



Brussels, 3.7.2014  
C(2014) 4453 final

**COMMISSION IMPLEMENTING DECISION**

**of 3.7.2014**

**on the adoption of the first multiannual indicative programme for the period 2014-2017  
under the Partnership Instrument for cooperation with third countries**

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### on the adoption of the first multiannual indicative programme for the period 2014-2017 under the Partnership Instrument for cooperation with third countries

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 234/2014 of the European Parliament and of the Council of 11 March 2014 establishing a Partnership Instrument for cooperation with third countries, and in particular Article 4 thereof,

Whereas:

- (1) The Union must seek to develop relations and build partnerships with third countries. Although based on the experience gained with industrialised countries and high-income countries and territories under Council Regulation (EC) No 1934/2006<sup>1</sup>, the instrument set up under Regulation (EU) No 234/2014 of the European Parliament and of the Council of 11 March 2014 establishing a Partnership Instrument for cooperation with third countries is a new instrument. It offers direct support for the Union's external policies and extends the cooperation partnerships and policy dialogues to areas and issues outside development cooperation in order to promote core Union interests.
- (2) The multiannual indicative programmes set out the Union's interests and priorities, specific objectives and expected results. They lay down the priority areas selected for Union financing and should indicate in general terms, for the relevant period, the indicative allocation of funds for each priority area and for each partner or group of partner countries. In accordance with Article 9(3) and (4) of Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service (EEAS), the EEAS contributes to the management and programming cycle of external-aid instruments<sup>2</sup>. The above Council Decision 2010/427/EU applies to the relevant provisions of the abovementioned Regulation No 234/2014.
- (3) The financial allocation for implementing the partnership instrument for the period 2014-2020 will be EUR 960 400 000.
- (4) The aid provided by the Union will support the objectives and thematic priorities identified in the Annex to Regulation No 234/2014 and be implemented for this purpose in accordance with the multiannual indicative programme for the Partnership

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<sup>1</sup> 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 (OJ L 405, 30.12.2006, p. 41).

<sup>2</sup> The EEAS has responsibility for preparing the decisions of the Commission regarding the strategic, multiannual steps within the programming cycle. Throughout the whole cycle of programming, planning and implementing the instrument, the High Representative and the EEAS will work with the relevant members and departments of the Commission. All proposals for decisions will be prepared by following the Commission's procedures and will be submitted to the Commission for adoption.

Instrument for cooperation with third countries for the period 2014-2020 annexed hereto.

- (5) In accordance with Article 18(4) of Regulation (EU) No 1288/2013 of the European Parliament and of the Council establishing Erasmus+, in order to promote the international dimension of higher education, an indicative amount of EUR 88 000 000 will be allocated for actions to promote the mobility of young people to and from partner countries during their studies and for cooperation and political dialogue with the authorities, institutions and organisations of those countries.
- (6) The measures provided for in this Decision are in accordance with the opinion of the Committee set up under Article 7 of Regulation No 234/2014,

HAS DECIDED AS FOLLOWS:

*Sole Article*

The first multiannual indicative programme for the period 2014-2017 under the Partnership Instrument for cooperation with third countries set up by Regulation No 234/2014, and its attached table, which are annexed hereto, are hereby adopted.

Done at Brussels, 3.7.2014

*For the Commission*  
*Catherine ASHTON*  
*Vice-President*

## **Partnership Instrument**

### **First Multi-annual Indicative Programme for the period 2014-2017**

#### **1. Executive summary**

The Partnership Instrument (PI) has innovative features, including global reach and the vocation to address global challenges such as climate change and energy security and to support the external dimension of EU policies. It will be able to address specific aspects of the EU's economic diplomacy, trade and investment opportunities and to support public diplomacy and outreach activities. The PI's global reach and flexibility are designed, in complementarity with other instruments, to help the Union to respond to the fast-changing nature of partner countries and to global challenges.

Over the next seven years, the relative shift of the world's economic power away from the North Atlantic is likely to continue. The EU will remain one of the principal global political and economic players, but in a "multi-polar" world. The EU will therefore need to think even more than today in terms of forging bilateral and multilateral partnerships to advance its strategic interests. The PI has been designed to support the EU's efforts to create and maintain such partnerships. The PI will come into play first and foremost for the EU's strategic partners, and will thus be deployed mainly in the Asia-Pacific, the Americas, and with Russia, Central Asia and the Gulf.

This document both assesses the strategic outlook for the 2014-2020 period, and proposes a Multi-annual Indicative Programme (MIP) for the period 2014-2017. The PI will be programmed in line with the headline objectives set out in the Regulation<sup>1</sup>, namely: (i) Supporting the Union's bilateral, regional and inter-regional co-operation partnership strategies by developing collective approaches and responses to challenges of global concern; (ii) implementing the international dimension of the "Europe 2020" strategy; (iii) improving market access and developing trade, investment and business opportunities for European companies (including SMEs) by means of economic partnerships, and; (iv) enhancing widespread understanding and visibility of the Union and its role on the world scene, notably via public diplomacy and higher education co-operation. There will be a small reserve of un-programmed funds to allow the EU to respond promptly and

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<sup>1</sup> Regulation (EU) N° 234/2014 of the European Parliament and of the Council of 11 March 2014 establishing a Partnership Instrument for cooperation with third countries.

effectively to new or unforeseen developments. The financial envelope for 2014-2020 is expected to be EUR 960.4 million.

## **2. Overall context**

The Partnership Instrument (PI) has global reach and the vocation to address global challenges such as climate change and energy security and to support the external dimension of EU policies (e.g. competitiveness, research, and innovation). The external projection of the “Europe 2020” Strategy will be a major strategic component of the PI. It will also be able to address specific aspects of the EU’s market access, trade, investment and business opportunities and to support public diplomacy and outreach activities.

The external action challenges of the EU are covered by several development and cooperation financing instruments, but, for the first time, the EU has an instrument specifically designed to promote its strategic interests worldwide by supporting EU external strategies, policies and actions. It permits co-operation on a mutual interest or EU interest basis with major existing and new international actors such as the emerging economies (including the BRICS). It provides the means to rapidly underwrite EU Agreements reached at Summits with concrete actions falling under the remit of the PI Regulation.

The PI is intended to address issues and challenges at global regional and bilateral level. In this respect it offers a different approach to established models of development co-operation, promoting policy co-operation with both established and emerging strategic partners, and with other countries of strategic interest to the EU. It will also be able, as necessary, to support actions in the sole interest of the EU.

Through the Partnership Instrument the EU will further support its engagement with key multilateral fora and/or regional groupings. Further engagement and support to regional partners could be done by addressing key issues of common interest through dialogue, outreach and training, for example. By doing so, the EU will have the opportunity to improve its visibility, to further promote its values and core interests, and to facilitate intra-regional and inter-regional cooperation which would also ultimately contribute to the stability and prosperity of those regions. PI will in that sense actively contribute to working and engaging further on issues of common concern with regional partners.

The PI will also allow the EU to develop an overarching policy dialogue with key global players. Moreover, the PI will help to underpin relations with those countries that are no longer eligible for bilateral development aid. No mandatory classification of expenditure as Official Development Aid is included in the PI.

The PI’s global reach and flexibility are designed to help the Union respond to the fast-changing nature of partner countries and to global challenges. By ensuring coordination and complementarity in programming and implementation with other instruments, the PI can contribute to improving EU external policy coherence. The process of programming the PI will contribute to co-ordination between different EU initiatives (e.g. with regard to countries like

China and the US where there are numerous concurrent thematic dialogues), especially if they have budgetary implications. This would not only improve the visibility of EU action, but also improve its effectiveness.

The PI opens the way for new approaches to partnership with third countries (e.g. by identifying coalitions of like-minded countries and/or international organisations and non governmental organisations (NGOs), or triangular cooperation with an industrialised and an emerging economies), as well as new kinds of activity (e.g. twinning of people or organisations or promotion of business co-operation) in line with the Regulation<sup>2</sup> establishing common rules and procedures for the implementation of the Union's instruments for external action.

### **3. Strategy outlook 2014-2020 and main priority areas**

This strategy will cover the whole period of the Multi-annual Financial Framework (2014-2020).

The PI will be subject to a mid-term review that will be carried out not later than the end of 2017. The mid-term review report will look at issues such as the extent to which the instrument has contributed to achieving the intended objectives, if planned percentages set for the said objectives were fulfilled in implementation (explaining the reasons which hindered full allocation, if any), the results delivered so far, the added value, the scope for simplification and the synergies and complementarities between instruments.

Moreover, in the light of the findings of the mid-term review report, and based upon the recommendations contained in that report, the Commission shall adopt a delegated act to amend the thematic priorities described in the Annex to the Regulation by 31 March 2018.

This would not exclude *ad hoc* revisions in case of need.

A certain proportion of funds will need to remain unallocated in order to allow swift and flexible responses to politico-economic developments between the EU and its partners, and to deal with new and/or unforeseen challenges.

#### **(a) Strategic outlook**

The seven-year period covered by the Multiannual Financial Framework (MFF) is likely to see the acceleration of a number of already identifiable global trends. It is quite possible that the GDP of China will surpass that of both the US and the EU within the next 10-15 years, confirming a

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<sup>2</sup> Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action

relative shift of the world's economic power from the North Atlantic towards the Asia-Pacific region. This trend is likely to be accompanied by a concomitant shift in diplomatic and military power. The EU will remain one of the principal global political and economic players, but in a so-called "multi-polar" world in which there are more power centres, including dynamic emerging countries like China, Brazil, India and Mexico. In view of these realities, the EU will need to think even more than today in terms of forging bilateral and multilateral partnerships to advance its strategic interests. The PI has been designed to support the EU's efforts to create and maintain such partnerships.

At the same time, other trends are becoming established which will create both challenges and opportunities for the EU and will have to be taken into account in implementing the PI. One of the most important trends will be changes in global demography. Not only the advanced industrialised economies but increasingly also more recently industrialising countries will have to face an ageing demographic profile, creating workforce shortages and migratory pressures. Skills gaps and mismatches are likely to aggravate the problem. Unemployment and precarious or informal employment and lack of social protection will remain a problem in many industrialising countries. In developing countries, the number of people falling into the middle class income bracket is set to increase substantially. This will increase private consumption and investment in those countries and will have a direct positive impact for European enterprises, not least SMEs, seeking to expand into new markets. Rapid urbanisation is likely to continue in Asia and Latin America, but increasingly also in Africa. The development of the tourism sector will continue, with a large portion of the new arrivals in the two decades 2010-2030 originating from emerging economies.

Another key trend will be an enormous increase in demand for food, water and raw materials accompanied by more severe climate change impacts which will affect the supply of these resources. Water is likely to become one of the most contested resources in the future and conflicts over access to water are likely to become more frequent. Global demand for energy will also rise, stimulating the search for new resources, the more sustainable use of existing resources, and the development of new technologies. The promotion of innovation and knowledge management, the growing role of cross-border financial flows, the role of science as well as the development of trans-national business are expected to spur further globalisation and trade integration. In this respect, the global role of emerging economies as donors and investors is expected to increase in the next few years.

Amidst these changes, the EU, through the external projection of its policies in these and other areas will have unprecedented opportunities to offer its policy-making and technological expertise in ways that underpin global security and prosperity in a sustainable manner. Many of these policy and technology solutions play to EU strengths in the fields of governance, regulation, research, innovation and business which can reinforce both mutual interest partnerships with key global players and overall economic competitiveness. This is the logic followed by the objectives set out in the PI.

The EU has numerous international agreements and political dialogues with partner countries all over the world, which give the Union influence in virtually every field of international relations. With 28 Member States acting within common policies and strategies, the EU has the critical

mass to respond to global challenges. The PI will allow the EU to develop a proactive agenda of mutual interests with partner countries, with a specific focus on EU strategic partners and other partner countries with which it shares strategic interests. It will also equip the EU to honour better the commitments it makes to partner countries through Partnership and Cooperation/Framework Agreements, and at political level via actions decided at bilateral or regional summits. In linking the promotion of its values and interests with specific cooperation activities, the PI adds credibility and consistency to the EU's external policy. This helps to support the EU's ambition to reinforce its position as a key political and economic player on the international scene both bilaterally and within multilateral bodies such as the G20 and the WTO.

In terms of global challenges, the PI will need to address as a matter of priority the linked issues of climate change, energy security and the environment, including biodiversity, protection of forests and fragile environments such as oceans, water, and raw materials. In support of the overall aim of negotiating and implementing a global deal to fight climate change, the EU will need to develop co-operation with key players to put a price on carbon in fast-growing middle-income countries, notably through carbon market mechanisms, and to work on encouraging these countries to commit to a sustainable low-carbon development path. This will include helping them to manage their rapid urbanisation in a low carbon, climate resilient and sustainable manner. At the same time, if global greenhouse gas emissions are to be held to a level low enough to avoid catastrophic climate change, the EU will also have to forge alliances with major emitters and other key players in terms of policy development at the domestic level, building financial sector capacity and incentives to invest in low carbon and energy efficient sectors, and supporting long term business co-operation on low carbon solutions.

Work on climate change should go hand-in-hand with the creation of mutually beneficial energy partnerships which would contribute to the energy security of both the EU and its partners by supporting policy dialogue on energy security, and the promotion of best policy and regulatory practice for sustainable and environmentally friendly energy use. On the broader question of resource efficiency and environmental sustainability, the EU has an interest in fostering policy and regulatory frameworks which favour resource efficiency including better management of water and fishery resources, encourage the economics of biodiversity, facilitate more sustainable trade in such areas as timber, chemicals and waste, and promote EU exports of environmental goods and services.

A further and closely related aspect is the projection of the external dimension of the "Europe 2020" strategy, which focuses on smart, sustainable and inclusive growth. An open Europe, operating within a rules-based international framework, is the best route to exploiting the benefits of globalisation in a way which boosts growth and employment. A part of the growth that Europe needs to generate over the next decade will necessarily have to come from the emerging economies as their middle classes on the one hand, import goods and services in which the European Union has a comparative advantage and, on the other hand, travel more and more. One of the critical objectives will be to build partnerships with key players to discuss issues of common concern, and promote regulatory equivalence, mutual recognition and convergence, as well as the adoption of global rules and standards. Examples linked to "Europe 2020" could include sustainable supply and fair access to raw materials, agriculture and rural development, health, disaster management, mobility and migration, transport, labour standards, social dialogue, improving the scope and coverage of social protection and youth employment policies.



In the current difficult economic environment, boosting trade is one of the few ways to bolster growth without drawing on severely constrained public finances. Indeed, the contribution of external demand to economic growth is bound to increase in the future, as 90% of global economic growth in the next 10-15 years is expected to be generated outside Europe, a third of it in China alone. With this in mind, the EU has a strong interest in improving access to overseas markets, particularly in the key countries identified by the Market Access Strategy<sup>3</sup>. The PI will be able to support the EU's efforts in this regard, for instance by promoting adherence to global standards through regulatory co-operation, by helping to strengthen EU Market Access Teams on the ground, by fostering policy dialogue and technical assistance on key issues such as Intellectual Property Rights (IPR), by promoting business co-operation, innovation and knowledge management, and by underpinning co-operation with international institutions like the World Bank. Linked to market access challenges, targeted support activities for companies planning to extend their business beyond the borders of the EU could also be envisaged. These would be aiming at complementing Member States' activities in particularly difficult markets such as China, Japan and Korea.

At the multilateral level, the EU must continue to contribute to strengthening the global trading system centred on the World Trade Organisation (WTO). At the same time, the PI is also designed to be used in support of the negotiation, enforcement, and implementation of EU trade agreements with countries outside the European neighbourhood, especially the priority agreements now under negotiation (e.g. Canada, India, Japan, and the US). Completing this agenda would bring two-thirds of EU external trade under the coverage of bilateral free trade agreements (FTAs), and could boost EU GDP by more than 2% (or EUR 250 billion). Relevant areas would include compliance with international standards, customs procedures, legislative and non-tariff matters, trade and sustainable development, and investment. Similar initiatives to improve the implementation of agreements which are already in force (e.g. the EU-Korea FTA and the trade agreements with Colombia, Mexico and Peru) could also be supported by the PI.

In order better to project its values and interests, the EU will also need to continue to pay attention to education and academic co-operation, and to public diplomacy (including culture diplomacy) and outreach activities. Educational scholarships and exchanges at the tertiary level not only improve people-to-people links and therefore political and inter-cultural understanding, but they can also make a crucial contribution to modernising higher education and promoting the fulfilment of the EU's research, innovation and competitiveness goals. In this context, the PI will be able to support the extension of opportunities under the "Erasmus +" initiative to certain third countries.

Cooperation in higher education within the EU is part of a wider strategy to engage with partner countries across the world to promote EU values and better understanding of its actions and positions on worldwide priorities, for example tackling climate change and secure access to sustainable energy, and promoting fair and open trade which contributes to sustainable development. In doing so, the EU will need to make full use of the tools of advocacy and public persuasion. To this end, PI will be able to support actions and work with think-tanks, academia, opinion formers, cultural stakeholders, legislators, civil society, the business community, and the general public.

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<sup>3</sup> [http://trade.ec.europa.eu/doclib/docs/2007/april/tradoc\\_134591.pdf](http://trade.ec.europa.eu/doclib/docs/2007/april/tradoc_134591.pdf)

In line with strategic developments and the evolving interests of the European Union, the specific objectives and the thematic priorities of the Partnership Instrument will need to be pursued in a manner tailored to the specificities of key country and regional partners. Since the PI will come into play first and foremost for strategic partners, not least those such as Canada, Japan, South Korea and the United States which are not eligible for funding under any other instrument, it is envisaged that it will be deployed mainly in the Asia-Pacific, the Americas, and the Gulf and Central Asia, as well as with Russia for activities that are not covered by the European Neighbourhood Instrument. If the list of strategic partners is updated, implementation of the PI will of course adapt to this changing circumstance. For countries who can use other financing instruments for the kind of actions covered by the PI, the latter will only be used as an instrument of last resort, e.g. for actions which could not be financed by the former. The strategic outlook for the PI in terms of its geographical deployment is set out briefly below.

**Asia-Pacific:** EU-Asia relations are expanding, and the EU is seeking an increasingly close relationship with Asia, going beyond traditional cooperation, to encompass economic and fiscal dialogues, trade integration and political/security dialogues. Four of the EU's strategic partners are from Asia: China, India, Japan and South Korea. Beyond these country partners, the EU will also need increasingly to work with regional groupings such as the Association of South-East Asian Nations (ASEAN) and to make full use of the Asia-Europe Meeting (ASEM) as a region-to-region forum. Furthering strategic dialogues with key partners is a central priority, as well as facilitating Partnership and Cooperation Agreement (PCA) and Free Trade Agreement (FTA) negotiations and their implementation across the region.

PCA/Framework Agreement negotiations have been concluded or are ongoing with Australia, Brunei, Japan, Indonesia, Malaysia, Mongolia, New Zealand, the Philippines, Singapore, South Korea, Thailand and Vietnam. The first EU Free Trade Agreement (FTA) with an Asian partner entered into force with South Korea in July 2011, followed by the conclusion of negotiations with Singapore in December 2012. Further FTAs are being negotiated with India, Japan, Malaysia, Thailand and Vietnam. Moreover, negotiations on an investment agreement with China were launched in November 2013. Although the degree of like-mindedness of the EU's partners in the region varies, only through intensified ties and co-ordination with partners in Asia and the Pacific will the EU be able to address major global issues such as security (including cyber-security), trade, decent work, energy and climate change. The EU is of course also eager to enhance trade and investment links with this fast-developing region, as well as to develop co-operation with countries such as China and India with regard to the management of mobility and migration. Fostering bilateral relations, peace, security and stability, human rights and democracy, and addressing environmental challenges, climate change, energy efficiency, water management, ocean governance, business and trade, increased tourist flows, market access, and regional integration are key priorities for the EU in the Asia-Pacific region.

**Americas:** Four of the EU's strategic partners are to be found in the Western Hemisphere: Brazil, Canada, Mexico and the United States.

The EU's partnership with the United States is irreplaceable and of unparalleled breadth and depth. Not only has EU-US co-operation on foreign policy and security challenges been further reinforced in recent years, but there remains potential to increase EU-US collaboration on global challenges. The EU and US have opened negotiations on a game-changing Transatlantic Trade and Investment Partnership (TTIP) with an ambitious, rules-based agenda of liberalisation. EU-Canada relations are undergoing a similar upgrade, with negotiations on a Comprehensive Economic and Trade Agreement (CETA) successfully concluded and a Strategic Partnership Agreement close to completion. Similarly, Strategic Partnerships are in place with Brazil and Mexico which focus on implementing common priorities, as established in the respective Joint Action Plans. Other arrangements in Latin America include the Association Agreements with Chile, Mexico and Central America, and the multi-party trade agreement with Colombia and Peru, which may be extended to include Ecuador. Furthermore, the EU is negotiating an FTA with Mercosur and looking into possibilities to deepen the trade agreement with Mexico.

Moreover, the EU established a comprehensive region-to-region partnership with the countries of Latin America and the Caribbean (LAC) in 1999, which provides a vehicle to advance dialogue and cooperation in areas of mutual interest, as identified by the bi-regional Joint Action Plan. Overall, and beyond the EU's like-minded partners in North America, the countries of the Americas as a whole have become more assertive and influential in international fora, in particular in the areas of global governance, human rights, security, climate change and the environment. Moreover, in the Americas there are many significant energy exporters and some countries are also a vital source of raw materials for the EU. Increasingly, the leading Latin American countries have capabilities in such areas as conflict prevention and crisis response, cyber-security and science and technology which make them important partners for the EU. Above-average growth rates in many countries and significant EU investment and economic links create market opportunities which should be exploited by supporting the negotiation and implementation of comprehensive trade agreements, and working more generally to promote open markets and green growth, dismantle obstacles to trade and investment, and promote innovation and business-to-business cooperation.

## **Russia, Central Asia and the Arctic**

### **(a) Russia**

Developments affecting the EU-Russia relationship may require a revision of thematic priorities, and the PI allows for sufficient flexibility to adapt to changing circumstances.

The EU has a significant trade and investment relationship with Russia and therefore an interest in enhancing market access, fostering regulatory convergence and improving business climate. Engagement to encourage respect for common values, democratic principles, human rights, rule of law, is important. A strong emphasis is called for in the field of public diplomacy. In this regard, cooperation with civil society organizations will be crucial to improve the understanding of the European Union's interests, values and positions in the Russian Federation, and of EU's

role in our common neighbourhood. More generally, the PI will support the implementation of the EU-Russia Partnership for Modernization<sup>4</sup>, which covers a wide range of areas in the interest of the EU.

## **(b) Central Asia**

The EU has a strong interest in a peaceful, democratic and economically prosperous Central Asia, adhering to human rights and the rule of law. Trans-regional challenges in Central Asia, such as illicit trafficking of human beings and substances, organised crime and terrorism, also affect the EU's interests. These issues are dealt with under various development and cooperation programmes. There is scope to reinforce co-operation with some of the countries in the region, which have significant energy reserves, on energy policy and improved market access, trade and investment conditions, as well as justice and home affairs. The EU needs to make particular efforts to promote its values in the region, including via public diplomacy.

## **(c) The Arctic**

Developments in the Arctic are of strategic, economic and environmental interest for the European Union. The EU has strong links with the Arctic: not only from the historical, economic and geographical perspective, but also as an importer of natural resources and through its wider concern and responsibility for the global environment. The Arctic offers challenges and opportunities that will significantly affect the life of European citizens in future generations. The EU believes it should contribute responsibly to the Arctic by promoting environmental protection and sustainable development of the region. The geopolitical aspect is also crucial: three Member States — Denmark (Greenland), Finland and Sweden — have territories in the Arctic. Two other Arctic states — Iceland and Norway — are members of the European Economic Area (EEA). Canada, Russia and the United States are the main non-EU stakeholders in the area. Japan, China, India and South Korea are also increasingly present in the region and interested in cooperation on Arctic matters in particular as regards research, maritime routes and other economic opportunities. There is also a need to improve international cooperation in the framework of the Arctic Council.

## **Gulf countries**

The Gulf region includes major, reliable oil and gas suppliers, many of whom have invested heavily in the EU and themselves constitute attractive markets for EU exports. Some of them are beginning to invest in alternative energies for a post-hydrocarbon world. The Gulf countries are also starting to diversify their foreign policies, and are becoming more important as foreign policy partners for the EU. Areas of common interest include energy security, climate change, environment, regulatory co-operation, standards, market access, investment, and business development. The current EU Co-operation Agreement with the Gulf Co-operation Council (GCC) is supported by a Joint Action Plan agreed at ministerial level. The EU is also negotiating a trade agreement with the GCC countries. Given that the situation in the region, public diplomacy and outreach activities to promote the Union's values and interests are also important.

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<sup>4</sup> COM (2011) 539 final

## **Africa**

Over recent years, economic growth in Africa has bucked global trends and been boosted by a growing middle class, inflows of remittances, and foreign direct investment. The prospects for better governance in Africa are also brightening as its citizens become empowered by these changes. While tough development challenges remain, these trends look set to continue in the medium term. The EU has invested in reinforcing its political and economic relations with the continent, not least via the African Union. The Joint EU-Africa Strategy aims at enhanced political dialogue and co-operation beyond traditional development issues, and at building common positions on a range of common interests (including security, climate, energy, migration, trade and governance). Its implementation is underpinned by a dedicated new financial programme under the DCI.

South Africa is the most important EU Strategic Partner in Africa and accordingly the EU has high ambitions for the relationship. The EU looks to South Africa to lead its region and continent on a path of stability, democracy and sustainable growth. An EU- South Africa Strategic Partnership has been established, and an Action Plan adopted for its implementation. At the moment, it is envisaged that South Africa will continue to benefit from a financial allocation under the DCI geographic programme and can participate in the DCI thematic programmes. However, activities with South Africa which cannot be funded by the Development Co-operation Instrument are eligible for funding from the PI.

### **(b) Programming principles**

The programming of the PI adheres closely to the purpose and objectives of the instrument as set out in the Regulation itself, including above all its innovative character. The wide scope of the PI and its limited resources call for rigorous prioritisation in accordance with a number of basic programming principles:

- Link activities clearly to a well-defined EU strategic interest. The underlying approach of the PI is promotion and defence of EU interests, wherever possible in partnership with a third country or group of countries. Co-operation under the PI does not respond to an “aid” logic and should not be based on the conventional approach to “beneficiary” countries.
- Demonstrate, through improved external projection of EU policies and a stronger emphasis on the EU’s interests in co-operation primarily with emerging and industrialised countries, the added value of intervention at the EU level, and provide indicators of efficiency, effectiveness and impact.

- Given the PI's limited budget, ensure a focused, optimum use of resources and, especially, rigorous complementarity with other EU external instruments. These include DCI (Development Cooperation Instrument), ENI (European Neighbourhood Instrument), IPA II (Instrument for Pre-accession Assistance), ongoing projects under ICI/ICI+, other EU external budgets and instruments managed by Commission services outside "Heading 4" which have an external dimension (e.g. Horizon 2020 Framework Programme for Research and Innovation, Competitiveness and SME Programme – COSME, Erasmus +, Migration Management Fund, Internal Security Fund), and Member States activities. In particular, careful articulation with the DCI thematic Global Public Goods and Challenges (GPGC) programme will be essential as both are complementary in the matter of addressing issues of global concern. While the Thematic programmes under the DCI will ultimately contribute to the DCI primary objective, i.e. the reduction and, in the long term, the eradication of poverty, the Partnership Instrument is intended to advance and promote EU and mutual interests in third countries. Therefore, the Partnership Instrument will not address global challenges such as climate change, energy security or the protection of the environment from a development aid angle/perspective. The PI may also create synergies with other external instruments such as the EIDHR (European Instrument for Democracy and Human Rights) and IcSP (EU Instrument contributing to Stability and Peace), and will need to be programmed in accordance with the EU's strategy regarding co-operation with non-state actors and civil society organisations. The external projection of internal policies will be fully integrated in the programming of the PI and will be complementary to the external aspects of internal policies promoted under other EU programmes.
- Ensure that, with regard to countries eligible for funding under the DCI, ENI or IPA II, first call is made on those instruments before resorting to the PI. Countries eligible for bilateral cooperation under IPA II and ENI, would *a priori* not benefit from bilateral cooperation under the Partnership Instrument.
- Concretely, decisions to be taken about projects and countries will be consistent with the fact that the approach to programming is thematic, not country focused, building on the four core objectives described in the Regulation (Article 1.2).
- What is key is to be able to define the EU priorities, the EU interests in the countries of strategic interest to the EU and then identify the concrete actions/projects that best tackle those priorities. Ensuring that PI programming is fundamentally guided by the promotion of core EU interests will help to exclude from its scope actions that should more appropriately be funded through other external action instruments. Although the non-ODA nature of the PI is one of its defining characteristics, it is possible that some actions/projects funded under the PI may be categorized as "DAC-able" *ex post*. It is however important to recall that the PI is not an aid instrument. In addition, the PI will not address civil society and human rights priorities which are already covered through the DCI's CSO/LA (Civil Society Organisations and Local Authorities) thematic programme and the EIDHR instrument.
- Maximise impact and avoid excessive fragmentation of activities.
- Ensure an appropriate level of flexibility allowing effective response to changing environments.

#### **4. Multi-annual Indicative Programme for 2014-2017 – objectives and priorities in the light of the Union's strategic interests**

Article 1.2 of the PI Regulation identifies four areas of strategic interest for the EU:

**Objective 1: Supporting the Union's bilateral, regional and inter-regional co-operation partnership strategies by developing collective approaches and responses to challenges of global concern**

##### **Energy security, climate change, environment**

##### **1. Main objectives**

##### **(i) Energy**

The EU policy platforms are the Commission's external energy Communication<sup>5</sup> (, the subsequent (November 2011) Council conclusions on strengthening the external dimension of EU energy policy, and 2030 framework on climate and energy policies<sup>6</sup> and the European Energy Security Strategy<sup>7</sup>. The main objectives are:

- To develop mutually beneficial energy partnerships with key players on subjects of common interest, including energy security, investments in sustainability and environmental protection, low-carbon technologies, renewable and alternative energy, energy efficiency nuclear safety and urbanisation partnerships.
- To promote more sustainable energy policies in third countries, while improving market transparency, easing international market volatility and working towards a global energy market less vulnerable to supply shocks and disruptions. These efforts should help strengthen the EU's resistance to external energy events.
- To support the implementation of the external dimension of EU energy policy, focussing on issues related to energy security such as supply sources and routes, energy efficiency and alternative sources of energy, thereby helping to ensure that energy security issues are properly integrated in the EU's overall foreign policy.

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<sup>5</sup> COM (2011) 539 final.

<sup>6</sup>:"A policy framework for climate and energy in the period from 2020 to 2030" (COM(2014) 15).

<sup>7</sup> COM(2014) 330 final

(ii) **Climate change**

The climate change challenge highlights the interdependencies between the EU and its strategic partners. While the EU is the strongest proponent of ambitious international action, it accounts for only 11% of global greenhouse gas emissions. The EU can achieve little on its own and global progress is conditional on the actions and policies of our strategic and other partners. The main objectives are:

- To stimulate plausible efforts amongst middle income countries to commit to a sustainable low carbon development path. With their high economic growth and rapid urbanisation, greenhouse gas emissions by these countries are growing apace, accounting for a quickly increasing share of global emissions. Enabling a shift towards a low carbon development path will be crucial to stay within the internationally agreed 2°C objective.
- To support opportunities for the EU to shape investments, pilot projects and low carbon urban development strategies in key countries. The EU has a leading role in innovation and deployment of low carbon technologies, which offers considerable possibilities to combine climate change objectives with industrial policy objectives.
- To strengthen the policy dialogue on climate change with key partner countries in order to promote best practice and learning, to build support for EU objectives in the international climate negotiations, including in relation to introducing carbon markets, global aviation emissions, and to raise awareness amongst public administrations, private actors and other stakeholders of the need to take climate change into account when elaborating development strategies.

(iii) **Environment**

The PI will also support the EU's long term planning for environmental negotiations and help to build closer relations with both emerging economies and industrialised countries in order to deal better with global environmental challenges. The main objectives are:

- To support the EU's environment policy dialogues with key partner countries in order to promote convergence of positions at multilateral environmental negotiations and facilitate the exchange of information and expertise on issues such as environmental sustainability, the protection and management of natural resources, water security, resource efficiency, and biodiversity and environmental elements of sustainable urban development.
- To boost the greening of trade and businesses by promoting the effective and smooth implementation of initiatives such as the integration of sustainability criteria in business models, sustainable production and consumption, and the prevention, re-use and recycling of waste.
- To promote natural capital accounting and innovative finance for biodiversity and ecosystems in BRICS countries and other emerging economies.
- To support EU initiatives in the field of water security and diplomacy on the basis of existing EU policy. Water is likely to become one of the most contested resources in the future. Water supply is increasingly bound to be negatively affected by climate change –



related disasters. During the next decade tensions and conflicts over access to water are likely to become more frequent and have the potential to endanger stability regions such as the Middle East, Central and South East Asia, and Latin America.

## **2 Priorities**

Specific priorities in line with the above objectives will include:

- To support energy, climate change and environment policy dialogues, initiatives and pilot projects with key partners.
- To exchange experience, know-how and best practices with partner countries in support of the above priorities.
- To support EU initiatives in the field of water security and diplomacy, in particular by sharing EU experience and know-how, promoting international agreements, and enhancing partnerships.
- To support a number of flagship initiatives such as a “smart urbanisation” initiative focusing on sustainable, low carbon, green and energy efficient growth involving major cities in middle income countries, and Clean Energy Centres and/or Clean Technology and Innovation Centres in key partner countries.
- Support for the development of carbon market mechanisms in ten to twelve target countries.
- Support for green trade via such initiatives as sustainability schemes, recycling standards, and environmental footprint methodologies.
- Support for the development and application of natural capital accounting, building on the World Bank's work, aimed at fostering improved conditions and more innovative financing of initiatives to protect biodiversity and ecosystems.

The main partner countries/regions are likely to include:

- China, India, Japan, South Africa, ASEAN countries not eligible under DCI bilateral programmes, North America, Brazil, Mexico and other Latin American countries not eligible under DCI bilateral programmes, Russia, Central Asia and the GCC countries.

## **3. Expected outcomes and indicators:**

- Creation and development of mutually beneficial energy partnerships with key players.
- Uptake of more sustainable energy policies in key countries, in line with EU interests.
- Measurable contributions to improving the security of the EU's energy supply, e.g. by promoting greater diversification of supply sources or enhancing energy efficiency.

- Uptake of policies in partner countries to reduce carbon intensity and lower greenhouse gas emissions.
- Measurable contributions to improving opportunities for low carbon and environmentally friendly EU investment, technology and green goods/services in partner countries. Increase in 'green trade', i.e. in goods and services that benefit the environment or conserve natural resources.
- Increased EU influence on policy formulation, agreements concluded and improved co-ordination with partner countries with regard to international climate change and environmental negotiations, in line with EU interests.
- Uptake of policies in partner countries which improve resource efficiency and environmental sustainability.
- Progress in the promotion of the environmental standards of the Union, illustrated by alignment to EU legislation or by increasing convergence between the EU and partner country positions in multilateral fora on key policy issues.

## **Objective 2. Implementing the international dimension of "Europe 2020 – A strategy for smart, sustainable and inclusive growth"**

### **1. Main objectives**

One of the aims of the PI is to give the “Europe 2020” strategy global reach and to respond in an effective and flexible manner to policy objectives arising from the Union's relations with key partner countries. The strategy recognises that fast-growing emerging economies with an expanding middle class will play a critical role in sustaining European exports of goods and services in which the EU has a comparative advantage.

The PI can make a valuable contribution by supporting policy dialogues and by facilitating technical assistance in areas within the scope of “Europe 2020”. It will complement the external dimension of internal policies conducted under other EU programmes. The main objectives are:

- To promote policy dialogue in areas of EU and mutual interest such as transport, employment and social policy, support to growth policies for innovative markets and corporate social responsibility, information and communication technologies, health and consumer safety, disaster management, regional development and regional integration and social cohesion, cultural and creative sectors, customs, taxation, financial matters and statistics.
- To promote EU "science diplomacy" with key countries and regions by underpinning the external dimension of the Innovation Union and “Horizon 2020” with specific regard to the added value research and innovation and can deliver in terms of (i) supporting the

policy outcomes the EU wants to see in such areas as trade, energy, climate change, environment and raw materials and (ii) creating trade and business opportunities.

- To promote business opportunities for Europe's environmental and low carbon goods and services as well as clean tech industries, especially in emerging economies.
- To support EU and mutual strategic interests in the fields of data protection, international civil law, judicial cooperation, migration, equality, and the fight against drugs, organised crime and corruption.
- To promote raw materials diplomacy based on strategic partnerships, policy dialogues and structured relations with key partners and stakeholders.<sup>8</sup>
- To promote the international dimension of the EU's integrated maritime policy.
- To support the Decent Work Agenda, Social Protection Floors, the Agenda for new skills and jobs, and the development of youth employment and social investment policies.
- To support policy dialogues related to tourism.

## 2. Priorities

Specific priorities in line with the above objectives will include:

- Support for policy dialogues, technical assistance, and or bilateral and multilateral initiatives to develop cross-cutting policy approaches and exchange of best practice (including through training and secondments) in areas within the scope of the "Europe 2020" strategy, in particular:
  - (i) Support for comprehensive policy dialogues on research and innovation with key partners and regions, including facilitating the implementation of political commitments with regard to the development of knowledge-based co-operation and the export of EU know-how in the field of regional (sub-national) innovation and smart specialisation strategies.
  - (ii) Support ~~sustainable urban development including~~ strategic cluster co-operation to facilitate sustainable partnerships which promote the take-up of low carbon technologies and more sustainable ~~urban~~ solutions, including in the area of urban development and sustainable cities.
  - (iii) Support the external dimension of "An industrial policy for the globalisation era"<sup>9</sup> to improve the business environment, notably for SMEs, and to support the

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<sup>8</sup> Including in the framework of the 2014 Joint Commission/HRVP Communication on 'Responsible sourcing of minerals originating in conflict-affected and high-risk areas: towards an integrated EU approach', COM (2014) 111.

<sup>9</sup> COM(2010) 614.

development of a strong and sustainable industrial base able to compete globally, in particular by supporting the internationalisation of SMEs.

- (iv) Support for comprehensive policy dialogues and possible technical assistance or bilateral/multilateral initiatives on employment and inclusive growth aimed at strengthening social cohesion, decent work and social protection.
  - (v) Support for the development of policy dialogues with key partners in line with the Raw Materials Initiative, and enhancement of raw material diplomacy..
  - (vi) Support for the international dimension of the EU's Digital Agenda with key partner countries by promoting the internationalisation of internet governance and by working with third countries to improve international trade conditions for digital goods and services, including with regard to intellectual property rights.
  - (vii) Support for the establishment of platforms to develop public-private partnerships for research and development, and for the enhancement of capacity to participate in EU research programmes.
- Support for the accession to and implementation of the multilateral agreements on civil judicial cooperation and private international law.
  - Support for the implementation of comprehensive EU dialogues and co-operation agendas with key partner countries and regional or global initiatives on mobility and migration matters, as well as on security (including cyber-security), drugs, disaster management and the fight against organised crime and corruption.
  - Support for multilateral and bilateral initiatives to develop cross-cutting policy approaches and exchange of best practice in pursuit of joint sea-basin strategies, and strengthening partnership with key international actors on sustainable management of ocean resources.
  - Support for the implementation of EU framework agreements and political declarations with key partner countries, with the aim of translating political commitments falling under the remit of the PI Regulation into concrete actions.

The main partner countries and regions are likely to include:

- China, India, Japan, Korea, Australia, ASEAN countries concerned by the implementation of PCAs (e.g. Brunei, Indonesia, Malaysia, Singapore, Thailand), North America, Brazil, Mexico and other Latin American countries not eligible under DCI bilateral programmes, Russia, Central Asia, and GCC countries.

### **3. Expected outcomes and indicators.**

- Degree of achievement of policy objectives within the scope of "Europe 2020" and/or arising from the agreed policy agenda with partner countries.
- Uptake of "Europe 2020" policies and objectives by key partner countries.

**Objective 3: Improving access to third country markets and boosting trade, investment and business opportunities for European companies (including SMEs) by means of economic partnerships, business and regulatory co-operation**

**1. Regulatory co-operation, standards, market access, investment, and business development**

**1.1 Main objectives**

A major strategic interest for the EU is the promotion of bilateral trade and investment flows with industrialised countries and the most dynamic emerging economies. The rise of emerging economies is one of the key developments of our time. Because of their economic size and potential, as well as their influence on the global economy, our trade policy needs to pay particular attention to large trade partners and emerging economies.

The EU's ability to benefit from these new markets will be an important benchmark of the contribution made by trade to jobs and growth in Europe. The EU stands to gain from an active trade policy vis-à-vis emerging economies, where there are both significant growth prospects and much potential for further trade opening. The main objectives are:

- To support market access for EU products and services in global markets by facilitating policy dialogues with key partners which contribute to the strategic objective of strengthening the presence of European companies, and improving the EU's capacity to tackle barriers which block trade and investment by EU businesses and undermine innovation. This should include the promotion of regulatory convergence to help reduce non-tariff barriers faced by European companies, and support for access to third country markets for SMEs.
- To promote the development at the global level of international standards based on EU standards.

**1.2 Priorities**

Specific priorities in line with the above objectives will include:

- Support for actions focussing on: convergence/alignment with the EU's standards in areas such as environment, energy, resource efficiency, agricultural products, pharmaceuticals, sanitary & phytosanitary standards, customs cooperation, removing technical and "invisible" barriers, promoting the use of European technology, implementation of

international labour standards, and developing an attractive investment climate for EU companies.

- Awareness-raising and capacity-building support for the establishment and enforcement of appropriate legal and regulatory frameworks in such areas as Intellectual Property Rights, competition policy and state aid.
- Targeted, value-added business support programmes in particularly challenging markets, especially in Asia and Latin America. These programmes will, where appropriate, take into account and make best use of the structures of the Enterprise Europe Network, already established by the Commission in Europe and in many third country markets under the CIP and COSME programmes.
- Support for specific technical studies aimed at better understanding the scope of partner countries' legislation and markets, and defining ways to reinforce their compatibility/alignment with international standards.
- Support for the involvement of the EU in the development and adoption of international standards in the pharmaceuticals sector, thereby enhancing the global competitiveness of the EU pharmaceutical industry which has been identified as a primary sector to be supported under the "smart growth" priority of Europe 2020.
- Support for initiatives to promote the take-up of international standards in the area of animal health, plant health and food safety.
- Support for the reinforcement of EU Market Access Teams (MAT), in particular in countries identified in the Commission's Trade and Investment Barriers Report.
- Support for actions promoting the enforcement of WTO rules, which may include legal assistance in the preparation of WTO cases.

The main partner countries and regions are likely to include:

- ASEAN countries (e.g. Indonesia, Malaysia, Vietnam, Singapore, Thailand), ASEAN as a regional organisation, China, India, Japan and South Korea, North America, Central and South America including MERCOSUR, Russia, Central Asia and the GCC countries.

## **2. Support for the implementation and negotiation of EU trade and investment agreements**

### **2.1 Main objectives**

While new trade negotiations are essential to prepare for the future, an effective way to boost the contribution of trade to growth in the short term is to ensure adequate implementation of the EU's existing trade and investment agreements, and robust enforcement of the EU's rights under current rules. Proper enforcement of trade rules under bilateral and multilateral agreements is an indispensable pillar of trade policy. It ensures that trade and investment agreements on paper can be translated into concrete results for people and companies on the ground. This is particularly

relevant for Small and Medium Sized Enterprises (SMEs), which need particular help in taking full advantage of the opportunities arising from EU trade and investment agreements. The main objectives are:

- To monitor and support the systematic implementation and possible updating of all trade and investment agreements by the EU's partners. The effective functioning of specific FTA and investment provisions and the achievement of the policy objectives incorporated therein serves the overall EU interest, while proper implementation of bilateral agreements is also in the interest of the EU's partners.
- To support specific aspects of the EU's ongoing bilateral trade and investment negotiations with partner countries.
- To support initiatives aimed at anchoring emerging economies into the global trading system. Like other advanced economies, the EU is more open to trade than its emerging partners. The ultimate objective is to rebalance the current asymmetry and to bring the emerging economies to the EU's level of openness, thus promoting a more level playing field.

## **2.2 Priorities**

Specific priorities in line with the above objectives will include:

- Support for actions ensuring the proper take-up of trade agreements by major trading partners.
- Support for the implementation of trade and investment agreements which have already been concluded.
- Support for awareness-raising and coalition-building in partner countries to address particular stumbling blocks in a given negotiation.
- Support for trade facilitation measures agreed in international fora such as the WTO, or in regional or bilateral agreements, including on issues of transparency and public procurement.
- Identification of economic sectors, including public procurement, that would most benefit from liberalization of trade in goods and services, as well as the analysis of their economic impact.

The main partner countries and regions are likely to include:

- ASEAN countries with which the EU is engaged in FTA negotiations (e.g. Malaysia, Thailand, Vietnam), India, Japan, United States, MERCOSUR, Russia, South Africa and

Central Asia, as well as countries with which the EU has recently concluded trade agreements (e.g. Canada, Central America, Colombia, Peru, Singapore and South Korea) or where agreements have been in existence for longer (e.g. Chile and Mexico).

### **3. Expected outcomes and indicators.**

- EU share in world trade and in trade with key partner countries targeted by actions under the Partnership Instrument.
- EU trade and investment flows to partner countries targeted by actions under the Partnership Instrument.
- Increased alignment to EU standards by key partner countries.

## **Objective 4: Enhancing widespread understanding and visibility of the Union and its role on the world scene**

### **1. Education/academic co-operation**

#### **1.1 Main objectives**

Education and training are now more important than ever for innovation, productivity and growth. More needs to be done to ensure that the EU's education and training systems deliver the knowledge and skills needed in an increasingly globalised labour market. In particular, the ultimate objective of the dedicated EU programme “Erasmus +” is to help citizens acquire more and better skills, enhance the quality of teaching in educational institutions both in the EU and beyond, and to create mutually beneficial partnerships with key non-EU countries. The main objective is:

- To engage with partner countries across the world in order to promote the EU's values and expertise via policy dialogue, mobility for students, researchers and academic staff leading to academic recognition, internationalisation of higher education, and enhancement of higher education quality.
- To enhance the attractiveness and excellence of EU higher education through peer learning and exchange of good practice.

#### **1.2 Priorities**

Specific priorities in line with the above objective will include:



- In order to promote the international dimension of higher education, an indicative amount of EUR 88 million from the Partnership Instrument will be channelled to the “Erasmus +” programme to fund learning mobility of students, doctoral candidates and staff.
- To promote, through such mobility, transparency, mutual recognition of qualifications and periods of study, research and training, and portability of credits, as well as improving mutual understanding of issues relevant to relations between the EU and the partner countries.

The main partner countries and regions are:

- The countries formerly covered by the regulation establishing the Industrialised Countries Instrument (ICI), and Russia.

## **2. Public diplomacy and outreach activities to promote the Union's values and interests**

### **2.1 Main objectives**

In order to promote the EU's interests in line with the objectives of the Partnership Instrument, the EU will need to make well co-ordinated and targeted use of the tools of advocacy and public persuasion. This work needs to be inspired by the promotion of EU values based on contributing worldwide to the delivery of peace, security and prosperity.

To be effective, public diplomacy and outreach activities must make full use of the EU's network of overseas Delegations and be implemented in close co-ordination with the EU's Member States. These efforts should target not just policy-makers and the media, but also think-tanks, academia, opinion-formers, legislators, the business community, and the general public. Civil society can also be an important vector for public diplomacy and the implementation of the PI will take it into account. Full use should be made not only of traditional means such as publications, seminars and conferences, but increasingly also the internet and social media platforms. One size does not fit all, and public diplomacy and outreach activities will also have to be tailored to the specifics of the audience concerned in each relevant partner country. Cultural diplomacy is also a valid element of public diplomacy. In the context of the PI, the following main objectives should be covered:

- Promoting the EU as a major partner in supporting human rights, democracy and good governance.
- Promoting the EU as a global economic power responding to the crisis.
- Promoting the EU as a major partner in tackling global challenges such as climate change, energy security and global security threats.

## **2.2 Priorities**

Specific priorities in line with the above objectives will include:

- Targeted public diplomacy and outreach initiatives in support of Objectives 1 and 2 of the Partnership Instrument, especially green and climate change diplomacy.
- Targeted support for people-to-people initiatives which improve mutual understanding between key constituencies in the EU and selected partner countries.
- Review and, where appropriate, extension in key partner countries of the global network of EU Centres.
- Support for cultural diplomacy as part of broader public diplomacy activities, in synergy with the activities of EU Member States, in particular where it is based on political commitments taken with key partner countries.
- Creation of a specific policy advice facility aimed at providing think-tank expertise and recommendations to the Commission Services and the EEAS, upon request, on the development of the EU's relationship with its Strategic Partners.

The main partner countries and regions are likely to include:

- All strategic partner countries, as well other PI-eligible countries as appropriate, in line with the objectives of the instrument and its programming.

## **3. Expected outcomes and indicators.**

- Positive impact on the quality of higher education and the design of internationalisation, notably through the widespread use of transparency and recognition tools.
- Positive impact on the development and employability of individuals and on institutions in terms of improved services to send and receive foreign students, upgraded curricula and improved teaching and institutional management.
- Broad and balanced participation from the eligible European and partner countries, monitored on an annual basis.
- Positive impact on strengthening existing academic collaboration while establishing new partnerships.
- Numbers of participating higher education institutions in partner countries.
- Number and nationalities of mobility participants.
- Number and nationality of staff exchanges.

- Perception of the EU and its policies in countries targeted by actions under this instrument, as measured for example by opinion surveys or evaluations.

## **5. Reserve of un-programmed funds**

The Partnership Instrument Regulation provides that a reserve for unallocated funds may be established in the multi-annual indicative programmes. The reserve for the period 2014-2017 amounts to EUR 48,2 million. This will allow the EU to respond in an effective and prompt manner to evolving policy developments in its relations with partner countries, or to react to unforeseen circumstances/needs as they arise.

## **6. – Indicative financial allocations 2014-2020**

The financial allocations for the period 2014-2020 are indicative. They can be found in Annex I to this MIP.

# ANNEX I - PARTNERSHIP INSTRUMENT - INDICATIVE FINANCIAL ALLOCATIONS 2014-2020 in MEUR

Objectives	Objective 1 <sup>i</sup>	Objective 2 <sup>ii</sup>	Objective 3 <sup>iii</sup>		Objective 4 <sup>iv</sup>		
Priorities	Priority 1 <sup>v</sup>	Priority 2 <sup>vi</sup>	Priority 3.1 <sup>vii</sup>	Priority 3.2 <sup>viii</sup>	Priority 4.1 <sup>ix</sup>	Priority 4.2 <sup>x</sup>	Totals per region <sup>xi</sup>
Asia & the Pacific	142	68	75	45	35	35	400
Americas	126	60	55	25	33	29	328
Russia, Central Asia and the Arctic	51	10	20	5	14	19	119
Gulf countries	12	3	2	2	6	2	27
Total per priority	331	141	152	77	88	85	874
Total per objective	331	141	229		173		874

Reserve	48,2
Total operational appropriations	922,2
Total administrative support	38,2
Grand total PI – MIP 2014-2020	960,4

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<sup>i</sup> Article 1.2 (a): Global challenges and policy support

<sup>ii</sup> Article 1.2 (b): Europe 2020 Strategy

<sup>iii</sup> Article 1.2 (c) Market access, trade, investment and business opportunities

<sup>iv</sup> Article 1.2 (d): Academic cooperation, public diplomacy and outreach

<sup>v</sup> Climate change, energy security, the environment and policy support

<sup>vi</sup> Other external aspects of the EU policies related to the Europe 2020 Strategy

<sup>vii</sup> Regulatory cooperation, standards, market access and business development

<sup>viii</sup> Support for the negotiation and implementation of EU trade agreements

<sup>ix</sup> Education/academic cooperation

<sup>x</sup> Public diplomacy and outreach

<sup>xi</sup> Activities in Africa, and in particular with South Africa, which cannot be funded by the Development Cooperation Instrument and thematic programmes are eligible for funding under the Partnership Instrument.