

EU 2011 report on policy coherence for development

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The European Parliament adopted by 561 to 47 with 51 abstentions a resolution on the EU 2011 Report on Policy Coherence for Development. It welcomes the EU's efforts towards PCD, underlining that PCD is not only a legal obligation, but also a chance for the EU to establish equal and sustainable partnerships with developing countries that go beyond development cooperation. Parliament believes that **PCD must be based on the recognition of the right of a country to define by democratic means its own policies, priorities and strategies to protect its populations' livelihoods.**

Parliament insists that questions on the economic, environmental and social impacts of policies must be answered and the Commission should complete the **impact assessments** in advance of the corresponding policy proposal in order to ensure that civil society organisations (CSOs) and other relevant stakeholders can participate in the process. Generally, Parliament underlines the importance of binding **corporate social responsibility (CSR)** obligations and of encouraging employers to apply social standards, which are more ambitious than current statutory provisions. It calls on the Commission to support the Member States in carefully monitoring the implementation, and ensuring the legal enforcement, of these obligations.

At an institutional level, Parliament welcomes the Commission's proposal to deepen cooperation with the European Parliament and national parliaments on PCD and proposes that these exchanges should come in the form of **structured annual meetings**, which include clear objectives along with task-monitoring activities with the goal of strengthening PCD in the EU. Furthermore, it suggests making **PCD a clear priority for the EEAS and the Delegations** by further strengthening the EU's policy dialogue with CSOs, local parliaments and other stakeholders, by asking them to gather evidence on lack of either inconsistency or coherence. Adequate resources to fulfil this task must be allocated.

As well as these general observations, Parliament makes a series of recommendations on five priority areas set out in the Report:

Trade: Parliament takes the view that the OECD guidelines for multi-national enterprises should become **binding standards in EU investment treaties for business**, ensuring that treaties include clauses on transparency and on the **fight against illicit capital flows**, along with full reporting on environmental and social issues by companies. It points out that investment agreements should improve the rights and duties of governments to regulate economic activities in sensitive policy areas such as the environment and **foster decent work** in the broader public interest and in the longer-term interest of future generations. Parliament regrets the lack of commitment to mainstream fair trade principles across EU policies.

Agricultural and Fisheries Policy: deploring that the share of EU Aid for Trade (AFT) to LDCs declined to 16 % in 2010 (EUR 1.7 billion, as against EUR 8.7 billion to non-LDCs) from 22 % in 2009, Parliament calls on the Commission to:

- inform Parliament about the annual and/or multi-annual share of the EDF funds spent as Aft;
- promote, within the WTO, the suggestion of some donors to narrow the scope of the Aid for Trade Initiative in order to make it more focused on key elements of the trade and development nexus, in order to make it more effective and to secure donors' financing.

Members repeat the need for **independent assessments of the EU's agricultural and trade policies**, paying special attention to impacts on local and smallholder producers, and building on evidence submitted by governments, farmers' organisations, civil society organisations and other stakeholders in developing countries which are EU trading partners. Generally, Parliament believes that developing countries should protect their economy and proceed to selective market openings.

In the agricultural area, Parliament calls on the Commission to develop an integrated approach to nutrition, set up a dedicated trust fund to address the problem of malnutrition in developing countries, and mobilise the necessary resources to deliver the basic interventions that could prevent the vast majority of malnutrition, especially in the critical 1 000-day window between conception and age 2. **Such a trust fund would enable the leveraging and pooling of resources from Commission and Member States**, and possibly other donors, and would enable better visibility of EU action in saving lives. Parliament deplores the fact that only approximately EUR 418 million or around 3.4 % of the total Commission development aid budget of EUR 12 billion per year, is currently allocated to direct nutrition intervention.

With regard to fisheries policies, stressing that Fisheries Partnership Agreements (FPA) payments should be compatible with development objectives and that the impacts of FPAs should be closely monitored by the EU, the committee takes the view that PCD should be reinforced by: a) making DG-MARE and DG-Development jointly responsible for FPAs, b) applying relevant principles outlined in the FAO Code of Conduct for Responsible Fishing, EU commitments towards Policy Coherence for Development, and the EU-ACP Cotonou Agreement, c) incorporating human rights, anti-corruption and accountability obligations in all FPAs, and d) ensuring that FPAs are consistent with or contribute to the poverty reduction and human development objectives identified in the EU's Country and Regional Strategy Papers.

Furthermore, Parliament considers that any system of attributing fishing opportunities to countries within RFMOs must include the legitimate rights and aspirations of developing states to develop their own fisheries. It insists that the EU oppose the introduction of Transferable Fishing Concessions schemes in RFMOs, since they would jeopardise the both the livelihood and the well-being of dependent communities in developing countries.

Emphasising that fisheries cooperation is able directly to benefit the 150 million people on our planet who rely on fishing and fishery-related activities for their livelihood, Parliament recalls that many vessels do not duly report their catches and are not inspected, that the data supplied by vessels are not checked and that the species caught are not clearly identified. It considers that the EU can and must make a more effective contribution towards overcoming these problems in the **fight against illegal fishing**.

Climate Change and Energy: Parliament believes that the challenges posed by climate change must be addressed through structural reforms, and calls for a systematic climate change risk assessment of all aspects of EU's policy planning and decision making, including trade, agriculture, food security, etc., and it demands that the result of this assessment be used to formulate clear and coherent country and regional strategy papers, as well as development programmes and projects.

It also calls on the Commission to report on the social sustainability of biofuels by the end of 2012 and to consult with affected communities and local NGOs beforehand. It points out that this is an opportunity to propose an adequate methodology and cover the full impacts that European biofuels targets are having on food security, land rights and other development issues. At the same time, Member States are urged to allocate a significant share of the auctioning revenues from the European Emissions Trading System (ETS) to climate change-related activities in developing countries from 2013 onwards.

Security: Parliament stresses the following:

- the publication of the Council's Thirteenth Annual Report on control of exports of military technology and equipment raised questions about the reliability and usability of the data provided;

- with the Council Working Group on Conventional Arms Exports being the main committee responsible for the EU's Code of Conduct on Arms Exports, it is imperative that development objectives are taken into account in this forum. Parliament calls on the Council **to make the European Code of Conduct on Arms Exports legally binding.**

Migration: noting that 'brain drain' can cause serious problems in developing countries, especially in the health sector, the report asks the Commission to monitor the effects of the Blue Card system on developing countries and promote the application of the "WHO Code of practice" regarding the international recruitment of health personnel to both the public and the private sectors.

Members also note that **mobility partnerships** must be consistent with the international human rights legal framework, and they ask the EU to prevent conditionality in development aid relating to migration reduction, in both bilateral and multilateral negotiations by the EU and its Member States. Supporting a migrant-centred and human rights based approach to EU migration policy; Parliament wants Article 13 of the ACP-EU Agreement to include the principles of circular migration and the granting circular visas. Whilst the article emphasises respect for human rights, Parliament states that the scope of these principles is seriously compromised by **bilateral readmission agreements** with transit countries which, taken together, amount to an externalisation by Europe of the management of migration, and which do not guarantee respect for the rights of migrants and may result in 'cascade' readmissions that jeopardise their safety and their lives.

Other issues: Parliament also discusses a wide variety of issues, including: (i) the overall framework of good governance and respect for human rights in the context of development policy, (ii) the division of responsibilities between the EEAS and DEVCO, (iii) the concept of "EU actorness" in order to improve the visibility of Union action, (iv) the need to ensure that social provisions enshrined in EU trade agreements are implemented; (v) the importance of establishing PCD focal points in developing countries to improve information exchanges, (vi) the importance of taking account of the situation of women, and implementing the specific clauses on the prohibition on coercion or compulsion in sexual and reproductive health matters, and the strengthening of the rights of girls and women in developing countries (including the fight against femicides); (vii) strengthening financial transparency; (vii) greater democratic control of budgetary aid in developing countries.

On the social plane, Parliament stresses the need to include provisions in trade agreements on social standards and on the objectives of full and productive employment. It also stresses the need to support and spread collective bargaining as a tool for reducing labour market inequalities, ensuring decent work and wages, preventing social dumping as well as engaging in social dialogue with trade unions about the implementation of social standards in their respective countries.

Post-2015 international framework: Parliament stresses that a post-2015 international framework for development cooperation, in order to provide a more comprehensive approach to poverty eradication and sustainable development, should go beyond a traditional interpretation of development cooperation, leveraging policy coherence for development as an important mechanism and promoting rights-based approaches. Such a framework should go beyond the current concept of public action and aid and should involve all countries (developed, developing, emerging) and all actors (traditional and new donors, developing and developed country governments, and local authorities, the private sector, NGOs, social partners, etc.) in a coherent and inclusive process.