REGULATION (EU) No 1340/2011 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 13 December 2011

amending Regulation (EC) No 1889/2006 on establishing a financing instrument for the promotion of democracy and human rights worldwide

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 209(1) and Article 212 thereof,

Having regard to the proposal from the European Commission,

Acting in accordance with the ordinary legislative procedure, in the light of the joint text approved by the Conciliation Committee on 31 October 2011 ([1]),

Whereas:

(1) A new framework for planning and delivering assistance was established in 2006 in order to make the Community's external assistance more effective and transparent. It contains Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA) ([2]), Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument ([3]), Council Regulation (EC) No 1934/2006 of 21 December 2006 establishing a financing instrument for cooperation with industrialised and other high-income countries and territories ([4]), Regulation (EC) No 1717/2006 of the European Parliament and of the Council of 15 November 2006 establishing an Instrument for Stability ([5]), Council Regulation (Euratom) No 300/2007 of 19 February 2007 establishing an Instrument for Nuclear Safety Cooperation ([6]), Regulation (EC) No 1889/2006 of the European Parliament and of the Council ([7]), and Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation ([8]).

(2) In implementing those Regulations inconsistencies have emerged regarding exceptions to the principle of non-eligibility for Union financing of costs related to taxes, duties and other charges. It is therefore proposed to amend the relevant provisions of Regulation (EC) No 1889/2006 in order to align it with the other instruments.

(3) This Regulation does not go beyond what is necessary in order to achieve the objective pursued, in accordance with Article 5(4) of the Treaty on European Union.

(4) Regulation (EC) No 1889/2006 should therefore be amended accordingly,

HAVE ADOPTED THIS REGULATION:

Article 1

Article 13(6) of Regulation (EC) No 1889/2006 is replaced by the following:

'6. Union assistance shall not in principle be used for paying taxes, duties or charges in beneficiary countries.'.

Article 2

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Strasbourg, 13 December 2011.

For the European Parliament
The President
J. BUZEK

For the Council
The President
M. SZPUNAR

([1]) Position of the European Parliament of 21 October 2010 (not yet published in the Official Journal) and position of the Council at first reading of 10 December 2010 (OJ C 7 E, 12.1.2011, p. 14). Position of the European Parliament of 3 February 2011 (not yet published in the Official Journal). Legislative resolution of the European Parliament of 1 December 2011 (not yet published in the Official Journal) and decision of the Council of 28 November 2011.
([2]) OJ L 210, 31.7.2006, p. 82.
([3]) OJ L 310, 9.11.2006, p. 1.
([4]) OJ L 405, 30.12.2006, p. 41.
([5]) OJ L 327, 24.11.2006, p. 1.
([6]) OJ L 81, 22.3.2007, p. 1.
([7]) OJ L 386, 29.12.2006, p. 1.
([8]) OJ L 378, 27.12.2006, p. 41.

STATEMENT BY THE EUROPEAN PARLIAMENT AND THE COUNCIL ON THE USE OF DELEGATED ACTS IN THE FUTURE MULTIANNUAL FINANCIAL FRAMEWORK (MFF) 2014-2020

The European Parliament and the Council take note of the Commission Communication 'A Budget for Europe 2020' (COM (2011) 500 [1]), in particular in relation to the proposed use of delegated acts in the future external financing instruments and await legislative proposals, which will be duly considered.

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[1] The Commission in its Communication: 'A budget for Europe 2020' (COM (2011) 500), states that:
'Furthermore, the future legal bases for the different instruments will propose the extensive use of delegated acts to allow for more flexibility in the management of the policies during the financing period, while respecting the prerogatives of the two branches of legislator.'
and
'It is considered that democratic scrutiny of external aid must be improved. This could be achieved by the use of delegated acts in accordance with Article 290 of the Treaty for certain aspects of programmes, not only placing the co-legislators on an equal footing but also ensuring more flexibility in programming. For the EDF, it is proposed to bring scrutiny into line with the DCI, whilst taking into account the specificities of this instrument.'