



COMMISSION OF THE EUROPEAN COMMUNITIES

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2003/0116 (CNS)

Proposal for a

COUNCIL DECISION

**establishing a Community action programme to promote active European citizenship
(civic participation)**

(presented by the Commission)

EXPLANATORY MEMORANDUM

Introduction

In addition to the Treaty, which establishes European citizenship, various recent statements stress the need to promote active citizenship:

the European Council of Nice, in its Declaration 23, "recognises the need to improve and to monitor the democratic legitimacy and transparency of the Union and its institutions, in order to bring them closer to the citizens of the Member States";

the European Parliament, the Council and the Commission, in the preamble to the Charter of Fundamental Rights of the European Union, state that the Union contributes to the preservation and the development of the common values while respecting the diversity of the cultures and traditions of the peoples of Europe;

the Laeken Declaration annexed to the conclusions of the European Council of 14 and 15 December 2001 asserts that one of the basic challenges to be resolved by the European Union is "how to bring citizens, and primarily the young, closer to the European design and the European institutions";

the Commission's White Paper on Governance stresses the principle of citizen participation in devising and carrying out policy, of involvement of civil society and its component organisations.

Moreover, the Community and the Member States have as their objectives the promotion of employment, improved living and working conditions, proper social protection, the development of human resources with a view to lasting high employment and the combating of exclusion.

A common policy on asylum, including common European arrangements for asylum, is also a constituent part of the European Union's objective of establishing progressively an area of freedom, security and justice open to those who, forced by circumstances, legitimately seek protection in the European Union.

Background

For several years, support has been provided for promoting active European citizenship, especially under headings in Part A of the budget:

heading A-3016 co-finances the operating costs of the Association of the Councils of State and Supreme Administrative Jurisdictions of the European Union;

heading A-3020 co-finances the operating costs of the "Our Europe" Association;

heading A-3021 co-finances the operating costs of European think tanks and organisations advancing the idea of Europe;

heading A-3024 co-finances the activities of associations and federations of European interest;

heading A-3026 co-finances the operating costs of European think tanks;

heading A-3030 co-finances the operating costs of the European Council on Refugees and Exiles;

heading A-3036 co-finances the operating costs of the Jean Monnet House and the Robert Schuman House;

article A-321 supports town-twinning schemes in the European Union.

In 2003, Community support for the promotion of European citizenship can also be funded under three headings in Part B of the budget:

heading B3-305 finances measures for civil society by means of grants to non-governmental organisations and trade union organisations;

headings B3-4105 and B5-803 co-finance the operating costs of the Platform of European Social NGOs.

Most of these operations have hitherto been carried out without any legal basis.

Objectives

The adoption of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities¹ and the decision to base the structure of the Commission budget on the ABB (Activity Based Budgeting) approach require basic acts to be adopted for a number of grants hitherto financed under appropriations entered in Part A (administrative appropriations) of the Commission section of the budget (section III).

The purpose of this Decision is therefore to adopt an act providing a basis for grants towards the promotion of active European citizenship, for a period of five years (2004–2008).

In a statement in connection with the adoption of the new Financial Regulation, the Commission publicly announced its intention of providing basic acts for grants hitherto financed under Part A. In this statement, "the European Parliament and the Council note the Commission's intention of submitting a proposal for a Framework Regulation in which the overall criteria regarding selection and the awarding of grants for the functioning of the bodies provided for in Article 108(1)(b) may be specified".

Legal basis

The proposal is based on Article 308 TEC, which provides that the Council shall, acting unanimously on a proposal from the Commission and after consulting the European Parliament, take the appropriate measures.

Budgetary impact

Since the proposal essentially addresses the technical need to provide a legal basis for operations for which no such basis currently exists, the amounts provided for are largely based on those allocated in the budget of the European Union for the 2003 financial year.

¹ OJ L 248, 16.9.2002, p. 1.

The total amount proposed is EUR 113.092 million.

Description of articles

Article 1 states the objective of the programme, viz. to support bodies working in the field of active European citizenship and to promote actions in this field.

Article 2 states the conditions of access to the programme and refers to the Annex, which describes the three parts of the programme:

grants for the operation of bodies specified in the Decision;

grants for the operation of other bodies pursuing an aim of general European interest or an objective forming part of the European Union's policy of promoting active citizenship;

action grants for the other operations mentioned above (support for actions conducted in particular by non-governmental organisations, associations and federations of European interest or cross-industry trade unions; actions to promote town twinning instigated by municipalities, local and regional communities and bodies, local and regional authorities and organisations thereof).

Article 3 provides for the geographic coverage of the programme to take in the Member States and in some cases possibly the candidate countries and the EFTA/EEA countries.

Article 4 refers to the Annex for the arrangements for selecting the programme's beneficiaries. Grants for the operation of bodies pursuing an aim of general European interest or an objective forming part of the European Union's policy of promoting active citizenship, other than those specified in the Decision, and action grants are to be awarded on the basis of annual calls for proposals. As regards the former, provision is also made for arrangements in the event that beneficiaries are specified by name by the Budgetary Authority.

Article 5 refers to the Annex for the conditions governing award of grants.

Article 6 specifies the programme duration as the period 2004–2008.

Article 7 lays down the arrangements for interim and final evaluations of the programme and its renewal.

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**establishing a Community action programme to promote active European citizenship
(civic participation)**

LE CONSEIL DE L'UNION EUROPÉENNE,

Having regard to the Treaty establishing the European Community, and in particular Article 308 thereof,

Having regard to the proposal from the Commission²,

Having regard to the opinion of the European Parliament³,

Whereas:

- (1) The Treaty establishes citizenship of the Union, which complements and does not replace national citizenship, and which is to be promoted with due regard for subsidiarity.
- (2) The Community and the Member States have as their objectives the promotion of employment, improved living and working conditions, proper social protection, the development of human resources with a view to lasting high employment and the combating of exclusion.
- (3) Effective and uniform application of Community law is a new priority which is indispensable to the proper functioning of the internal market. Citizens, consumers and undertakings will be unable to assert all their rights under the Community legal order before any national court unless judges are sufficiently informed and trained in this regard. A common policy on the application of European law, including the case-law, is an essential part of the European Union's objective of gradually creating an area of freedom, security and justice.
- (4) The European Parliament, in its Resolution of 15 April 1988⁴, considered it desirable that a major effort be undertaken to step up contacts between citizens of different Member States and stated that specific support from the Community institutions for the development of twinning schemes between communes or towns in different Member States is both rational and desirable.

² OJ C [...], [...], p. [...].

³ OJ C [...], [...], p. [...].

⁴ OJ C 122, 9.5.1988, p. 38.

- (5) The Tampere European Council of 15 and 16 October 1999 also stressed that an area of freedom, security and justice should be based on the principles of transparency and democratic control, involving an open dialogue with civil society on the aims and principles of this area in order to strengthen citizens' acceptance and support.
- (6) The Social Policy Agenda adopted at Nice in December 2000 is based on a new form of governance conferring on all stakeholders and actors (including civil society) a clear and active role, enabling them to participate in managing the policies associated with this new Agenda, and provides that the non-governmental organisations are closely associated with the development of inclusive policies and equal opportunities for all.
- (7) The European Council of Nice, in its Declaration 23, recognises the need to improve and to monitor the democratic legitimacy and transparency of the Union and its institutions, in order to bring them closer to the citizens of the Member States.
- (8) The Laeken Declaration annexed to the conclusions of the European Council of 14 and 15 December 2001 asserts that one of the basic challenges to be resolved by the European Union is how to bring citizens closer to the European design and the European institutions.
- (9) At Lisbon, in June 2000, the European Union set itself the goal of becoming, by 2010, the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion. In the coming years, European citizens will have to take a view on important matters arising from scientific discoveries and technological progress liable to have a direct and lasting impact on their lives and those of future generations.
- (10) Headings A-321, A-3020, A-3021, A-3024, A-3026, A-3036 and B3-305 of the general budget of the European Communities for the financial year 2003 and previous financial years have proved their worth in promoting a sustained dialogue with civil society organisations and municipalities on the building of Europe.
- (11) The "Our Europe" Association takes the form of a think-tank of personalities representative of European society and the political, social, economic and scientific worlds to act as a marketplace for ideas promoting a closer European Union; as such, it pursues an aim of general European interest.
- (12) The Jean Monnet and Robert Schuman Houses are meeting places for the people of Europe, the aim being to set the pioneers and pioneering activities of European integration in the context in which two of the founding fathers of Europe lived and worked, and to provide information on today's and tomorrow's Europe; as such, these organisations pursue an aim of general European interest.
- (13) Civil dialogue plays an essential part in promoting cooperation with civil society in the social field, and was supported until 2001 under budgetary heading B3-4101. Although the activities of the Platform of European Social non-governmental organisations were financed from 2001 to 2002 under heading B3-4105 for preparatory measures combating and preventing exclusion, and in 2003 by joint funding under headings B3-4105 and B5-803, they are much wider-ranging than these programmes and contribute to establishing the new form of governance advocated in the Social Policy Agenda adopted at Nice.

- (14) The European Council on Refugees and Exiles, which receives support under heading-A-3030 of the general budget of the European Communities for the financial year 2003 and previous financial years, represents the organisations of refugees and displaced persons vis-à-vis the European Union, promoting the principles and policies contributing to the objectives of the Treaty as regards asylum and combating social exclusion.
- (15) Heading A-3016 of the general budget of the European Communities for the financial year 2003 and previous financial years provides support for the Association of the Councils of State and Supreme Administrative Jurisdictions of the European Union. The Association's purpose is to promote exchanges of views and experience on matters concerning the case-law, organisation and functioning of its Members in the performance of their judicial and/or advisory functions. Its work is essential in order to coordinate and relay to the public the judicial decisions of the Councils of State with regard to Community law and to facilitate the pooling of methods of transposing and implementing European law at national level.
- (16) Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities⁵, hereinafter “the Financial Regulation”, requires a basic act to be provided to cover these existing support actions.
- (17) The European Parliament, the Council and the Commission undertook, at the time of the adoption of the Financial Regulation⁶, to achieve the objective of ensuring that this basic act enters into force as from the financial year 2004.
- (18) Provision should be made for the geographic coverage of the programme to extend to the Member States, and possibly, in the case of certain actions, to the candidate countries and the EFTA/EEA countries.
- (19) Any non-Community financing from State resources must comply with Articles 87 and 88 of the Treaty.
- (20) Any support granted under this Decision must comply strictly with the principles of subsidiarity and proportionality,

HAS DECIDED AS FOLLOWS:

Article 1 – [Programme objective]

1. This Decision establishes a Community action programme to support bodies working in the field of active European citizenship and to promote actions in this field.

The programme shall have the following objectives:

- a) to promote the values and objectives of the European Union;

⁵ OJ L 248, 16.9.2002, p.1.

⁶ Statement of 13 June 2002 on the adoption of the Financial Regulation, concerning Article 108.

- b) to bring citizens closer to the European Union and its institutions;
 - c) to involve citizens closely in reflection and discussion on the construction of the European Union;
 - d) to intensify links and exchanges between citizens from the countries participating in the programme, notably by way of town-twinning arrangements;
 - e) to stimulate initiatives by the bodies engaged in the promotion of active and participatory citizenship.
2. The activities supported by the programme seek to support the operation and to promote the actions of the bodies pursuing the programme's objectives in accordance with the criteria set out in the Annex.
 3. The programme shall start on 1 January 2004 and shall end on 31 December 2008.

Article 2 – [Access to the programme]

To be eligible for a Community grant for an action, bodies must satisfy the requirements set out in the Annex.

The action concerned must be in accordance with the principles underlying Community activity in the field of active citizenship.

To be eligible for an operating grant for the ongoing work programme of a body pursuing an aim of general European interest in the field of active citizenship or an objective forming part of the European Union's policy in this area, bodies must satisfy the requirements of the Annex and be so structured as to accommodate actions having a potential impact throughout the European Union.

Article 3 – [Access to the programme for the EFTA/EEA countries and the candidate countries for accession to the European Union]

Participation in the programme may be open to the EFTA/EEA countries and the candidate countries for accession to the European Union, in accordance with the relevant provisions in the instruments governing relations between the European Community and these countries.

Article 4 – [Selection of beneficiaries]

1. Operating grants for the ongoing work programme of a body pursuing an aim of general European interest in the field of active citizenship or an objective forming part of the European Union's policy in this area shall be awarded in accordance with the overall criteria laid down in the Annex.

2. Grants for actions specified in the programme shall be awarded in accordance with the overall criteria laid down in the Annex. Actions shall be selected by means of a call for proposals.

Article 5 – [Award of the grant]

Grants under the different actions of the programme shall be awarded in compliance with the provisions set out in the relevant part of the Annex.

Article 6 – [Financial provisions]

The annual appropriations shall be authorised by the Budgetary Authority within the limits of the financial perspective.

Article 7 – [Monitoring and evaluation]

1. No later than 31 December 2007, the Commission shall submit a report to the European Parliament and the Council on the achievement of the programme's objectives and shall, if appropriate, make proposals for any adjustment to be made with a view to continuing or not continuing the programme.

This report shall be based, *inter alia*, on an external evaluation report which must be available no later than the end of 2006 and which shall appraise at least the overall pertinence and coherence of the programme, the effectiveness of its execution (preparation, selection, implementation of the actions) and the overall and individual effectiveness of the various actions in terms of achievement of the objectives set out in Article 1 and in the Annex.

2. The European Parliament and the Council shall, in accordance with the Treaty, decide on the continuation of the programme as from 1 January 2009. Before presenting proposals to this end, the Commission shall have the external evaluation of the programme updated and shall take account of the outcome of this evaluation in its proposals.

No later than 31 December 2009, the Commission shall present to the European Parliament and the Council a report on the achievement of the programme's objectives. This report shall be based, *inter alia*, on the outcome of the external evaluation and shall assess the results obtained by the beneficiaries of the programme, in particular as regards the effectiveness and efficiency of their actions, considered overall and individually, in achieving the objectives set out in Article 1 and in the Annex.

Article 8 – [Entry into force]

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

Done at Brussels, [...]

For the Council
The President
[...]

ANNEX

1. ACTIVITIES SUPPORTED

The general objective laid down in Article 1 is to support work in the field of active European citizenship by promoting the actions and operation of the bodies working in this field.

This support takes the form of one of two types of grant:

- either an operating grant to co-finance expenditure associated with the permanent work programme of a body which pursues an aim of general European interest in the field of active European citizenship or an objective forming part of the European Union's policy in this area (parts 1 and 2),
- or a grant to co-finance a specific action in this area (part 3).

Actions of civil society bodies and other structures such as municipalities and organisations of such bodies working at European level in the field of active citizenship which may contribute to supporting Community activity and making it more effective are, in particular:

- multinational cooperation actions at European level;
- meetings and debates among citizens on themes of European interest, such as the values, objectives, powers, policies and institutions of the European Union;
- informal reflection, education and training projects;
- actions promoting citizens' participation and initiative;
- exchanges between citizens and their organisations;
- dissemination of information on Community action;
- preparation, back-up and evaluation of the actions funded.

The main activities of the Platform of European Social NGOs are as follows:

- helping to shape EU policies on matters of common interest to its members, especially in connection with social rights, EU social policies and programmes and civil dialogue;
- keeping its members informed of the development of Community policy relevant to them, facilitating the process of dialogue and consultation of its members with the EU institutions and, through its members, relaying these activities at national level;
- promoting dialogue with other groupings working on issues of common interest (social partners, other European groupings of NGOs, NGOs in the candidate countries, etc.);

- strengthening social NGOs in the European Union and in the candidate countries, e.g. by exchange of experience, practice and information among the members of the Platform.

The main activities of the European Council on Refugees and Exiles are as follows:

- representing the organisations of refugees, asylum seekers and displaced persons vis-à-vis the European Union;
- coordinating the positions of its members vis-à-vis the European Union;
- relaying information on refugees, asylum seekers and displaced persons to the European institutions;
- relaying information from the European Union to national councils of refugees and non-governmental organisations;
- contributing to the exchange of information and good practice;
- engaging in discussion and reflection on refugees, asylum seekers and displaced persons in Europe and on the European Union's action to assist such persons;
- raising European public awareness through the network of member organisations;
- promoting participation and initiative on the part of refugees, asylum seekers and displaced persons.

The purpose of the Association of the Councils of State and Supreme Administrative Jurisdictions of the European Union is to coordinate and relay to the public the judicial decisions of the Councils of State with regard to Community law and to facilitate the pooling of methods of transposing and implementing European law at national level.

This programme also covers the Commission's actions relating to the creation, promotion and management of the "think tanks" operating in the field of active citizenship and European integration and the organisation of related events.

2. IMPLEMENTATION OF THE ACTIVITIES SUPPORTED

2.1. The activities carried out by the bodies eligible for Community funding under the programme fall within one of the following areas:

2.1.1. Part 1: permanent work programmes of the following bodies pursuing an aim of general European interest in the field of active European citizenship:

- "Our Europe" Association
- Jean Monnet House
- Robert Schuman House

- Platform of European Social NGOs
- European Council on Refugees and Exiles (ECRE)
- Association of the Councils of State and Supreme Administrative Jurisdictions of the European Union

2.1.2. Part 2: permanent work programme of a body pursuing an aim of general European interest in the field of active European citizenship or an objective forming part of the European Union's policy in this area.

This may relate to:

- a non-profit body working to assist citizens active in these bodies;
- a European multiplier network of non-profit bodies active in the states participating in the programme and promoting the principles and policies contributing to the objectives in this area;
- a body pursuing an objective forming part of the European Union's policy in the field of active citizenship.

An annual operating grant may be awarded to support the conduct of the permanent work programme of such a body.

2.1.3. Part 3:

- a) actions in the field of active European citizenship, conducted in particular by non-governmental organisations, associations and federations of European interest or cross-industry trade unions; by way of derogation from Article 114 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002, cross-industry trade unions participating in the European social dialogue are eligible under this part even if they do not have legal personality;
- b) actions to promote town twinning instigated by municipalities, local and regional communities and bodies, local and regional authorities and organisations thereof.

2.2. Having regard to the quality and quantity of funding applications, the following guidelines shall be taken into account when allocating the programme's resources:

- resources to be committed under part 3a shall not be less than 20 per cent of the annual budget available for this programme;
- resources to be committed under part 3b shall not be less than 40 per cent of the annual budget available for this programme.

3. SELECTION OF BENEFICIARIES

- 3.1. In order to award the grants under part 2 of the programme, the Commission shall publish calls for proposals. However, the Commission may award these grants without publication of a call for proposals when the budget heading names a beneficiary explicitly. It may proceed in the same manner when the budget identifies beneficiaries and the amounts allocated to each of them, if the total amount of the budget line concerned is entirely pre-assigned by budgetary authority. In both cases, all other requirements of the Financial Regulation, its Implementing Rules and the basic act apply.

When a call is published, any priorities as to the themes and types of activity contributing to the general objective of the programme may be indicated, and if the activities are of multiannual duration, this may also be stated.

- 3.2. The bodies receiving grants under part 3 of the programme shall be selected on the basis of calls for proposals. As regards cross-industry trade unions participating in the European social dialogue, the call for proposals may take the form of a restricted invitation.

4. CRITERIA FOR THE ASSESSMENT OF FUNDING APPLICATIONS

Funding applications shall be assessed in the light of:

- consistency with the programme objectives;
- quality of the planned activities;
- likely multiplier effect on the public of these activities;
- geographic impact of the activities carried out;
- citizen involvement in the organisation of the bodies concerned;
- cost/benefit ratio of the activity proposed.

5. FUNDING AND ELIGIBLE EXPENDITURE

- 5.1 Under part 1, the eligible expenditure of the bodies in question comprises operating costs and expenses for carrying out their actions.

- 5.2 Grants to these bodies shall not fund all their eligible expenditure in the calendar year for which they are awarded: at least 10 per cent of the bodies' budgets must be co-financed from non-Community sources. Such co-financing may be partly contributed in kind, provided the contribution is valued at no more than the cost actually incurred and evidenced by accounting documents or the cost generally obtaining on the market in question.

- 5.3 Pursuant to Article 113(2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002, the principle of gradual reduction shall not apply to operating grants to these bodies, since they are bodies pursuing an objective of general European interest.
- 5.4 Under part 2, the only costs to be taken into account in determining the operating grant shall be those necessary for the proper conduct of the normal activities of the body selected, in particular personnel costs, overheads (rental and property charges, equipment, office supplies, telecommunications, postal charges, etc.), costs of internal meetings, publication, information and dissemination costs and costs directly linked to the body's activities.
- 5.5 An operating grant under part 2 of the Annex shall not fund all the body's eligible expenditure in the calendar year for which it is awarded. At least 20 per cent of the budgets of the bodies covered by this part must be co-financed from non-Community sources. Such co-financing may be partly contributed in kind, provided the contribution is valued at no more than the cost actually incurred and evidenced by accounting documents or the cost generally obtaining on the market in question.
- 5.6 Pursuant to Article 113(2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002, operating grants so awarded, if renewed, shall be gradually decreased. This reduction shall apply from the third year onwards, at a rate of 2.5 per cent per year. In order to observe this rule, which applies without prejudice to the co-financing rule mentioned above, the percentage of Community co-financing corresponding to the grant awarded for a given financial year shall be at least 2.5 points below the percentage of Community co-financing corresponding to the grant awarded for the previous financial year.
- 5.7 For the award of grants under part 3, fixed rates may be applied for organisation costs and travel expenses.

6. MANAGEMENT OF THE PROGRAMME

In the light of a cost/benefit analysis, the Commission may decide to entrust all or part of the tasks of managing the programme to an executive agency, in conformity with Article 55 of the Financial Regulation applicable to the general budget of the European Communities; it may also have recourse to experts and incur any other expenditure on technical and administrative assistance, not involving the exercise of public authority, outsourced under ad hoc service contracts. It may also finance studies and organise meetings of experts likely to facilitate the implementation of the programme, and undertake information, publication and dissemination actions directly linked to the achievement of the programme's objective.

7. CHECKS AND AUDITS

- 7.1 The beneficiary of an operating grant shall keep available for the Commission all the supporting documents, including the audited financial statement, regarding expenditure incurred during the grant year, for a period of five years following the last payment. The beneficiary of a grant shall ensure that, where applicable,

supporting documents in the possession of partners or members be made available to the Commission.

- 7.2 The Commission may have an audit of the use made of the grant carried out either directly by its own staff or by any other qualified outside body of its choice. Such audits may be carried out throughout the lifetime of the agreement and for a period of five years from the date of payment of the balance. Where appropriate, the audit findings may lead to recovery decisions by the Commission.
- 7.3 Commission staff and outside personnel authorised by the Commission shall have appropriate right of access, in particular to the beneficiary's offices and to all the information, including information in electronic format, needed in order to conduct such audits.
- 7.4 The Court of Auditors and the European Anti-Fraud Office (OLAF) shall enjoy the same rights, especially of access, as the Commission.
- 7.5 In order to protect the European Communities' financial interests against fraud and other irregularities, the Commission may carry out on-the-spot checks and inspections under this programme in accordance with Council Regulation (Euratom, EC) No 2185/96⁷. Where necessary, investigations shall be conducted by the European Anti-Fraud Office (OLAF) and these shall be governed by Regulation (EC) No 1073/1999 of the European Parliament and of the Council⁸.

⁷ OJ L 292, 15.11.1996, p. 2.

⁸ OJ L 136, 31.5.1999, p. 1.

FINANCIAL STATEMENT

Policy areas: 1. Education and culture, 2. Employment and social affairs, 3. Justice and home affairs

Activities: 1. Dialogue with citizens, 2. Promoting an inclusive society, 3. Immigration, asylum and visas

TITLE OF ACTION

COMMUNITY ACTION PROGRAMME TO PROMOTE ACTIVE EUROPEAN CITIZENSHIP (CIVIC PARTICIPATION)

1. BUDGET LINES + HEADINGS

15.06.01.02 (ex-A-3020) "Our Europe" Association

15.06.01.03 (ex-A-3021) European think tanks and organisations advancing the idea of Europe

15.06.01.04 (ex-A-3024) Associations and federations of European interest

15.06.01.05 (ex-A-3026) European think tanks

15.06.01.06 (ex-A-3036) Jean Monnet House and Robert Schuman House

15.06.01.07 (ex-A-321) Town-twinning schemes in the European Union

15.01.04.18 Town-twinning schemes in the European Union – expenditure on administrative management

all these lines pertaining to the activity "Dialogue with citizens" and covered by heading 5 of the financial perspective up to 2006

18.06.03 (ex-A-3016) Association of the Councils of State and Supreme Administrative Jurisdictions of the European Union

18.03.01 (ex-A-3030) European Council on Refugees and Exiles

line pertaining to the area "Justice and home affairs" and covered by heading 5 of the financial perspective up to 2006

15.06.01.01 (ex-B3-305 in part) Measures for civil society; line pertaining to the activity "Dialogue with citizens" and covered by heading 3 of the financial perspective up to 2006

15.01.04.12 (ex-B3-305A in part) Measures for civil society and visits to the Commission – Expenditure on administrative management; line pertaining to the activity "Dialogue with citizens" and covered by heading 3 of the financial perspective up to 2006

04.04.09 (ex-B3-4105 and ex-B5-803, in part) Support for the running costs of the Platform of European Social NGOs, line pertaining to the activity "Promoting an inclusive society" and covered by heading 3 of the financial perspective up to 2006.

2. OVERALL FIGURES

2.1 Total allocation for action (Part B): commitment appropriations EUR 113.092 million

2.2 Period of application:

2004–2008

2.3 Overall multiannual estimate of expenditure

a) Schedule of commitment appropriations/payment appropriations (financial intervention) (see point 6.1.1)

EUR million (to the third decimal place)

Heading 5	2004	2005	2006	2006	2008	2009 and foll. fin. years	Total
Commitment appropriations	14.540	16.168	17.788	17.918	18.046		84.460
Payment appropriations ⁹							

EUR million (to the third decimal place)

Heading 3	2004	2005	2006	2006	2008	2009 and foll. fin. years	Total
Commitment appropriations	4.810	4.822	4.836	4.850	4.864		24.182
Payment appropriations	3.858	4.822	4.822	4.822	4.822	0.964	24.110

⁹ Ces crédits seront gérés comme des crédits non dissociés.

b) Technical and administrative assistance and support expenditure (see point 6.1.2)

heading 5¹⁰

CA	pm	0.550	0.550	0.550	0.550		2.200
PA							

heading 3

CA	0.450	0.450	0.450	0.450	0.450		2.250
PA	0.450	0.450	0.450	0.450	0.450		2.250

heading 5

Subtotal a+b							
CA	14.540	16.718	18.338	18.468	18.596		86.660
PA							

heading 3

Subtotal a+b							
CA	5.260	5.272	5.286	5.300	5.314		26.432
PA	4.308	5.272	5.272	5.272	5.272	0.964	26.360

c) Overall financial impact of human resources and other administrative expenditure (see points 7.2 and 7.3)

CA/PA	2.961	2.411	2.411	2.411	2.411		12.605
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TOTAL a+b+c							
CA							
PA							

¹⁰ The resources are estimated on the assumption that an executive agency will be set up and will be deducted from the resources currently allocated as part of the Commission's administrative expenditure.

2.4 Compatibility with financial programming and financial perspective

- Proposal compatible with the existing financial programming
- Proposal will entail reprogramming of the relevant heading in the financial perspective.
- This may entail application of the provisions of the Interinstitutional Agreement.

2.5 Financial impact on revenue

- No financial implications (involves technical aspects regarding implementation of a measure)
- Proposal has financial impact – the effect on revenue is as follows:

3. BUDGET CHARACTERISTICS

Type of expenditure		New	EFTA participation	Participation applicant countries	Heading financial perspective
<u>Comp/ Non-comp</u>	<u>Diff/Non-diff</u>	<u>YES/NO</u>	<u>YES/NO</u>	<u>YES/NO</u>	N° 3
<u>Comp/ Non-comp</u>	<u>Diff/Non-diff</u>	<u>YES/NO</u>	<u>YES/NO</u>	<u>YES/NO</u>	N° 5

Note: the action is new in this form; however, it follows on from existing Community operations which have existed in another form for several years and its main purpose is to provide a legal basis for these operations. It relates to the old headings A-3016, A-3020, A-3021, A-3024, A-3026, A-3030, A-3036, A-321, B3-305, B3-4105 and B5-803 (the last three in part).

4. LEGAL BASIS

Proposal for a Decision of the European Parliament and of the Council, adopted by the Commission on ...

5. DESCRIPTION AND GROUNDS

5.1 Need for Community intervention

5.1.1 Objectives pursued

In addition to the Treaty, which establishes European citizenship, various recent statements stress the need to promote active citizenship, especially of young people: the European Council of Nice, in its Declaration 23, "recognises the need to improve and to monitor the democratic legitimacy and transparency of the Union and its institutions, in order to bring them closer to the citizens of the Member States"; the European Parliament, the Council and the Commission, in the preamble to the Charter of

Fundamental Rights of the European Union, state that "the Union contributes to the preservation and the development of these common values while respecting the diversity of the cultures and traditions of the peoples of Europe"; the Laeken Declaration annexed to the conclusions of the European Council of 14 and 15 December 2001 asserts that one of the basic challenges to be resolved by the European Union is "how to bring citizens, and primarily the young, closer to the European design and the European institutions"; the Commission's White Paper on Governance stresses the principle of citizen participation in devising and carrying out policy, of involvement of civil society and its component organisations.

Moreover, the Community and the Member States have as their objectives the promotion of employment, improved living and working conditions, proper social protection, the development of human resources with a view to lasting high employment and the combating of exclusion.

The preparation of a common policy on asylum, including common European arrangements for asylum, is a constituent part of the European Union's objective of establishing progressively an area of freedom, security and justice open to those who, forced by circumstances, legitimately seek protection in the European Union.

The Community budget is in fact already providing support for promoting active European citizenship under headings in Part A of the budget, and in particular that which finances town twinning. This support has been provided without any legal basis, under budgetary headings entered in the Commission's administrative expenditure. The introduction, as from 2004, of a budgetary nomenclature in accordance with ABB principles makes it necessary to provide a proper legal basis for these operations, as agreed by the European Parliament, the Council and the Commission when the new Financial Regulation was adopted.

In recent years, the Community budget has also made it possible to provide support without a legal basis for measures for civil society (through NGOs and trade-union organisations) and for the Platform of European Social NGOs. It is considered desirable to group this support with the other actions for which the present legal basis is proposed.

This proposal, which is primarily informed by technical considerations, thus seeks to place on a solid legal footing grants hitherto awarded without a legal basis.

5.1.2 Measures taken in connection with ex ante evaluation

This proposal essentially addresses the technical need to provide a legal basis for operating grants which have traditionally been paid in this area under Part A of the budget, so following up the joint statement made by the three institutions when the new Financial Regulation was adopted.

5.2 Actions envisaged and budget intervention arrangements

The proposal is aimed at supporting two types of operation: grants to co-finance the operating costs of a number of bodies active in the field of European citizenship; grants to support actions contributing to achieving the Union's European citizenship objectives.

The operating grants are available to various bodies engaged in dialogue with citizens ("Our Europe" Association, Jean Monnet House and Robert Schuman House), in the social field (Platform of European Social NGOs) or in the field of justice and home

affairs (Association of the Councils of State and Supreme Administrative Jurisdictions of the European Union, European Council on Refugees and Exiles). Operating grants may also be awarded to other European bodies promoting active citizenship (think tanks, associations of European interest, etc.).

Support for individual actions is aimed at the promotion of European citizenship through two types of action: active European citizenship actions conducted in particular by non-governmental organisations, associations and federations of European interest or cross-industry trade unions; actions to promote town twinning instigated by municipalities, local and regional communities and bodies, local and regional authorities and organisations thereof.

5.3 Implementation arrangements

A feasibility study is in hand on the establishment of an executive agency to assist the Commission in the field of education and culture. If, in the light of a cost/benefit analysis, the Commission decides to set up such an agency, it may be involved in some of the tasks of managing the programme, in conformity with Article 55 of the Financial Regulation applicable to the general budget of the European Communities.

This possibility is being considered at the general policy level; this is the level at which an appraisal will be made of the implications of such an approach for the resources required to manage the programme within the Commission. At this stage, the working hypothesis is that this programme will contribute to the operating costs of the executive agency envisaged (by means of the administrative expenditure line associated with the budgetary heading for the programme).

6. FINANCIAL IMPACT

6.1 Total financial impact on Part B (over the entire programming period)

6.1.1 Financial intervention

Commitments in EUR million (to the third decimal place)

Breakdown	2004	2005	2006	2007	2008		Total
Part 1: – heading 5	1.725	1.778	1.818	1.868	1.918		9.107
Part 1: – heading 3	0.660	0.672	0.686	0.700	0.714		3.432
Part 2: – heading 5	2.515	2.570	2.620	2.670	2.718		13.093
Part 3: – heading 5	10.300	11.820	13.350	13.380	13.410		62.260
Part 3: – heading 3	4.150	4.150	4.150	4.150	4.150		20.750
TOTAL	19.350	20.990	22.624	22.768	22.910		108.642

6.1.2 *Technical and administrative assistance, support expenditure and IT expenditure (commitment appropriations)*

	2004	2005	2006				Total
1) Technical and administrative assistance:							
Technical assistance							
Other technical and administrative assistance: - intra-muros: - extra-muros: <i>of which for construction and maintenance of computerised management systems:</i>							
Subtotal 1							
2) Support expenditure:							
a) Studies							
b) Meetings of experts							
c) Information and publications							
Subtotal 2 – heading 3	0.450	0.450	0.450	0.450	0.450		2.250
3) Contribution to an executive agency							
Subtotal 3 – heading 5	p.m.	0.550	0.550	0.550	0.550		2.200
TOTAL	0.450	1.000	1.000	1.000	1.000		4.450

6.2 Calculation of costs by measure envisaged in Part B (over the entire programming period)

Commitments in EUR million (to the third decimal place)

Breakdown	Type of outputs (projects, files, etc.)	Number of outputs (total for years 1...n)	Average unit cost	Total cost (total for years 1...n)
	1	2	3	4=(2X3)
<u>Part 1:</u>				
	Op. grants	30	0.415	12.539
<u>Part 2:</u>				
	Op. grants	125	0.105	13.093
<u>Part 3:</u>				
	Action grants			83.010
TOTAL COST				108.642

The amount proposed takes account of the budgetary constraints, in particular those applying to heading 5, which will be the main source of funding.

In this context, it has been assumed as a general rule that grants to the bodies designated in the Decision establishing the programme (part 1) will increase by 2 per cent per year.

7. IMPACT ON STAFF AND ADMINISTRATIVE EXPENDITURE

Human resource and administrative needs will be covered by the managing DG's allocation under the annual allocation procedure.

7.1 Impact on human resources

These are existing resources.

Type of job		Staff to be assigned to management of the measure, using existing and/or additional resources		Total	Description of tasks deriving from the measure
		Number of permanent posts	Number of temporary posts		
Permanent officials or temporary staff	A	6	1	6	<i>If necessary, a fuller description of the tasks may be annexed.</i>
	B	4		5	
	C	11		11	
Other human resources				13	1 national expert on detachment and 12 auxiliary staff
Total		21	1	35	

7.2 Overall financial impact of human resources

Type of human resources	Amounts EUR	Method of calculation *
Officials	2 268 000	21 x EUR 108 000
Temporary agents	108 000	1 x EUR 108 000
Other human resources (indicate budget heading)	45 000	1 x EUR 45 000
National expert on detachment	540 000	1 x EUR 108 000
Auxiliary staff		
Total	2 961 000	

The amounts represent total expenditure for 12 months, without assistance from an executive agency; if assistance were provided by an executive agency from 2005 onwards, the internal Commission resources used to manage the action would be reduced accordingly (this is assumed in the total shown below).

7.3 Other administrative expenditure deriving from the measure

Budget heading (number and heading)	Amounts EUR	Method of calculation
Overall allocation (Title A7) A0701 – Missions A07030 – Meetings A07031 – Compulsory committees ⁽¹⁾ A07032 – Non-compulsory committees ⁽¹⁾ A07040 – Conferences A0705 – Studies and consultations ... Other expenditure (please specify)		
Information systems (A-5001/A-4300)		
Other expenditure - Part A (please specify)		
Total		

The amounts represent total expenditure for 12 months, without assistance from an executive agency; if assistance were provided by an executive agency from 2005 onwards, the internal Commission resources used to manage the action would be reduced accordingly (this is assumed in the total shown below).

⁽¹⁾ Specify the type of committee and the group to which it belongs.

I.	Annual total (7.2 + 7.3)	EUR 2 961 000
II.	Duration of action	5 years
III.	Total cost of the measure (I x II)	EUR 12 605 000

8. MONITORING AND EVALUATION

8.1 Monitoring arrangements

Article 7 of the Decision lays down the arrangements for evaluation of the programme (interim evaluation, before any decision on renewal of the programme; final evaluation).

8.2 Arrangements and schedule for the planned evaluation

No later than 31 December 2007, the Commission will submit a report to the European Parliament and the Council on the achievement of the programme's objectives and will, if appropriate, make proposals for any adjustment to be made with a view to continuing or not continuing the programme. This report will be based on an external evaluation report which must be available by the end of 2006 and will at least examine the overall relevance and coherence of the programme, its practical effectiveness (in terms of preparation, selection and implementation of the actions), and the overall and individual effectiveness of the various actions (in terms of achieving the objectives set out in Article 1 and in the Annex).

The Council, in accordance with the Treaty, will decide on the continuation of the programme as from 1 January 2009. Before presenting proposals to this end, the Commission will have an updated external evaluation made of the programme and will bear the results in mind in its proposals.

No later than 31 December 2009, the Commission will present to the European Parliament and the Council a report on the achievement of the programme's objectives. This report will be based on the results of the external appraisal and will look into the results obtained by the beneficiaries, more especially from the point of view of the effectiveness and efficiency of the various actions (in overall and individual terms) in achieving the objectives set out in Article 1 and in the Annex.

9. FRAUD PREVENTION MEASURES

All contracts, agreements and legal undertakings entered into by the Commission and the beneficiaries provide for checks to be carried out by the Commission or the Court of Auditors on the premises of a direct beneficiary of a Community grant, and for evidence to be required of any expenditure under such contracts, agreements and legal undertakings, during the five years after the end of the contract period. Beneficiaries are required to submit financial reports and accounts, which are analysed for content and eligibility of expenditure in the light of the objective of Community funding, bearing in

mind the contractual obligations and the principles of economy and sound financial management.

Attached to the financial agreements are administrative and financial information intended inter alia to specify expenditure which is eligible under these agreements. Where appropriate, Community coverage of certain cost elements will be limited to items which are real, identifiable and verifiable in the beneficiary's book-keeping arrangements, so as to facilitate checking and auditing (and evaluation for selection purposes) of projects in receipt of funding.