

European Commission proposes to increase funding for European Neighbourhood Instrument

Brussels, 30 June 2011 - The European Commission adopted a Communication on the budget for the next financial framework 2014 – 2020. The Communication announces a total of €16,1 billion¹ to be allocated for the future European Neighbourhood Instrument (ENI). If adopted, the new funding for the neighbourhood policy would increase by over 40%, compared to €11,4² billion under the old European Neighbourhood and Partnership Instrument (ENPI), which covers the current financial period 2007 – 2013.

Commissioner for Enlargement and European Neighbourhood Policy, Štefan Füle said: "The Commission has proposed today to increase the funding for European Neighbourhood Policy by €4,7 billion for the next financial perspective. I am convinced that the EU's support to our partners in the South and the East is essential to ensure the success of the democratisation process and improve economic and social development. The significant increase reflects our commitment to our neighbourhood and its growing importance for the EU. "

The adopted Communication is setting out the broad budgetary orientations for the next post-2013 financial framework together with proposals for the new Multi-annual Financial Framework (MFF) regulation. The package with the legislative proposals on future EU external action instruments will follow as a next step and is scheduled to be adopted in December 2011.

1. Multiannual Financial Framework (MFF)

The Multiannual Financial Framework (MFF) constitutes the **major overhaul of the EU budget**. These agreements are established for seven-year intervals and are also known as the EU "Financial Perspective". For each programming period, the MFF establishes the maximum amount and the composition of EU expenditure ('headings'). The MFF lays down maximum amounts ('ceilings') for each broad category of expenditure for a clearly determined period of time. In the present MFF, **Official Development Assistance (ODA) is included under Heading 4**.

2. The new European Neighbourhood Instrument

The future European Neighbourhood Instrument (ENI) will continue to provide the bulk of funding to the European Neighbourhood countries, essentially through bilateral, regional and cross border co-operation programmes.

The new instrument should be increasingly policy-driven and provide for increased differentiation, more flexibility, stricter conditionality and incentives for best performers, reflecting the ambition of each partnership.

In line with the renewed vision for the European Neighbourhood Policy, the future ENI will focus in the next financial period (2014 – 2020) essentially on:

- promoting political, economic and social reforms across the neighbourhood
- backing the agreed priorities in the ENP Action Plans

¹ Expressed in 2011 constant prices

² Expressed in 2011 constant prices



- supporting approximation to EU policies and standards
- promoting sustainable and inclusive growth
- enhancing people to people contacts
- advancing the achievement of the Millennium Development Goals

Within these areas, funding will be provided to further support the new activities stemming from the ENP review, presented in the ENP Communication of the 25 May.

3. ENP Communication (25 May 2011)

On 25 May 2011 the European Commission together with the European External Action Service (EEAS) issued a communication on the renewed European Neighbourhood Policy.

The communication contains numerous proposals for the Neighbourhood countries, including:

1. developing a real partnership with societies
2. intensifying political and security cooperation, in line with the Lisbon Treaty;
3. promoting sustainable growth and job creation;
4. strengthening trade ties;
5. easing mobility;
6. deepening sector integration (for example through the integration in a pan-European energy market or participation in EU programmes and agencies).

The decision to significantly increase funding for the European Neighbourhood in the post-2013 EU Multiannual Financial Framework corresponds to this renewed ENP vision and its medium term objectives.

4. For more information

Website on the European Neighbourhood Policy (ENP):

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

Website of DG Development and Cooperation – EuropeAid:

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

Website of the European Commissioner for Enlargement and European Neighbourhood Policy, Štefan Füle:

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