Programming implementation of the 10th European Development Fund

2007/2138(INI) - 23/04/2008 - Text adopted by Parliament, single reading

The European Parliament adopted, by 637 votes to 23, with 14 abstentions a resolution on the programming of the 10th European Development Fund (EDF). The own-initiative report was tabled for consideration in plenary by Marie-Arlette **CARLOTTI** (PES, FR) on behalf of the Committee on Development.

Parliament is in favour of incorporating the EDF into the EU budget in order to increase the consistency, transparency and effectiveness of development cooperation and guarantee democratic scrutiny. It calls 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.

Challenges and objectives: Parliament fully endorsees the primary objective of co-operation laid down in Article 1 of Regulation (EC) No 617/2007, namely the eradication of poverty and the realisation of the Millennium Development Goals. It attaches the utmost importance to ensuring that these priority objectives are put into practice by means of all the implementing instruments provided for in the regulation and deplores the fact that the provisions relating to Country Strategy Papers and Regional Strategy Papers are based on a restrictive interpretation of these objectives. The EDF must be implemented in accordance with the UNDP recommendations on the use of official development assistance (ODA) and that, at the very least, any measure should be excluded from the programming if it does not satisfy the criteria for ODA laid down by the Development Assistance Committee (DAC) of the OECD. Article 2(3) of Regulation (EC) No 617/2007 must be amended accordingly.

Timeframe: 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 and that continuity of funding is guaranteed.

Strategy papers and priority action areas: Parliament stresses that the undertaking given in the context of the DCI to devote 20% of funds to health and basic education by 2009 should apply to all European development policy spending including the EDF in order to be coherent. It notes the Commission's intention to attain this objective through budgetary support, but regrets that no global strategy has been drawn up jointly with the beneficiary countries to include the health and education sectors in the priorities in the national strategy papers. This issue must be reassessed to attain the 20% objective. Parliament deplores the fact that Regulation (EC) No 617/2007 makes no provision for any explicit procedure to involve or consult the European Parliament, the national parliaments, local authorities and non-state actors (NSAs) in the drafting, monitoring and assessment of national strategy papers, and calls on the Council and the Commission to include such consultations in the programming.

Budgetary support: recalling that the legitimacy of budgetary support is conditional upon strict respect for a number of prior conditions including good governance and a system for the management of public finances scrutinised by a democratically elected parliament in the beneficiary countries, Parliament calls on the Commission to ensure that these prior conditions are rigorously complied with before initiating any budgetary support programme.

Incentive tranche: Parliament voices its concern at the interpretation of criteria relating to economic and social governance; protests against the imposition of economic and social 'hidden criteria' and considers that the analysis of legislation and public policy in this area should not lead to liberalisation and

deregulation requirements. It recommends that criteria relating to the existence and quality of public services should be added to governance profiles, pointing out that the stance of ACP states or regions on the final choice of whether or not to take part in the Economic Partnership Agreements (EPA) should not constitute a criterion.

EPAs: Parliament insists that funding from integrated regional programmes should benefit all ACP countries or regions equitably, irrespective of the states' final decision on whether or not to take part in the EPAs. It protests against all forms of conditionality linked to participation in an EPA in the allocation of integrated regional programme funds.

Participation and evaluation of EDF: Parliament stresses that *a posteriori* examination of the EDF discharge by the European Parliament is an inadequate means of democratic scrutiny and calls on the Council to confer on it an institutional role relating to the entire process of monitoring and assessing the programming. It deplores the particularly vague and ambiguous wording of the rules laying down the role of the players in the programming of Community aid (Article 2(3) of Regulation (EC) No 617/2007). It calls for the European Parliament, the national parliaments, local authorities and representative NSAs to be involved in the programming process and in the monitoring and supervision of EDF implementation.

Co-financing and consistency with other instruments: Parliament approves the possibility, created by the programming of the 10th EDF, to co-finance development projects with Member States or other financial backers. It recommends that this possibility be made available to other EU financial instruments and repeats its call for a new programmable and predictable pan-African financial package to be established, to be 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.