Development policy: untying of aid

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The committee adopted the own-initiative report by Fernando FERNÁNDEZ MARTÍN (EPP-ED, E) on the Commission communication. It welcomed the Commission's attempts to shift the underlying logic of aid procurement towards putting the interests of the recipient countries first, and insisted that aid should be totally disconnected from the economic interests of the donor countries. The report accordingly called for the complete untying of all overseas development aid (ODA) by the EU and its Member States within the next five years and expressed support for the Commission's approach in already extending untying to almost all Community aid arrangements. MEPs called for the equal treatment of horizontal and geographical budget lines so as to introduce open procurement for all countries, be they developed or developing countries. They added that these provisions should be linked to a clear preference for local and regional cooperation, prioritising - in ranking order - suppliers from the recipient country, neighbouring developing countries, and other developing countries. The committee also stressed the need to untie food aid and its transport and to incorporate a series of requirements on transparency and good practice, including a commitment to regulate the large-scale use of surpluses as food aid in kind and to take account of the food habits and cultural practices of the recipient countries. Lastly, the report pointed out that internal market rules, and specifically the public procurement directives, apply to aid-related procurement undertaken by a Member State contracting authority. This also applies when the latter is situated in a third country, for example an embassy. The Commission was therefore urged to take out infringement proceedings on a systematic basis against Member States whose tying of aid is in breach of the public procurement directives and EU competition law.