


Procedure file

Basic information		
CNS - Consultation procedure Regulation	1998/0368(CNS)	Procedure completed
Development cooperation, NIS and Mongolia: assistance to economic reform and recovery, Tacis programme, 2000-2006		
Subject 6.30.02 Financial and technical cooperation and assistance		
Geographical area Community of Independent States Mongolia		

Key players			
European Parliament	Committee for opinion	Rapporteur for opinion	Appointed
	AFET Foreign Affairs, Security and Defense Policy		23/09/1999
		PPE-DE GEMELLI Vitaliano	
	BUDG Budgets		28/07/1999
		PSE KREHL Constanze	
	JURI Legal Affairs, Citizens' Rights		08/12/1998
		PSE GEBHARDT Evelyne	
Council of the European Union	Council configuration	Meeting	Date
	General Affairs	2161	21/02/1999

Key events			
08/01/1999	Legislative proposal published	COM(1998)0753	Summary
28/01/1999	Committee referral announced in Parliament		
21/02/1999	Debate in Council	2161	
25/11/1999	Vote in committee		Summary
25/11/1999	Committee report tabled for plenary, 1st reading/single reading	A5-0081/1999	
14/12/1999	Debate in Parliament		
15/12/1999	Decision by Parliament	T5-0159/1999	Summary
29/12/1999	Act adopted by Council after consultation of Parliament		

29/12/1999	End of procedure in Parliament		
18/01/2000	Final act published in Official Journal		

Technical information	
Procedure reference	1998/0368(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	Euratom Treaty A 203; EC Treaty (after Amsterdam) EC 308
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/4/10738

Documentation gateway					
Legislative proposal		COM(1998)0753 OJ C 037 11.02.1999, p. 0008	08/01/1999	EC	Summary
Committee report tabled for plenary, 1st reading/single reading		A5-0081/1999 OJ C 194 11.07.2000, p. 0005	25/11/1999	EP	
Text adopted by Parliament, 1st reading/single reading		T5-0159/1999 OJ C 296 18.10.2000, p. 0038-0111	15/12/1999	EP	Summary

Additional information	
European Commission	EUR-Lex

Final act
Regulation 2000/99 OJ L 012 18.01.2000, p. 0001 Summary

Development cooperation, NIS and Mongolia: assistance to economic reform and recovery, Tacis programme, 2000-2006

PURPOSE: to propose a Council regulation concerning the provision of assistance to economic reform and recovery in the New Independent States and Mongolia. **CONTENT:** the proposed regulation sets out the terms and conditions for a programme to provide assistance to economic reform and recovery in the New Independent States and Mongolia for the period 01/01/2000 to 31/12/2006. Within the framework of the programme, support will be given to: - technical assistance; - twinnings and industrial cooperation based on partnerships between public and private organisations from the European Union and partner countries; - on a case by case basis, the reasonable cost of supplies required in the implementation of the assistance. In particular cases, including nuclear safety, justice and home affairs and cross-border cooperation, a significant supply element may be included; - investment and investment-related activities. Assistance may include technical assistance to catalyse and support investments. Assistance may also include investment-financing, notably in the areas of cross-border cooperation, promotion of SMEs, environmental infrastructure and networks of strategic importance to the Community. The proposed regulation sets out three main priorities for assistance: - greater concentration of the assistance on a limited number of large-scale initiatives to achieve maximum impact; - clearly differentiated country programmes; - support for the objectives of the Partnership and Cooperation Agreements (PCAs). The proposal provides for improvement in the quality of assistance by means of an "incentive" scheme. Under this scheme, projects shall be selected on the basis of proposals received from the partner states and according to criteria to be agreed in accordance with a committee procedure set out in the directive. The total budget for the 7-year duration of the programme amounts to EURO 4,000 million. The annual budget for the year 2000 is fixed at EURO 510 million and is set to rise by an average 3.77% per year thereafter. A maximum of 25% of the annual budget could be allocated to investment-related activities. Similarly, a maximum of 25% of the annual budget could be allocated to the incentive scheme. Finally, the Commission undertakes to make an annual progress report on the implementation of the assistance programme to the Member States, the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions. In the event that an essential element for the continuation of cooperation through assistance is missing (particularly violation of democratic principles and human rights) the Council may, on a proposal from the Commission and acting by a qualified majority, decide upon appropriate measures concerning assistance to the partner state or states concerned.?

Development cooperation, NIS and Mongolia: assistance to economic reform and recovery, Tacis programme, 2000-2006

The committee adopted the report by Mr Jaime VALDIVIELSO DE CUÉ (EPP/ED, E) approving (with amendments) the Commission proposal for a regulation on assistance for economic reform and recovery in the NIS and Mongolia. The report noted that the Commission's explanatory memorandum contained an accurate and detailed analysis of the difficulties encountered by the TACIS programmes and some interesting proposals for its future development. However, it pointed out that other questions had not been analysed in sufficient detail, such as differentiation by country or region, the scope for concentrating aid, or the specific requirements of nuclear safety and the introduction of the incentive scheme. The amendments tabled by the committee reflected Parliament's traditional priorities as regards the objectives and procedures for aid. The committee also adopted an amendment calling for all aid programmes for the Russian Federation deriving from the proposed regulation to be suspended until a satisfactory solution had been found to the armed conflict in Chechnya, on the grounds that this was consistent with the stance taken by Parliament on 4 November 1999 in relation to the EU-Russia agreement on science and technology.?

Development cooperation, NIS and Mongolia: assistance to economic reform and recovery, Tacis programme, 2000-2006

By adopting the report by Mr Jaime VALDIVIELSO DE CUE (EPP-ED, E), the European Parliament approved the new programme aiming to provide assistance to economic reform and recovery in the New Independent States and Mongolia, replacing the TACIS Programme for the period 2000-2006. Moreover, the Parliament requests that, in line with its resolution of the 18.11.1999, the conclusion of new contracts regarding actions in favour of Russia to be funded in the context of the budget for the 2000 financial year, should be suspended until a satisfactory solution has been found in Chechnya (with the exception of the TACIS budget line for democracy and social development). The European Parliament also reaffirms that in the case of a serious crisis in the partner countries, the Council may decide by qualified majority, following consultation with the Parliament, to implement a special aid programme. Furthermore, the Parliament requests that emphasis be placed on sustainable economic development in these countries, as well as social and environmental development. The programme should also reinforce economic and social cohesion of the partner countries. More specifically in the Black Sea region, it should be possible for appropriations approved on the basis of this Regulation to be used to fund the recipient countries' share of projects under the Interreg initiative. Although the programme mainly aims at the reform and the redressing of partner countries' economies, the Parliament also stresses the necessity of promoting the development of the rule of law and civil society. In addition, it insists on the need to respect minority rights and the rights of indigenous peoples as an essential criterion for the continuation of the assistance provided. In addition, it calls for an improvement in the interventions carried out in the cooperation policy framework (first pillar) and those carried out in the CFSP framework (second pillar). Particular priority should also be given to the sustainable improvement of children's and young peoples' living conditions. Moreover, a percentage of assistance should also be provided via non-governmental organisations and a good part of it should be made available to projects involving a significant participation of local agents. The European Parliament also requests that a strategy to increase the visibility of programmes be prepared and that costs of preparatory studies for projects be limited. In parallel, amendments have been made to the proposal in order to stress the following points : - strengthening energy networks; - reinforcing the sensitivity of the environment; - support for the management of nuclear power stations, as well as recycling of waste; - aid for twinning in order to strengthen the development of civil society in the partner countries. Lastly, it introduces amendments of a comitology nature as well as in budgetary terms by deleting the Article relating to 25% of the budget of the programme initially provided for by the Commission for investment incentives or activities. The Parliament also wishes to be kept well-informed regarding the implementation of the projects. With this in mind, it calls for reports three times a year on the financial execution of the programme and regular information on the projects approved.?

Development cooperation, NIS and Mongolia: assistance to economic reform and recovery, Tacis programme, 2000-2006

PURPOSE: to promote the transition to a market economy and to reinforce democracy and the rule of law in the partner states in Eastern Europe and Central Asia. **COMMUNITY MEASURE:** Council Regulation 99/2000/EC, EURATOM concerning the provision of assistance to the partner States in Eastern Europe and Central Asia. **CONTENT:** This programme shall be based on the principles and objectives and set out in the Partnership and Co-operation Agreements, in the context of which the Community, its Member States and the partner States work together to support initiatives of common interest. The programme shall aim to maximise impact through concentration on a limited number of significant initiatives, not precluding small-scale projects where such projects are appropriate. To this end, the indicative and action programmes shall cover at most three of the eligible crosscutting areas of co-operation. Where applicable, support for nuclear safety shall be provided in addition to these three areas. This programme shall take into consideration the differing needs and priorities of the principal regions covered by the Regulation and in particular the need to promote democracy and the rule of law. Particular attention shall be paid to: - the need to reduce environmental risks and pollution, including trans-boundary pollution; - the need to promote the sustainable use of natural resources, including energy resources, and - the social aspects of transition. The programme shall aim to promote inter-State, inter-regional and cross-border co-operation between partner States themselves, between the partner States and the European Union and between the partner States and Central and Eastern Europe. Furthermore, indicative programmes covering three to four year periods shall be established in accordance with the procedures referred to in this regulation. These programmes shall define the principal objectives of, and guidelines for, Community assistance in the areas of co-operation and would as far as possible, include indicative financial estimates. Before the establishment of indicative programmes, the Commission shall discuss with the Committee the priorities to be identified with the partner States. On the other hand, action programmes based on the indicative programmes shall be adopted on an annual or biannual basis. These action programmes shall include a list of the projects to be financed within the areas of co-operation. The measures outlined in the national action programmes shall be reflected in financing memoranda agreed between the Commission and each Partner State. In addition to the national action programmes, an incentive scheme is established to introduce an element of competition into the allocation of resources, in order to promote quality. The scheme shall be introduced gradually and takes into account the administrative capacity of the different partner States. In the first year of operation, the size of the scheme shall not exceed 10% of the overall budget of the programme. In subsequent years, this proportion might be increased by up to 5% per year. With regard to technical assistance, the following measures shall be supported: - transfer of expertise and know-how, including training; - industrial co-operation and partnerships for institutional building based on

co-operation between public and private organisations from the European Union and partner States; - on a case by case basis, the reasonable cost of supplies required in the implementation of the assistance. In particular cases, including nuclear safety, justice and home affairs and cross-border co-operation, a significant supply element may be included; - investment and investment related activities. Assistance may include technical assistance to catalyse and support investments and investment financing in the areas of cross-border co-operation, promotion of SMEs, environmental infrastructure and networks. - The financial reference amount for the implementation of this programme for the period 2000 to 2006 shall be EUR 3 138 million. The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspective. A maximum of 20% of the annual budget could be allocated to investment financing and the same amount could be allocated to the "Incentive scheme". ENTRY INTO FORCE: 21.01.2000.?