



EUROPEAN COMMISSION - PRESS RELEASE

Strengthening Europe's place in the world: An external budget for 2014-2020 to respect EU commitments and promote shared values

Brussels, 07 December 2011 - Today, the European Commission adopted budget proposals for its external instruments from 2014-2020. They will allow the Union to fulfil its responsibility on the global stage: fighting poverty and promoting democracy, peace, stability and prosperity. The range of instruments will support developing countries as well as countries in the European neighbourhood and those that are preparing accession into the EU. The Commission will seek to target its resources where they are most needed, where they will have the highest impact while ensuring more flexibility to be able to react swiftly to unforeseen events. This budget will also enable the EU to further reinforce its role on the global stage and promote its interests and values.

Catherine Ashton, EU High Representative for Foreign Affairs and Security Policy/Vice-President of the Commission, said: "Even in times of crisis, Europe must look outwards and engage in the world. Our security and prosperity depend on what happens beyond our borders, not least in our own neighbourhood. The EU will stand by its international commitments to the poorest and most vulnerable people, to those in our neighbourhood undergoing transition and those in countries on a path to joining the Union. With these new external instruments we will also be much better placed to promote our own core values and interests, like human rights, democracy and the rule of law, but also to contribute to fighting poverty, preserving peace and resolving conflicts across the world."

European Commissioner for Development Andris Piebalgs stated: "The EU is the first donor in the world and we have to keep up our leadership in the fight against poverty. According to surveys, most Europeans agree that the EU should show solidarity by increasing its development aid. These proposals will enable the EU budget to contribute at a similar level than before to EU commitment to allocate 0.7% of EU GNI to aid by 2015. It is acknowledged that ensuring more inclusive and sustainable growth in the world is also in our EU interest. Today, we also confirm a shift in our relations with emerging countries and a focus of the aid on the poorest countries".

On the new European Neighbourhood and Pre-accession instruments Commissioner for Enlargement and European Neighbourhood Policy Štefan Füle commented: "These new instruments will allow us to respond even better in the future to our partner's needs and ambitions. Through the new European Neighbourhood Instrument and the Instrument for Pre-accession Assistance, support to our neighbours will become faster and more flexible; allowing for increased differentiation and incentives for best performers. At the same time it will continue to ensure the success of the democratisation process and improve economic and social development in our immediate neighbourhood, and support the reform process in those countries preparing for EU membership. "

The budget proposals will support the Commission's new approach - the "Agenda for Change"- to focus EU aid in fewer sectors supporting democracy, human rights and good governance and creating inclusive and sustainable growth.

Under the new principle of "differentiation," the EU will allocate a greater proportion of funds where aid can have the highest impact: in the regions and countries that are most in need, including in fragile states. Countries that can generate enough resources to ensure their own development will no longer receive bilateral grant aid and will instead benefit from new forms of partnership; they will continue to receive funds through thematic and regional programmes. This will be complemented by different innovative cooperation modalities such as the blending of grants and loans.

One of the major innovations and a key external policy tool is the new Partnership Instrument. It will aim to advance and promote EU interests and to address major global challenges. It will also allow the EU to pursue agendas beyond development cooperation with industrialised countries, emerging economies, and countries where the EU has significant interests.

Background

Today's texts are the legal proposals to implement the Multiannual Financial Framework presented by the Commission on 29 June 2011, in the area of external action. The package covers the full range of external support under the EU budget and includes: A Joint Communication to the European Parliament and the Council: "Global Europe" and the legislative proposals for nine geographic and thematic instruments accompanied by a common implementing regulation

The total amount proposed for these nine instruments is €96,249.4 million over the period 2014-2020 (current prices).

Pre-accession instrument (IPA):	€14,110 million
European Neighbourhood Instrument (ENI):	€18,182 million
Development Cooperation Instrument DCI):	€23,295 million
Partnership Instrument (PI):	€1,131 million
Instrument for Stability (IfS):	€2,829 million
European Instrument for Democracy & Human Rights (EIDHR):	€1,578 million
Instrument for Nuclear Safety Cooperation:	€631 million
Instrument for Greenland:	€219 million
European Development Fund (EDF, outside EU Budget):	€34,276 million

The package will be transmitted to the European Parliament and the Council and is expected to be adopted in 2012. (For more details on the various instruments, see [MEMO/11/878](#))

The differentiation approach

Differentiation will be applied first in countries covered by DCI and ENI. Under the DCI it is proposed that 17 Upper Middle Income Countries (Argentina, Brazil, Chile, China, Colombia, Costa Rica, Ecuador, Kazakhstan, Iran, Malaysia, Maldives, Mexico, Panama, Peru, Thailand, Venezuela and Uruguay) and 2 large Lower Middle Income Countries whose GDP is larger than 1% of global GDP (India, Indonesia) graduate to new partnerships that are not based on bilateral aid. Emerging economies such as China, Brazil and India, in particular, are currently regarded more as EU partners for addressing global challenges.

The Neighbourhood and Pre-Accession Instruments

In the context of the renewed approach to the European Neighbourhood Policy (ENP), the new ENI Instrument will provide streamlined support to the same 16 partner countries¹ as the previous European Neighbourhood and Partnership Instrument (ENPI). In line with the principles of differentiation and "more for more", the ENI will support the strengthening of relations with partner countries and bring tangible benefits to both the EU and its partners in areas such as democracy and human rights, the rule of law, good governance, sustainable economic and social development and progressive economic integration in the EU single market.

The EU will continue its support to enlargement countries² through a renewed Instrument for Pre-accession Assistance (IPA), building on the positive experience from the current instrument. IPA will help these countries implement the comprehensive reform strategies needed to prepare for future membership, with emphasis on regional cooperation, implementation of EU laws and standards, capacity to manage the Union's internal policies upon accession, and delivery of tangible socio-economic benefits in the beneficiary countries. More use will be made of innovative financing arrangements set up with international financial institutions, with EU funds acting as a catalyst for leveraging investment in infrastructure.

For more information

[MEMO/11/878](#) – The Multiannual Financial Framework: The Proposals on External Action Instruments

Full text of the Communications:

http://ec.europa.eu/europeaid/how/finance/mff/financial_framework_news_en.htm

Proposals on the Multiannual Financial Framework (29 June 2011):

http://ec.europa.eu/budget/biblio/documents/fin_fwk1420/fin_fwk1420_en.cfm

EU Development Policy: An Agenda for Change

http://ec.europa.eu/europeaid/what/development-policies/documents/agenda_for_change_en.pdf

¹ Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, the Republic of Moldova, Morocco, the occupied Palestinian territory, Syria, Tunisia and Ukraine.

² Albania, Bosnia and Herzegovina, Iceland, Kosovo (under UNSCR 1244/1999), Montenegro, Serbia, Turkey and the former Yugoslav Republic of Macedonia

Consultation on the future of development policy

http://ec.europa.eu/europeaid/how/public-consultations/5241_en.htm

Website of EuropeAid:

http://ec.europa.eu/europeaid/index_en.htm

Website of the European Commissioner for Development, Andris Piebalgs

http://ec.europa.eu/commission_2010-2014/piebalgs

Website of European Commissioner for Enlargement and European Neighbourhood Štefan Füle:

http://ec.europa.eu/commission_2010-2014/fule/

More on the new IPA:

http://ec.europa.eu/enlargement/press_corner/whatsnew/news/111207_en.htm

Website of the ENP

http://ec.europa.eu/world/enp/index_en.htm

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