# P6 TA-PROV(2005)0446

# **Community development policy**

European Parliament resolution on the proposal for a Joint Declaration by the Council, the European Parliament and the Commission on the European Union Development Policy "The European Consensus" (2004/2261(INI))

The European Parliament,

- having regard to the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions entitled "Proposal for a Joint Declaration by the Council, the European Parliament and the Commission on the European Development Policy 'The European Consensus'" (COM(2005)0311),
- having regard to the opinion of the European Economic and Social Committee (CESE 1072/2005),
- having regard to the opinion of the Committee of the Regions (CdR 224/2005),
- having regard to the Assessment of the EC Development Policy by European Centre for Development Policy Management, the Overseas Development Institute and the Instituto Complutense de Estudios Internacionales (February 2005),
- having regard to the Development Co-operation Review of the European Community (2002) of the OECD Development Assistance Committee (OECD/DAC),
- having regard to the Rome Declaration on Harmonization of 25 February 2003 and the Paris Declaration on Aid Effectiveness of 2 March 2005,
- having regard to the United Nations Millennium Declaration of 8 September 2000, which sets out the Millennium Development Goals (MDGs) as criteria established jointly by the international community for the elimination of poverty,
- having regard to the successive Human Development Reports drawn up by the United Nations Development Programme (UNDP),
- having regard to the report by the Millennium Ecosystem Assessment entitled "Living Beyond our Means: Natural Assets and Human Well-Being" (2005),
- having regard to the 2002 Report of the UN Conference on Trade and Development (UNCTAD) entitled "Least Developed Countries: Escaping the Poverty Trap",
- having regard to the final declarations and conclusions of international conferences, in particular the International Conference on Financing for Development (Monterrey, 2002), the World Summit on Sustainable Development (Johannesburg, 2002), the World Summit for Social Development (Copenhagen, 1995), the Third United Nations Conference on the Least Developed Countries (Brussels, 2001), the Fourth World Trade Organization Ministerial Conference (Doha, 2001), the Fourth World Conference on Women (Beijing, 1995), the International Conference on Population and Development (ICPD) (Cairo, 1994), the UN General Assembly's 1999 special session to review progress towards

- meeting the ICPD goals ("Cairo + 5"), a world fit for children (New York, May 2002) and the World Education Forum (Dakar, 2000).
- having regard to the commitments made by the EU at the Barcelona Summit in March 2002 in advance of the Monterrey Conference,
- having regard to its resolution of 1 March 2001on the Commission communication to the Council and the European Parliament on the European Community's Development Policy<sup>1</sup>,
- having regard to the European Community's Development Policy Statement (DPS) adopted by the Council and the Commission on 10 November 2000,
- having regard to the Conclusions of the General Affairs and External Relations Council (GAERC) of 22-23 November 2004, and of 23-24 May 2005,
- having regard to its resolution of 12 April 2005 on the role of the European Union in the achievement of the Millennium Development Goals<sup>2</sup>,
- having regard to its resolution of 8 September 2005 on Major and Neglected Diseases in Developing Countries<sup>3</sup>,
- having regard to the European Commission Report of 29 October 2004 on the Millennium Development Goals 2000-2004 (SEC(2004)1379),
- having regard to the Communication from the Commission to the Council, the European Parliament and the Economic and Social Committee of 12 April 2005 entitled "Speeding up progress towards the Millennium Development Goals The European Union's contribution" (COM(2005)0132),
- having regard to the report by the UN Millennium Project Task Force headed by Professor Jeffrey Sachs entitled "Investing in Development: a practical plan to achieve the Millennium Development Goals",
- having regard to the Multilateral Environmental Agreements (MEAs) on Climate Change, Depletion of the Ozone Layer, Biological Diversity, Wetlands, Desertification, Hazardous Wastes and Persistent Organic Pollutants;
- having regard to Rule 45 of its Rules of Procedure,
- having regard to the report of the Committee on Development (A6-0319/2005),

### The European Consensus

1. Welcomes the initiative for a tripartite statement on a common EU vision of development and stresses the need for Parliament to be fully involved on an equal footing with the

OJ C 227, 1.10,2001, p. 130.

<sup>&</sup>lt;sup>2</sup> Texts Adopted, P6 TA(2005)0115.

<sup>&</sup>lt;sup>3</sup> Texts Adopted, P6 TA(2005)0341.

- other institutions by means of a process similar to the co-decision procedure in order to contribute significantly to the aims of improved coherence, coordination, complementarity, quality and effectiveness of development policy;
- 2. Welcomes the proposed Joint Declaration and proposes that its formal status be clarified as the binding development policy framework for action by the European Union and its Member States towards all developing countries as defined by OECD/DAC; moreover calls for clarification on how the Joint Declaration will relate to the financing instrument for development cooperation;
- 3. Regrets that the proposal does not contain any specific statements on the assessments of the effectiveness and lessons learnt of EU aid and the 2000 DPS and its impact on Community aid;
- 4. Welcomes the attempt in Part one of the above-mentioned Communication to agree on overarching objectives and principles for EU aid; calls, however, for greater clarity in particular with regard to priorities and how to improve coherence and coordination of EU development cooperation;
- 5. Welcomes the attempt in Part two of the above-mentioned Communication to provide guidelines for the implementation of development policy at Community level; calls, however, for a clear definition of the specific role of Community aid, based on an analysis of its comparative advantage;
- 6. Considers that the present organisation of Community aid at Brussels level, notably the separation between programming and implementation, is not optimal for an effective implementation of its development policy;
- 7. Takes note of the fact that globalisation so far has widened the gap between rich and poor and calls upon the development policy to have a more balanced development as one of its aims in the future;

### Objectives and principles

- 8. Emphasises that the overall objective of EU development cooperation should be the reduction and ultimately the eradication of poverty within the framework of sustainable development; stresses that the concept of poverty is multidimensional relating inter alia to human capabilities such as consumption and food security, health, education, rights, the ability to be heard, human security, social justice, dignity and decent work;
- 9. Agrees that poverty reduction a first step being to achieve the MDGs -, promotion of democracy and good governance and respect for human rights are key development objectives; stresses, however, that combating poverty will be successful only if the environment and natural resources are managed sustainably, and if equal importance is given to investing in people, with special emphasis on young people and women, first and foremost in health and education, and investing in wealth creation with emphasis on issues such as entrepreneurship, science and technology, job creation, respect for workers' rights, access to credits, property rights and infrastructure; emphasises that the empowerment of women is the key to all development and that gender equality should be a core part of all policy strategies;
- 10. Supports the principles of genuine partnership, ownership and policy dialogue as well as a rights-based approach to development; underlines the importance of support for partner countries' efforts to improve their Poverty Reduction Strategy Papers (PRSP), with an active role for national parliaments and civil society organisations; suggests that the key

- principles of the Cotonou Partnership Agreement be extended to all developing countries;
- 11. Stresses the important role of civil society in developing countries, as a service provider as well as a promoter of democracy and human rights, and calls for enhanced support for capacity building for NGOs of partner countries; recognises as well the important role of European civil society and calls, in this context, for a simplification of the modalities for project support, including financing;
- 12. Stresses the need for the EU to work towards a democratisation of international institutions to achieve a stronger representation of developing countries' interests and to improve democracy in everybody's interest;
- 13. Welcomes the fact that the EU's draft proposal is aimed at strengthening the monitoring of EU arms exports, with the aim of ensuring that EU-manufactured weapons are not used against civilian populations, and includes concrete steps to limit the uncontrolled proliferation of small arms and light weapons; calls, however, on the EU also to take responsibility for the arms exports of the past and to intensify and speed up de-mining and disarmament programmes in regions in which wars have taken place;

#### Thematic Focus and Priorities

- 14. Welcomes efforts to achieve greater focus and concentration, while maintaining sufficient flexibility; regrets the absence of clear priorities among the action themes presented, notably at Community level, and calls for clarification of the selection of objectives, action themes and priorities;
- 15. Reiterates the importance to be given to human rights in developing, setting up and monitoring projects funded or co-funded by the EU;
- 16. Stresses that issues such as prevention and treatment of HIV/AIDS, malaria and tuberculosis, and the promotion of sexual and reproductive health, gender equality and women's rights, climate change mitigation, trade reform, conflict prevention, democracy and good governance (with priority being given to anti-corruption) merit special attention, since if they are not effectively addressed other development efforts may be in vain;
- 17. Suggests that greater attention be given within the Joint Declaration to the following:
  - many low-income countries are lagging behind in their pursuit of the health-related MDGs; most need help in preparing for health emergencies such as a flu pandemic; there is insufficient attention given to diseases for which there is no access to drugs or little drug research; the desperate shortage of medical personnel, notably in sub-Saharan Africa part of which is due to the brain drain -, is a major problem which calls both for a systems-approach to health and development, whereby the strengthening of health-systems and health research would be given the highest priority, and for increased support being provided to the health sector and the highest priority being given to health outcomes in the PRSPs;
  - the role played by national parliaments is crucial, which is why specific support is needed to strengthen and improve the working conditions of democratically elected parliaments, with Parliament's full involvement;
  - support from Community infrastructure aid must be better balanced with a lesser focus on the construction of roads and with priority being given to access to ICT, water, energy and rural development;
  - the promotion of gender equality and women's rights as fundamental human rights is not only crucial in itself but also a question of social justice, as well as being

instrumental in achieving all the MDGs and in implementing the Beijing platform for Action, the Cairo Programme of Action and the Convention on the Elimination of All Forms of Discrimination against Women; therefore a strong gender component is needed in all EU policies and practices in its relations with developing countries;

- given the central role of basic education and health Member States and Community Aid should give priority to the 20/20 principle of the World Summit for Social Development;
- education is key to development; one of the greatest obstacles to adequate access to full-time formal education is child labour; any strategy to promote education must include actions to combat all forms of child labour;
- since the majority of the rural poor depend on a traditional biomass-based economy, the rapid degradation of forests, soils and marine resources and growing water scarcity in many regions constitute a serious threat to the livelihoods of hundreds of millions of people; this calls for massive programs of reforestation, soil conservation, marine protection and water management;
- present production and consumption systems have led to increasing pressure on the environment and constitute a long-term threat to the welfare of society; poor people are particularly vulnerable to environmental degradation;
- developing countries do not necessarily have to repeat the polluting mistakes of the
  industrialised countries, provided that greatly enhanced support is provided for
  investment in clean and efficient technology; stresses the importance of decreasing
  dependence on fossil fuels of developing countries not least in the view of the
  pressure on the balance of payments, and hence, the budgets of these countries;
- hundreds of millions of poor people are extremely vulnerable to hazards such as
  earthquakes, tropical storms, flooding, tsunamis or severe droughts, and major
  disasters put development at risk; stresses that the MDGs will be hard to attain in
  most low-income countries unless disaster risk reduction, including disaster social
  insurance schemes, are well integrated into development and poverty reduction
  strategies;
- recognising that poverty, underdevelopment and fragile States create fertile conditions for conflict and the emergence of new security threats, including international crime and terrorism and, furthermore, acknowledge the need that in post-conflict settings, development has an important role to play beyond institutionbuilding by rebuilding the social fabric of societies and supporting peace building and reconciliation processes;
- employment is an important tool and condition to combat poverty. Therefore access to decent work and respect for the fundamental ILO conventions should be a priority;

### Aid Modalities, Financial Resources, Effectiveness and Coherence

18. Expresses appreciation over the commitment to increasing aid budgets within the EU with a view to reaching 0.7% of gross national income by 2015; encourages the setting up of innovative mechanisms to finance development cooperation such as international taxation systems; however, stresses at the same time the need to greatly improve the quality of aid and disbursements of aid and that there is a strong requirement for improved

- measurements of results and impact with a clear reference to the MDG set of indicators; moreover, considers that a single set of EC aid allocation criteria should be targeted at the poorest countries and populations;
- 19. Calls for an increase of the share of development funds allocated to low-income countries;
- 20. Considers that the debt initiative for the Heavily Indebted Poor Countries leaves a lot to be desired; calls for debt relief to be reinforced in countries characterised by unsustainable debt where governments respect human rights and democracy and invest freed resources in a responsible way; further stresses that debt relief should not have harmful economic policy conditions attached and should be additional to Official Development Assistance (ODA);
- 21. Regards as essential more energetic efforts by the EU and the Member States to trace misappropriated or misused funds and repatriate them so that they can be used for their intended purpose;
- 22. Calls for a redesigned external lending mandate for the European Investment Bank (EIB), allowing the EIB to become a fully functioning development bank carrying out the EU's developing strategies, enabling it to finance public investment in services and facilities of general interest;
- 23. Deplores the lack of consistency in development policy within the EU, leading to high transaction costs, duplication of work and complications for partner countries; supports efforts to improve coordination, harmonisation and alignment of the ways in which donors plan and deliver aid as set out in the Paris Declaration, and believes that such efforts should be applied to middle income countries as well; stresses, however, that the proposed Joint Declaration is far too vague as regards implementation;
- 24. Suggests that the EU on the basis of partner-country ownership and development strategy work towards close coordination between EU Member States' and the Commission's development assistance through joint country strategy papers and joint multi-annual programming preferably involving other major bilateral and multilateral donors; calls for improved coordination and complementarity through operational alignment with partner countries' budget processes and Poverty Reduction Strategies; suggests, moreover, the adoption of the principle that through consultations at country level a maximum of 2-3 EU donors should be lead agencies in any given partner country and that on specific thematic issues a clear division of labour should be sought;
- 25. Stresses the need for the EU and its Member States to liaise closely with international organisations involved in development work such as the Funds, programmes and agencies of the United Nations including the UNDP, the World Bank and the International Monetary Fund, in order to further enhance the coherence of EU development policy and prevent overlapping of work carried out with respect to internationally agreed targets;
- 26. Stresses that the EU should aim at a better coordination of its Member States policies within the World Bank and the International Monetary Fund;
- 27. Stresses that the Commission should not be viewed as the 26th donor of the EU; instead, the added value of Community aid should be identified and agreed upon, with particular attention being given to the potential for enhancing coordination, complementarity and coherence, the scale of Community aid, the Commission's image of neutrality, its work on governance, democracy and human rights, its role as a global player, its potential role as an intellectual focal point for European development policy, etc;

- 28. Agrees that specific conditions for aid imposed by donors reflecting the donors' historical economic interests seldom work; stresses, however, that general budget support as the preferred aid mechanism requires further scrutiny and should be considered only where the conditions are right and effective control systems, e.g. through independent commissions under the supervision of national parliaments, are in place. Wherever possible, the Commission and Member States should strive to move along the spectrum from project aid to sector-wide approaches, and from these to direct budget support;
- 29. Calls on the Commission to present to Parliament criteria by which to assess the need for support for developing countries and the effectiveness of the support being provided, statistics on the support already provided and a control system designed to evaluate the effectiveness of the implementation of support, with a view to improving them further;
- 30. Points out the existence of serious shortcomings within the Commission with regard to mainstreaming issues such as the rights of the child, gender equality and women's rights, disability and the environment; welcomes efforts to strengthen mainstreaming at the policy, programming, implementation and evaluation stage and stresses that, in order to achieve improvements, the situation will require a major boost in the form of education and training of staff at both headquarters and country level;
- 31. Supports efforts towards policy coherence which should be managed so that the objectives and outcomes of development policies, rather than being undermined, are supported by other policies, calls for urgent action on EU policies that are particularly negative, such as trade, CAP and fisheries agreements; stresses the importance of enabling developing countries to meet EU standards in food, product and substance safety so that these do not become barriers to access to EU markets; further calls for the phasing out within five years of all forms of export support, including hidden support through export credits, food aid, export trading enterprises and tied aid;
- 32. Notes that, over the past three decades, the least developed countries have become net food importers, and therefore calls for a shift in agricultural policy towards the prioritisation of food security;
- 33. Emphasises that development policy is one of several tools for addressing the root causes of insecurity but that it should not be subordinated to security policy and that any action undertaken in the framework of development cooperation should comply with the OECD/DAC definition of ODA;
- 34. Stresses that a fair international trade policy as well as enabling conditions for trade in developing countries are of immense importance for development; emphasises therefore the importance of strengthening the supply side, including capacity building of partner countries, so as to enable them to transform trade opportunities into development engines; in this respect, stresses the importance of areas such as agriculture and food security, and underlines the important role of small and medium sized enterprises.
- 35. Believes that development policy must be based on the recognition of the right of a country or a region to democratically define its own policies, priorities and strategies to protect its population's livelihood and social, economic and cultural rights and that these principles should be respected by the Commission and the Member States;
- 36. Welcomes the growing recognition that market opening must be carefully sequenced and stresses that this entails the right of developing countries to design the pace and directions of trade liberalization on the basis of their development goals;

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37. Instructs its President to forward this resolution to the Council and the Commission.