



## European Commission welcomes political agreement on new €14.2 billion Pre-Accession Assistance Instrument (IPA III)

Brussels, 2 June 2021

The European Commission welcomes today's political agreement between the European Parliament and the Council on the new Instrument for Pre-accession Assistance (IPA III), with a total budget of over €14 billion, for the 2021-2027 Multiannual Financial Framework period. This instrument supports candidate countries and potential candidates on their path towards fulfilling the EU accession criteria through deep and comprehensive reforms. Today's agreement will now be translated into legal texts, which will need to be approved by the European Parliament and the Council.

Commissioner for Neighbourhood and Enlargement, Olivér **Várhelyi**, commented: *"This long-awaited agreement on our ambitious financing assistance is a positive, welcome and strong signal for the Western Balkans and Turkey. The agreed package is a solid investment in the future of the enlargement region and the EU, supporting the implementation of key political, institutional, social and economic reforms to comply with EU standards and progressively align with its rules and policies. It will provide funding for the Economic and Investment Plan for the Western Balkans, a key tool to underpin the economic recovery of this priority region. Through investments in key sectors including connectivity, infrastructure, environment and climate, as well as energy and digital, it will boost the convergence with the EU and bring tangible benefits for citizens."*

In comparison to IPA I and IPA II, the new instrument will provide support to Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia and Turkey with an overall budget of €14.162 billion in current prices for 2021-2027, starting retroactively from 1 January 2021.

IPA III presents a solid policy-driven approach, with strategic and dynamic deployment of assistance, putting the "fundamentals" at its core: focusing on rule of law and respect of fundamental values; strengthening democratic institutions and public administration reform; promoting economic governance and reforms towards competitiveness.

The new instrument will increase steer from the Union, as its programming is based on thematic priorities rather than country envelopes. This allows to reward performance and progress towards key priorities and increased flexibility to respond to the evolving needs of the partners in their path towards accession.

Coherence and complementarity between IPA III and the new, almost €80 billion Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe will be ensured, including through the thematic and rapid reaction components of NDICI - Global Europe also benefiting candidate countries and potential candidates. Furthermore, strategic investments in connectivity of infrastructure, SMEs, energy efficiency, innovation, digital and green economy will be crowded in via the External Action Guarantee under the NDICI – Global Europe, which will have the capacity to guarantee investments up to €53.4 billion worldwide (including in IPA beneficiaries).

### Background and next steps

EU pre-accession funds are a sound investment in the future of both the enlargement countries and the EU itself. The objective of the instrument is to support the beneficiaries in adopting and implementing political, institutional, legal, administrative, social and economic reforms required to comply with the rights and obligations of Union membership, thereby contributing to their stability, security and prosperity. Those reforms should provide their citizens with better opportunities and allow for the development of standards equal to the ones enjoyed by citizens of the EU. Pre-accession funds also help the EU to reach its objectives regarding sustainable economic recovery, energy supply, transport, environment and climate change, and digital transformation.

The political agreement reached today is a balanced agreement addressing the last open elements of the negotiations, mainly concerning the governance of the new instrument and the possibility to modulate the assistance. This political agreement will now be translated into a legal text, before the two institutions launch the confirmation process to adopt IPA III formally. The adoption of the

instrument is expected in the autumn. Once adopted, IPA III will be implemented by approving a Programming Framework for the 2021-2027 period, which will provide the strategic frame and the programming priorities for the financial implementation of actions.

### **For More Information**

[Factsheet on the Instrument for Pre-accession Assistance \(IPA III\)](#)

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