

Financing instrument for development cooperation: banana accompanying measures

2010/0059(COD) - 21/10/2010 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 574 votes to 17, with 25 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 1905/2006 establishing a financing instrument for development cooperation.

Parliament considers that the proposal for a regulation of the European Parliament and of the Council, by drastically reducing the margin under the ceiling of heading 4 of the multiannual financial framework (MFF) for 2007-2013, does not leave sufficient room for manoeuvre to face and to react adequately to a potential upcoming crisis. They consider that this proposal is not compatible with the ceiling for heading 4 of the MFF, and calls for the revision of the latter by all means provided for the [IIA of 17 May 2006 on budgetary discipline and sound financial management](#).

Members feel that, due to the long-standing issue concerning trade in bananas, the proposed measures could have been integrated at an earlier stage into the MFF. They reiterate their conviction that **any new instrument should not be financed through redeployment** as this would jeopardise the existing priorities.

The European Parliament adopts its position at first reading under the ordinary legislative procedure (formerly known as the codecision procedure) amending the Commission proposal as follows:

Combat against poverty: the amended text points out that EU development aid must be used to combat poverty by improving the living standards and conditions of farmers and the people concerned, such as small business, respecting working, as well as environmental, standards, including those regarding the use and exposure to pesticides.

Union assistance shall in particular be used to combat poverty by improving the living standards and conditions of farmers and persons concerned, where relevant small entities, including by means of compliance with labour and safety standards, as well as with environmental standards, including the use of and exposure to pesticides.

Effectiveness of aid: the Commission must be extremely careful to envisage the economic diversification of banana-dependent areas only where such an option is mentioned in multi-annual national strategy papers.

The measurement of the allocation criteria shall be based on representative data preceding 2010 and covering a period not longer than five years, and on a Commission study assessing the impact on the ACP countries of the agreement reached within the WTO and the bilateral and regional agreements concluded, or in the process of being concluded, between the EU and Latin American countries, which are the leading exporters of bananas.

Support strategies: the multi-annual support strategies for banana accompanying measures shall include inter alia:

an updated environmental profile paying due attention to the country's banana sector, inter alia focusing on pesticides;

information on the achievements of past banana support programmes;

indicators to assess progress in relation to disbursement conditions, when budget support will be chosen as the form of financing;

the expected results of the assistance;

a time schedule of support activities and of expected disbursements for each recipient country;

the ways in which progress will be achieved and monitored in meeting internationally agreed ILO core labour standards and appropriate occupational safety and health conventions as well as relevant internationally agreed core environmental standards.

Eighteen months before the expiry date, the programme and the progress made by the countries shall be the subject of an assessment, which shall include recommendations on any measures to be taken and the nature thereof.

Annual action programmes and specific measures: the text stipulates that where the cost of such measures exceeds EUR 10 million, the Commission shall adopt them taking into account the opinions of the European Parliament and of the Council. For special measures below EUR 10 million, the Commission shall send the measures to the Council and the European Parliament for information within one month of adopting its decision. The annual action programmes shall be adopted by the Commission taking into account the opinions of the European Parliament and of the Council.

Delegated acts: in order for the European Parliament to exercise all its powers of democratic control, Members consider that the Commission should be empowered to adopt delegated acts in accordance with Article 290 of the TFEU in respect of Geographic Strategy Papers, Multi-annual Indicative Programmes and Strategy Papers for thematic programmes and the accompanying measures in the banana sector (BAM).