Programming implementation of the 10th European Development Fund

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The Committee on Development unanimously adopted an own-initiative report by Marie-Arlette **CARLOTT**I (PES, FR) on the programming of the 10th European Development Fund (EDF). The committee regrets, as it has on many occasions, the lack of budgetisation of this fund, and the subsequent lack of democratic scrutiny of the EDF on the parliament's behalf, due to its lack of inclusion in the EU budget. Members call on the Council to provide for the budgetisation of the EDF in the context of the mid-term review of the financial perspectives in 2009.

The committee also recalls that the main **challenges and objectives of the EDF,** as indicated in Regulation (EC) No 617/2007 relating to the implementation of the 10th EDF, must focus primarily on the eradication of poverty and the realisation of the Millennium Development Goals (MDGs). However, although these objectives are laudable they are not always put into practice by means of the Community instruments (particularly in Country and Regional Strategy Papers). More attention must also be given to the outflow of skilled labour from the ACP countries to the EU and to the appropriate measures needed to avoid this situation.

Amongst other issues addressed in the own-initiative report, the following points are highlighted:

- **Timeframe**: the Member States and the ACP countries are invited to ratify the Internal Agreement and the revised Cotonou Agreement, so as to begin the implementation of the 10th EDF as soon as possible. Since all the 9th EDF funds must be committed before **31 December 2007** at the latest, Members call on the Commission to take all appropriate measures to ensure that no appropriation is affected by the sunset clause;
- **Strategy papers and priority action areas**: once again, Members emphasise that priority should be given to actions aimed at reducing poverty and strengthening public health and basic education. They stress that the commitment, within the framework of the European instrument for development cooperation (DCI), to devote 20% of funds to health and basic education by 2009 should also apply to the EDF. However, to date, no global strategy has been drawn up by the Commission in order to include these sectors in thepriorities of national strategy papers. Therefore, MEPs call for this issue to be reassessed in the context of the mid-term review of the financial perspectives. They also call for EDF actions to be carried out through a process of **sustainable development** and **environmental preservation**. So that sustainable development is truly sustainable, priority must also be given to building democracies that are stable and respectful of human rights. MEPs also consider that national strategy papers should be subject to democratic scrutiny by MEPs, even though Regulation (EC) No 617/2007 makes no explicit provision for such consultation;
- **Gender dimension**: Members regret the fact that the gender dimension has not been included as a specific area of action and call for this decision to be reconsidered in the context of the mid-term review of the EDF. In addition, they request that gender issues be included among the political priorities of the ACP-EU partnership;
- **Budgetary support**: recalling the benefits of budgetary support for the eradication of poverty and the achievement of the MDGs, Members request that countries which receive this type of aid rigorously respect the principles of good governance and management of public finances, and that this aid is duly scrutinised by a democratically elected parliament in the beneficiary countries. Moreover, they call for budgetary support to be regularly assessed on the basis of reliable and transparent indicators;

- **Aid for trade and EPAs**: recalling that the EU has undertaken to allocate EUR 2 billion per year of aid for trade, MEPs call on the Commission and the Council to report on the current situation as regards commitments by the Member States and the EU in this area. They insist that funding from integrated regional programmes (IRP) should benefit all ACP countries equitably, that is, that no form of conditionality linked to participation in an EPA (Economic Partnership Agreement) be applied to the allocation of IRP funds;
- **Participation and evaluation of EDF**: Members stress that the *a posteriori* examination of the EDF discharge is inadequate. Consequently, they call for real democratic scrutiny of this fund, with the support of national parliaments, local governments and non-state actors (NSAs). They reiterate their support for a percentage of EDF funding to be allocated to the education and political training of parliamentary representatives and political, business and community leaders in developing countries, to enable them to duly carry out their democratic scrutiny. MEPs also request to be consulted in 2010 on the mid-term review of the implementation of the EDF. The **effectiveness of aid** shall also form the subject of a periodic report, to be submitted to the European Parliament;
- **African Peace Facility**: Members strongly support the introduction of an African Peace Facility and call for the operating rules for that instrument to reflect a more intensive political partnership between the EU and the African Union. However, they regret the fact that the peace facility is financed by the EDF and call for an alternative means of funding;
- **Co-financing and consistency with other instruments**: lastly, Members approve the possibility, created by the programming of the 10th EDF, to co-finance development projects with Member States or other financial backers. They recommend that this possibility be made available to other EU financial instruments and reiterate their desire for a new **pan-African financial package** to be established, funded by the EDF, the specific DCI instruments and the European neighbourhood policy instrument, with a view to financing the new EU-Africa Joint Strategy.