healthcare, education and culture;

18. feels that, thanks to their intellectual resources, national associations representing municipalities and regions can play a decisive and supportive role in comprehensive societal reform, particularly with regard to decentralisation and democracy building. Local and regional authority associations and similar bodies can support members of these organisations by developing methods and tools, by speaking on their behalf and representing their common interests, and by coordinating the activities of various finance providers within their own domains. These associations' expertise should be harnessed to strengthen local and regional democracy in the context of development cooperation; therefore calls on the EU, its Member States and their sub-national levels of government to support the role of national associations of local and regional authorities in partner countries;
19. points out that local and regional authorities have expertise in most of the sectors that are key to economically, socially and environmentally sustainable development. It is worth noting that they have experience both in practical action and in political control in fields such as public health, education, waste and water management, local entrepreneurship and conditions for the creation of SMEs, transport and infrastructure, the environment and natural resources, and agriculture, as well as in terms of broader responsibility and protection of true democracy and respect for human rights. This expertise can easily be accessed and mobilised from local and regional authorities directly or from their national, European or global associations, and through the CoR;
20. notes that in 2008 the European Commission called for the development of a holistic approach to local authorities as actors in development at global, European and national level, proposing three tools under the aegis of the CoR, given its role in providing local authorities with a voice at EU level; recalls that the Atlas on Decentralised Cooperation to map activities and best practice, the web information exchange platform to match skills and capacities with needs, and the Assises of Decentralised cooperation for political dialogue have now been delivered involving the European Commission and key EU and partner country local and regional authority networks, such as the Platforma working group within the Council of European Municipalities and Regions (CEMR) ; calls on local and regional authorities, their representative associations in the EU and partner countries to make further use of these instruments in the interest of greater coherence and improved aid effectiveness;
21. notes that, as a result of the structured dialogue on development cooperation undertaken from March 2010 to May 2011 between the EU institutions, civil society representatives and representatives of local and regional authorities, the Commission has proposed that a permanent high level forum for development issues should be set up. The Committee warmly welcomes this initiative and expects to continue to play its institutional role, as it feels that a formal forum would institutionalise the dialogue and improve its substance, and also make it possible to hold a systematic debate on development issues, with regular updates, peer review

and exchange of experience. The Committee also welcomes the forthcoming communications on the role of NGOs and local authorities in development cooperation. They will provide a formal basis on which to continue and further develop cooperation with the Commission, the importance of which was highlighted during the bi-annual Assises of Decentralised Cooperation, as well as in the structured dialogue;

Comments regarding the European Instrument for Democracy and Human Rights (EIDHR)

22. notes that the budget for the thematic instrument for democracy and human rights will be increased by almost 35% over the current programming period, but will still make up only a marginal proportion (approx. 2%) of EU development aid. The Committee finds it regrettable that this horizontal instrument is not better resourced, as it is applicable in all geographical areas at different stages of development, and focuses on fundamental issues such as respect for basic human rights and support for and consolidation of democratic reforms;
23. stresses that democracy and human rights are universal values for the EU, and for the international community. These values are an asset and a strength that, in many societies, are protected by local and regional authorities, a functional judicial system, civil society, media and other stakeholders;
24. feels that human rights must be fostered and given greater prominence at all levels of society, and the Committee therefore considers it appropriate for the instrument to put greater emphasis on local and regional government with regard to institution building;
25. feels that the level of government closest to the citizens can also implement national decisions at local level in a way that adapts them to and takes account of local circumstances, so as to avoid possible negative effects on local people's rights regarding, for example, language requirements or ethnic identity. Local and regional authorities are also in the best position to organise and coordinate efforts to raise awareness among local groups such as young people and women of their human rights and how to exercise them;

Comments on the financing instrument for development cooperation, with support for civil society organisations and local and regional authorities (as part of the Development Cooperation Instrument (DCI))

26. is of course keen, as are the local and regional authorities it represents, to make an active contribution to implementing the Commission's proposal to further strengthen its dialogue and cooperation with civil society and local and regional authorities, through the tools it has developed with the European Commission and key EU and partner country local and regional authority networks, and through the new permanent high level forum for development;
27. welcomes the fact that local and regional authorities will continue to have access to development cooperation funding, but would stress that a clear distinction between civil

society and local and regional authorities would be useful with regard to policy, instruments and actual funding;

28. calls for more resources to be provided for local and regional authorities within the development cooperation instrument for civil society ("non-state actors") and local authorities (NSA-LA). The current programming period has resulted in an imbalance in the distribution of funds between civil society organisations and local and regional authorities. Earmarking at least 25% of funding (rather than 15%, as at present) for local and regional authorities would make it possible to make better use of their rightful role and expertise;
29. believes that local and regional authorities can safeguard long-term democratic development, and should be provided with adequate resources to put them on an equal footing with initiatives from well-resourced national or international non-profit organisations. Local and regional authorities in the partner countries are vital in coordinating initiatives and actions by various stakeholders and in ensuring that they fit in with a locally and regionally formulated development policy with strong political roots, at least where those initiatives and actions focus on public service provision;
30. points out that local and regional authorities have invaluable expertise and experience with development work relating to local and regional government and administration, the construction of systems and platforms for political dialogue, broader and deeper party-political work, creating the conditions for civic participation and dialogue – in other words building a deep and sustainable democracy;
31. notes that many of the European Union's local and regional authorities have a democratic tradition going back many years, but conversely many Member States are new and fragile democracies. The different experiences and perspectives of the European Union's local and regional authorities should therefore be incorporated in the EU's joint development cooperation with partner countries and used to help those countries with reforming and/or establishing public institutions, paying particular attention to local self-government as the level of government closest to the citizens and supporting and strengthening civil society as the foundation of any democracy;
32. stresses that strengthening directly elected local and regional politicians, and employed officials, in partner countries is a key factor in the successful implementation of decentralisation reforms and achieving good social governance – effective governance should be both a means and an end in the EU's development efforts;
33. believes that deeper democracy and better local services require a willingness and ability to make systemic changes at all levels *simultaneously*. Political commitment, the release of resources, division of competences and decentralisation require consensus at national, regional and local level. A national legal and financial system that allows for accountability at local and regional level creates the conditions for improvements and for the necessary local ownership of efforts to develop the local environment;

Comments on the European Neighbourhood Instrument (ENI)

34. welcomes the proposed European Neighbourhood Instrument and feels that it largely takes account of the changes that needed to be made to the current instrument. It would, however, suggest certain adjustments to further increase the effectiveness and impact of neighbourhood assistance;
35. suggests that, to ensure that the EU's aim of establishing deep and sustainable democracy is achieved, specific comments should be added highlighting decentralisation, local democracy and capacity-building in the provision of public local and regional services;
36. urges the Commission to earmark funds within this instrument for programmes that support local and regional democracy building and decentralisation. It should be clarified that potential beneficiaries and partners should definitely be local and regional authorities;
37. urges the Commission to make it clear that cross-border cooperation, including cooperation between several countries, is not restricted to those countries that physically border each other but includes all EU Member States, regions and cities, regardless of geographical proximity. It is important for experience, knowledge and examples of good practice to be transferred across borders regardless of physical distance, and it is necessary, where the outermost regions are concerned, to remove the 150 km eligibility requirement laid down by the European Neighbourhood Instrument;
38. notes that the requirement for co-financing for the implementation of neighbourhood policy projects may in some cases present an obstacle to the involvement of local and regional authorities. The co-financing level in some countries conflicts with national legislation that does not allow subnational authorities to participate in development cooperation;
39. urges the Commission to focus still more closely, in the Regulation, on institutional partnership and TAIEX⁴, and to analyse in depth how to continue to promote them. The fact is that few ministries responsible for local and regional government have either the interest or the capacity to propose this kind of partnership or TAIEX;
40. feels that the recognised and increasingly valued role incumbent on local and regional authorities, civil society and cooperation between the two when states transform from one-party systems and dictatorships to democracies is important and provides an added value that deserves much greater prominence in EU neighbourhood policy and financial resource management;

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TAIEX: Technical Assistance and Information Exchange Instrument, an instrument that supports partner countries in aligning with EU legislation.

41. has been involved in intensive and concrete exchanges and cooperation with, for example, the Eastern Partnership (CORLEAP) and ARLEM as part of its work. These exchanges have, among other things, drawn attention to the aim and purpose of the EU's "Global Europe" and "Agenda for Change" strategies, including outside the EU's borders;

Comments on the Instrument for Pre-Accession Assistance (IPA)

42. has worked – through opinions, workshops, working groups, the Local Administration Facility (LAF), etc. – to extend the implementation of pre-accession funding, and it fully endorses the approach of making support from the IPA more results-oriented, flexible and tailored;
43. notes that the EU aims to use a multi-level, partnership-based approach to ensure that the provision and impact of development assistance are more effective. The Committee has promoted these efforts in practical terms by, for example, arranging the Conference of the Parliaments ("Assises") and by drawing up an atlas of decentralised cooperation. The Committee and the Commission are jointly responsible for the Local Administration Facility, which involves study visits by politicians and business people from candidate and potential candidate countries;
44. urges the Commission to do more to facilitate and promote the exchange of experience between local and regional authorities, and to ensure that this exchange is not primarily dominated by central government levels in the Member States and enlargement countries;
45. has observed that, over many years, cooperation with local and regional authorities in enlargement and neighbouring countries has become increasingly professional, and would stress that it is important for the financing instrument to continue to promote this development and allow it to intensify;
46. feels that, particularly in enlargement and neighbouring countries, appropriate instruments and indicators should be used to ensure a clearer link between the allocation of aid and actual results in the implementation process, in terms of decentralisation, multi-level governance and thus the influence of local and regional authorities on the relevant decision-making levels;
47. urges the Commission to ensure that funding is set aside specifically for capacity building and development in local and regional authorities in enlargement countries and for facilitating the development of knowledge and skills. Local and regional authorities should not be seen and treated as passive recipients, but given a role as proactive stakeholders with a good understanding of needs, preconditions and realistic goals;
48. feels that, if local and regional authorities work more actively to meet the need for capacity building that greater cooperation in IPA implementation entails, this will give them the opportunity to educate themselves through practical work prior to EU accession. For example, funds could be used to encourage these stakeholders to develop project ideas and to provide

support in this process. Many countries have had positive experiences with the decentralised administration of IPA funds;

49. points out that one challenge in implementing IPA resources is corruption, and all levels – local, regional and national – need support in this regard. A continuous and rigorous monitoring system, and support for "watchdogs" such as civil society organisations, media and local and regional authorities, are key to achieving the necessary knowledge and accountability;
50. believes that integrating IPA funds more fully with ongoing local and regional development work will strengthen the foundations for sustainable multi-level governance and viable decentralisation. Involving local and regional authorities in developing programmes and projects, in the decision-making process and in monitoring and control will lay the groundwork for ongoing development work even without external support;
51. points out that many countries in the Western Balkans are undergoing extensive societal reforms, which could be further consolidated and accelerated with greater cooperation from politicians at local and regional level. In many cases, these levels of government do not have the administrative, financial and human resources to manage the IPA: the necessary resources and capacity can be found at central level, which further reinforces an already centralised system and slows down improvements in the involvement of minorities and local and regional political actors;
52. observes that, all too often, decentralisation reforms grind to a halt due to a lack of capacity at local and regional level, when the decentralisation of powers is imposed but is not accompanied by a financial decentralisation process. The EU's management of the IPA can accelerate the necessary parallel processes to keep a balance between responsibilities and resources;

Comments on the Partnership Instrument (PI)

53. notes that the partnership instrument covers countries such as China, Brazil, South Africa, Russia and so on, and primarily aims to develop and promote trade and contacts between the EU and these countries. It focuses on areas such as climate, the environment and trade;
54. would draw attention to the fact that pockets of underdevelopment are hidden in national statistics that focus on average GDP per capita at national level. Disadvantaged regions within well-developed countries cannot apply for support other than from the partnership instrument. The Committee therefore suggests that attention should be paid to *regional* differences, such levels of income distribution and poverty from a geographical point of view. The Commission should hold discussions with the countries affected regarding the importance of inclusive and general development and thus demand efforts to improve regional cohesion so that the country can invoke EU financial support;

55. points out that the instrument should also be used to develop social safety nets, to reform the welfare sector in general, to provide resources to strengthen institutions at local and regional authority level and to ensure that it promotes partnership and democratic development in these countries.

II. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1 COM(2011) 838 final Article 2

<i>Text proposed by the Commission</i>	<i>Amendment</i>
<p>Article 2</p> <p>1. Assistance under this Regulation shall pursue the following specific objectives according to the needs of each beneficiary country and their individual enlargement agenda:</p> <p>(a) Support for political reforms, <i>inter alia</i>:</p> <p>(i) strengthening of democratic institutions and the rule of law, including its implementation;</p> <p>(ii) promotion and protection of human rights and fundamental freedoms, enhanced respect for minority rights, promotion of gender equality, non-discrimination and freedom of the press, and promotion of good neighbourly relations;</p> <p>(iii) the fight against corruption and organised crime;</p> <p>(iv) public administration reform and good governance;</p> <p>(v) the development of civil society and social dialogue;</p> <p>(vi) reconciliation, peace building and confidence-building measures.</p> <p>.....</p>	<p>Article 2</p> <p>1. Assistance under this Regulation shall pursue the following specific objectives according to the needs of each beneficiary country <u>at local, regional and national level</u> and their individual enlargement agenda:</p> <p>(a) Support for political reforms, <i>inter alia</i>:</p> <p>(i) strengthening of democratic institutions and the rule of law, including its implementation;</p> <p>(ii) promotion and protection of human rights and fundamental freedoms, enhanced respect for minority rights, promotion of gender equality, non-discrimination and freedom of the press, and promotion of good neighbourly relations;</p> <p>(iii) the fight against corruption and organised crime;</p> <p>(iv) public administration reform and good governance, <u>including capacity building at all levels</u>;</p> <p>(v) the development of civil society and social dialogue;</p> <p>(vi) reconciliation, peace building and confidence-building measures.</p> <p>.....</p>

Reason

The issue of building democratic capacity is particularly important at local and regional level. Therefore, particular attention should be paid to this aspect. The amendment is referring to point 45 of the opinion.

Amendment 2
COM(2011) 839 final
Article 4

<i>Text proposed by the Commission</i>	<i>Amendment</i>
Article 4 3. Union support under this Regulation shall in principle be co-financed by the partner countries through public funds, contributions from the beneficiaries or other sources. The same principle shall be applicable to the cooperation with the Russian Federation, particularly with regard to programmes referred to in Article 6(1)(c). Co-financing requirements may be waived in duly justified cases and when this is necessary to support the development of civil society and non-state actors, without prejudice to compliance with the other conditions set out in the Financial Regulation.	Article 4 3. Union support under this Regulation shall in principle be co-financed by the partner countries through public funds, contributions from the beneficiaries or other sources. The same principle shall be applicable to the cooperation with the Russian Federation, particularly with regard to programmes referred to in Article 6(1)(c). Co-financing requirements may be waived in duly justified cases and when this is necessary to support the development of civil society and non-state actors, <u>or in order to facilitate the participation of local or regional authorities of the partner countries in projects which are aimed at developing local or regional democracy building</u> without prejudice to compliance with the other conditions set out in the Financial Regulation.

Reason

In some cases the co-financing requirement may prevent local or regional authorities in the partner countries (which should be the main beneficiaries of these programmes) from putting in viable and useful projects. Since local democracy building is one of the priorities of the programme, it should also be one of the reasons for which derogations from the co-financing requirements are possible under certain circumstances.

Amendment 3
COM(2011) 840 final
Article 8

<i>Text proposed by the Commission</i>	<i>Amendment</i>
Article 8 1. The objective of the programme on civil society organisations and local authorities in development shall be to finance initiatives in the area of development by or for civil society organisations and local authorities originating from partner countries, the Union, candidate countries and potential candidates.	Article 8 1. The objective of the programme on civil society organisations and local <u>or regional</u> authorities in development shall be to finance initiatives in the area of development by or for civil society organisations and local <u>or regional</u> authorities originating from partner countries, the Union, candidate countries and potential

2. Detailed areas of activities to be pursued by the Union assistance under this Article, as well as an indicative list of categories of civil society organisations and local authorities, are set out in Annex V.	<p>candidates. <u>In these activities, account will be taken of the different structures and specific roles of civil society organisations on the one hand, and local or regional authorities, on the other.</u></p> <p>2. Detailed areas of activities to be pursued by the Union assistance under this Article, as well as an indicative list of categories of civil society organisations and local <u>and regional</u> authorities, are set out in Annex V.</p>
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Reason

It is important to underline that this programme should also be open to allow for cooperation with "regional authorities" from partner, candidate or potential candidate countries. At the same time, it should be underlined that civil society organisations and local or regional authorities may have often different roles to play in the specific context of a given country or project. It refers to point 25 of the general comments of the CoR opinion.

Amendment 4 COM(2011) 838 final Article 14

<i>Text proposed by the Commission</i>	<i>Amendment</i>
<p>Article 14</p> <p>1. The financial reference amount for the implementation of this Regulation for the period from 2014 to 2020 shall be EUR 14 110 100 000 (current prices). Up to 3% of the financial reference amount shall be allocated to cross-border cooperation programmes between beneficiary countries and EU Member States.</p> <p>2. The annual appropriations shall be authorised by the budgetary authority within the limits of the Union Multi-annual Financial Framework.</p> <p>3. As referred to in Article 13, paragraph 2 of the "Erasmus for All" Regulation, in order to promote the international dimension of higher education, an indicative amount of EUR 1 812 100 000 from the different external instruments (Development Cooperation Instrument, European Neighbourhood Instrument, Instrument for Pre-accession Assistance, Partnership Instrument and the European Development Fund), will be allocated to actions of learning mobility to or</p>	<p>Article 14</p> <p>1. The financial reference amount for the implementation of this Regulation for the period from 2014 to 2020 shall be EUR 14 110 100 000 (current prices). Up to 3% of the financial reference amount shall be allocated to cross-border cooperation programmes between beneficiary countries and EU Member States <u>and including support for capacity building at local and regional level.</u></p> <p>2. The annual appropriations shall be authorised by the budgetary authority within the limits of the Union Multi-annual Financial Framework.</p> <p>3. As referred to in Article 13, paragraph 2 of the "Erasmus for All" Regulation, in order to promote the international dimension of higher education, an indicative amount of EUR 1 812 100 000 from the different external instruments (Development Cooperation Instrument, European Neighbourhood Instrument, Instrument for Pre-accession Assistance, Partnership Instrument and</p>

<p>from non EU countries and to cooperation and policy dialogue with authorities/institutions/organisations from these countries. The provisions of the "Erasmus for All" Regulation will apply to the use of those funds. The funding will be made available through 2 multiannual allocations only covering the first 4 years and the remaining 3 years respectively. This funding will be reflected in the multiannual indicative programming of these instruments, in line with the identified needs and priorities of the countries concerned. The allocations can be revised in case of major unforeseen circumstances or important political changes in line with the EU external priorities.</p>	<p>the European Development Fund), will be allocated to actions of learning mobility to or from non EU countries and to cooperation and policy dialogue with authorities/institutions/organisations from these countries. The provisions of the "Erasmus for All" Regulation will apply to the use of those funds. The funding will be made available through 2 multiannual allocations only covering the first 4 years and the remaining 3 years respectively. This funding will be reflected in the multiannual indicative programming of these instruments, in line with the identified needs and priorities of the countries concerned. The allocations can be revised in case of major unforeseen circumstances or important political changes in line with the EU external priorities.</p>
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Reason

The amendment follows from the previous one- local and regional capacity building should be one of the priorities to be reflected in the financial allocation (based on point 45 of the general comments).

Amendment 5 COM(2011) 839 final Article 18

<i>Text proposed by the Commission</i>	<i>Amendment</i>
<p>Article 18</p> <p>1. The financial envelope available for implementing this Regulation over the period 2014 to 2020 shall be EUR 18 182 300 000 (current prices). Up to 5% of the financial envelope shall be allocated to the Cross-Border Cooperation programmes referred to in Article 6(1)(c).</p>	<p>Article 18</p> <p>1. The financial envelope available for implementing this Regulation over the period 2014 to 2020 shall be EUR 18 182 300 000 (current prices). Up to 5% of the financial envelope shall be allocated to the Cross-Border Cooperation programmes referred to in Article 6(1)(c) <u>including programmes that support local and regional democracy building.</u></p>

Reason

The development for local and regional-level democracy is an important pre-condition for other elements of the stated aims of the instrument. A certain amount of financial assistance should therefore be earmarked for projects in this area. The amendment refers to point 34 of the opinion.

Brussels, 9 October 2012

The President
of the Committee of the Regions

Ramón Luis Valcárcel Siso

The Secretary-General
of the Committee of the Regions

Gerhard Stahl

III. PROCEDURE

Title	Global Europe: a new approach to financing EU external action
References	<p>Joint communication to the European Parliament and the Council – Global Europe: A New Approach to financing EU external action – COM(2011) 865 final</p> <p>Proposal for a Regulation of the European Parliament and of the Council establishing common rules and procedures for the implementation of the Union's instruments for external action – COM(2011) 842 final</p> <p>Communication from the Commission to the European Parliament and the Council – Preparation of the multiannual financial framework regarding the financing of EU cooperation for African, Caribbean and Pacific States and Overseas Countries and Territories for the 2014-2020 period (11th European Development Fund) – COM(2011) 837 final</p> <p>Proposal for a Regulation of the European Parliament and of the Council on the Instrument for Pre-accession Assistance (IPA II) – COM(2011) 838 final</p> <p>Proposal for a Regulation of the European Parliament and of the Council establishing a European Neighbourhood Instrument – COM(2011) 839 final</p> <p>Proposal for a Regulation of the European Parliament and of the Council establishing a financing instrument for development cooperation – COM(2011) 840 final</p> <p>Proposal for a Regulation of the European Parliament and of the Council establishing a Partnership Instrument for cooperation with third countries – COM(2011) 843 final</p> <p>Proposal for a Regulation of the European Parliament and of the Council establishing a financing instrument for the promotion of democracy and human rights worldwide – COM(2011) 844 final</p>
Legal basis	Article 209(1) and Article 212 TFEU
Procedural basis	Rule 39(a) of the Rules of Procedure
Date of Commission letter	9 December 2011
Date of President's decision	20 January 2012
Commission responsible	Commission for Citizenship, Governance, Institutional and External Affairs (CIVEX)
Rapporteur	Lotta Håkansson Harju (SE/PES)

Analysis	16 March 2012
Discussed in commission	27 April 2012
Date adopted by commission	22 June 2012
Result of the vote in commission	Majority
Date adopted in plenary	9 October 2012
Previous Committee opinions	<p>Opinion on Building a European culture of multi-level governance: follow-up to the Committee of the Regions' white paper (CdR 273/2011);</p> <p>Opinion on the Enlargement strategy and main challenges 2011-2012 (CdR 365/2011);</p> <p>Opinion on EU development policy in support of inclusive growth and sustainable development – increasing the impact of EU development policy (CdR 408/2010 final);</p> <p>Opinion on the Communication from the Commission A twelve-point EU action plan in support of the Millennium Development Goals Plan, COM(2010) 159 final (CdR 116/2010);</p> <p>Opinion on Local authorities: actors for development (CdR 312/2008);</p> <p>Opinion on the European neighbourhood policy review (CdR 198/2011);</p> <p>Opinion on the Role of local and regional authorities within the Eastern Partnership (CdR 78/2009);</p> <p>Opinion on A strong European Neighbourhood Policy (CdR 134/2008);</p> <p>Opinion on the Barcelona Process: Union for the Mediterranean – implications for regional and local authorities (CdR 236/2008);</p> <p>Opinion on The EU – a global partner for development: speeding up progress towards the millennium development goals COM(2008) 177 final (CdR 144/2008);</p> <p>Opinion on An integrated industrial policy for the globalisation era: putting competitiveness and sustainability at centre stage (CdR 374/2010);</p> <p>Opinion on the Role of local and regional authorities in achieving the objectives of the Europe 2020 strategy (CdR 72/2011);</p> <p>Opinion on the European Instrument for Democracy and Human Rights (EIDHR) Strategy Paper 2007-2010 (CdR 9/2008);</p> <p>Opinion on the Strategy for the effective implementation of the charter of fundamental rights by the European Union (CdR 406/2010);</p>

	Opinion on City Diplomacy (CdR 235/2008); Opinion of the Committee of the Regions on Increasing the impact of EU development policy: an agenda for change (CdR 364/2011).
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