EU policy coherence for development and the 'official development assistance plus concept'

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The 2009 report on policy coherence for development (PCD) supplies the basis for evaluation of the PCD in the EU. It assesses the progress made in advancing coherence in 12 policy areas which impact on development, namely trade, environment, climate change, security, agriculture, fisheries, social dimension of globalisation, employment and decent work, migration, research and innovation, information society, transport and energy. It builds on evidence that the achievement of the Millennium Development Goals (MDGs) depends not only on development aid, but also on the policies defined and implemented by the EU and other international actors in areas such as trade, environment, security or migration. The commitments to PCD where formally embedded in the European Consensus on Development adopted in December 2005. A first progress report on PCD in the Union was issued in 2007. This second report describes several areas where coherence has been improved during the course of the last two years.

- **Trade:** progress in Trade PCD commitments has been made in those areas in which the EU can control the outcome e.g. autonomous preferences offered to developing countries (such as the GSP and the transitional Market Access Regulation for ACP countries having initialled an EPA). On other issues, the EU has been working actively towards the achievement of a successful outcome and is continuing to do so in order to achieve possible effective development friendly outcomes.
- **Environment:** some good progress has been made in the EU to integrate development concerns into the environment policy area, as exemplified among others by the Sustainable Consumption and Production initiative, the Forest package or the strengthening of dialogue with developing, including emerging, economies. However, a few critical issues remain to be tackled, such as improving International Environment Governance and reinforcing the implementation of the Convention on Biodiversity.
- Climate change: good progress has been made in climate change policies as their development dimension is gradually being better understood and articulated. Within the EU, the Climate Change and Energy Package was adopted in 2008. Progress has also been made with the launch of the Global Climate Change Alliance in 2007, with the UN post-2012 negotiations on Climate Change, and with development policies which now better integrate mitigation and adaptation measures, even if implementation is still at an early stage. In the context of the financial and economic crisis, it is of the utmost importance that policy dialogue should be enhanced to develop a shared vision with the most vulnerable developing countries.
- **Security:** the EU supports peace processes in many developing countries politically, financially and with military means thereby providing these countries with the stability and peace needed for development. However, there is a need to further strengthen coherence. The Africa-EU Strategic Partnership on Peace and Security clearly is a milestone on the way towards more PCD.
- **Agriculture:** the EU responded rapidly to the food prices crisis by setting up, among others, the EUR 1 billion Food Facility. As a complementary measure, it decided to strengthen the focus on agriculture in its development efforts and offered a safeguard clause on Food Security, which helps to ensure food security in the Economic Partnership Agreements negotiated with Africa, Caribbean and Pacific (ACP) countries. Food and Agriculture will remain high on the international political agenda in the coming years and, in the longer term, agricultural policy both in the EU, and in

developing countries, should take into account the constraints imposed by climate change measures, demographic trends, changes in consumption patterns and the limited area of new land available for cultivation.

- **Fisheries:** with the replacement of all old-style fisheries agreements by Fisheries Partnership Agreements the EU has implemented the more development friendly policy framework established through the reform of the Common Fisheries Policy (CFP) as decided in 2002 and 2004. The forthcoming reform of the CFP provides an opportunity to re-evaluate the external dimension of this policy with a view to making it more development-friendly.
- Social dimension of globalisation, employment and decent work: in this area, the issues that are to be tackled are wide-ranging (decent work, gender, children, youth, employment programmes) and coordination and coherence is important although not easy to achieve.
- **Migration:** the EU has reinforced its dialogue with third countries on migration and development issues while further integrating mutual migration concerns in cooperation with these countries. These efforts need to continue and facilitating labour migration, labour matching, the efficient transfer and recognition of new skills and addressing brain drain remains important. New issues such as the impact of the economic crisis and climate change on migration will be further explored.
- **Research:** the EU continues to contribute to development objectives through its research programmes and to promote the participation of researchers from developing countries in research projects and mobility schemes. By financing projects across a broad range of issues, such as in the health or food security areas, research policy has contributed decisively to development. However, overall, the participation of researchers from developing countries often remains low.
- Information society: the EU has intensified its research cooperation with developing countries in the area of ICT and has stepped up its cooperation on regulatory issues with them. Internet expansion is also being addressed by the African Union and the EU as part of the new strategic partnership for science, information society and space. The potential of this partnership should be further exploited.
- **Transport**: coherence is increasingly being addressed by more balanced actions across transport modes, in particular in Sub-Saharan Africa, and addressing cross-cutting issues. Better frameworks for coordination and cooperation would be needed in order to set out PCD goals and initiatives. The Partnership on Infrastructure could be an important starting point.
- Energy: over the last two years, energy has received significant political attention and possible synergies with development have been sought. The 2008 EU Climate Change and Energy Package, for instance, could affect developing countries, by creating new opportunities for biofuel exports. Both opportunities and risks will be generated and those will need to be carefully weighted. Progress has also been achieved on other initiatives as exemplified by the setting up and implementation of energy dialogues with developing countries, including emerging countries, or through the adoption of a thematic programme to support the environment and the sustainable management of natural resources, including energy, in the developing world.

Building on the results achieved, the Commission proposes to focus future policy coherence development on five priority areas for achieving the UN Millennium Development Goals: climate change, global food security, migration, intellectual property rights and security. In the report, two case studies have been launched to provide concrete evidence on the effects of EU policies on developing countries and in particular on their capacity to reach MDG 1/ reducing hunger and MDG 6/ the fight against HIV/AIDS in three developing countries (Ethiopia, Mozambique and Senegal for MDG1;

Rwanda, Tanzania and Zambia for MDG6), the third case study concentrates on the Africa EU joint Strategy as a framework with strong PCD potential.

The report notes that the **European Parliament** took a keener interest in PCD during the second half of its term. MEPs asked many written questions on specific aspects of EU policies including migration, trade and fisheries and their impacts on developing countries. On 17 June 2008, Parliament also adopted a resolution on policy coherence for development and the effects of the EU's exploitation of certain biological natural resources on development in West Africa.