

Implementation of the development cooperation instrument, the humanitarian aid instrument and the European development fund

2017/2258(INI) - 17/04/2018 - Text adopted by Parliament, single reading

The European Parliament adopted by 523 votes to 73, with 78 abstentions, a resolution on the implementation of the Development Cooperation Instrument (DCI), the Humanitarian Aid Instrument (HAI) and the European Development Fund (EDF).

As a reminder, the main objective of the **EDF** is to reduce and eventually eradicate poverty in the ACP region and achieve sustainable development in the Overseas Countries and Territories (OCTs). With EUR 30.5 billion allocated to the 11th EDF for the period 2014-2020, the EDF is the Union's main development cooperation instrument.

The main objective of the DCI is to reduce and, in the long term, eradicate poverty in developing countries that do not benefit from funding under the European Development Fund (EDF). As for the HAI, its main aim is to provide assistance, relief and protection to people affected by natural or manmade disasters and similar emergencies, international humanitarian principles and the European Consensus on Humanitarian Aid.

Parliament made a series of **recommendations** to improve the operation of these instruments until the end of their application in 2020 and to integrate them into the new multiannual financial framework (MFF) to be presented shortly by the Commission.

Findings of the mid-term review of implementation of the DCI, EDF and HAI: Parliament welcomed the fact that evaluations of the DCI, EDF and HAI show that these instruments' objectives were **largely relevant** to the policy priorities at the time of their design and that they are generally fit for purpose and aligned with the values and objectives of the Sustainable Development Goals.

While some countries with EDF and DCI geographical programmes in place have made progress in poverty reduction and economic and human development over the past decade, the situation remains critical for others.

Trust funds: in their first years of implementation, the DCI and the EDF have enabled the EU to respond to new crises and needs thanks to the broad nature of the instruments' objectives. However, a multiplication of crises and the emergence of new political priorities have put financial pressure on the DCI, the EDF and the HAI, and have stretched these instruments to their limits and have led to the decision to set up **new ad hoc mechanisms** such as trust funds, which are surrounded by serious concerns, namely over transparency, democratic accountability and their disconnection from development objectives.

Members warned against abuse recourse to trust funds for the rest of the implementation period and insisted that they should only be used when their added value is guaranteed.

Budget support: Parliament called for strengthening the **political and institutional partnership** to promote the granting of budget support while insisting on effective economic governance and respect for democratic values.

External financing instruments (EFIs) should continue to **directly support both EU and local CSOs, local communities**, local and regional governments and local authorities in partner countries and their partnerships with European local and regional governments.

Members emphasised that under no circumstances should the EU's short-term (security or migration) domestic interests drive its development agenda, and that aid and development effectiveness principles should be fully respected and applied to all forms of development cooperation.

Parliament made some remarks about the instruments:

- **DCI:** Members are concerned that the mid-term evaluation of the DCI points to the risk of a perceived **lack of compliance** with the requirement to allocate at least 20 % of assistance under the DCI to basic social services such as health, and to secondary education and other social services, when these needs are essential to the development of these countries.
- **EDF:** the EDF has played an important role in addressing **poverty eradication** and the attainment of the SDGs. However, evidence of progress is weaker at regional level and that the EDF has not consistently established solid synergies and coherence across its national, regional and intra-ACP cooperation programmes.
- **HAI:** Members are satisfied that the HAI has achieved its objective of providing aid in emergency situations on a basis of full respect of public international law, while ensuring that humanitarian aid is not instrumentalised and that the principles of humanity, impartiality, neutrality and independence are respected. A number of humanitarian crises and disasters dealt with by the HAI has significantly increased in the last few years, which has led to the full use of the Emergency Aid Reserve and to the need to **use additional funds**. Parliament noted the need for a **substantial increase in the Emergency Aid Reserve** and for a swifter and more flexible use of all available resources.

Recommendations for the post-2020 architecture of the DCI and the EDF, and for the future implementation of the HAI: Parliament stressed the absolute necessity of maintaining **separate development and humanitarian aid instruments** respecting key development principles, in the light of the EDF and DCI evaluation findings concerning the lack of partnership and the threat to the central objective of poverty alleviation within the new framework of shifting policy priorities.

Irrespective of possible structural changes or mergers with regard to these instruments, including the possible budgetisation of the EDF, the **overall appropriations for the next MFF should be increased**. The future architecture of the EFIs should include a more **transparent inclusion of trust funds** and facilities.

The Council, the Commission and the European Investment Bank are invited to conclude an **interinstitutional agreement with Parliament** on transparency, accountability and parliamentary scrutiny on the basis of the policy principles set out in the new European Consensus on Development.

Members stressed that the post-2020 architecture of the DCI and the EDF and the implementation of the HAI must be aligned with the EU's international commitments, including the 2030 Agenda for Sustainable Development and the SDGs, the Paris Agreement, and the EU policy framework, including the new European Consensus on Development, the new Global Strategy for the EU's Foreign and Security Policy and the European Consensus on Humanitarian Aid.

The Commission and the EEAS are called on to **adequately combine assistance under the EFIs** and political dialogue, both bilaterally and in the framework of regional and global organisations, in order to promote these principles, values and rights.

The post-2020 architecture of EFIs should continue to make provision for a mix of both **geographic and thematic multiannual programmes**, allowing for development actions on different scales. It should include a number of benchmarks and strict ring-fenced earmarking, as well as mainstreaming commitments to ensure sufficient funds for key priorities.

While recalling the need for a strong and autonomous development policy after 2020 with differentiated development instruments in the field of humanitarian aid, Parliament considered that a separate reserve specifically for humanitarian aid should be maintained, as it has been used continuously during the current MFF period.

Lastly, the EDF budgetisation should be accompanied by guarantees to prevent any transfer of former EDF funds to other budget lines.