

# Jutta Urpilainen

## International Partnerships

Hearing due to be held on Tuesday 1 October at 09.00 hours.

European Parliament committee responsible: Development (DEVE).



Born in 1975, Jutta Urpilainen is a former government minister in Finland, and more recently has worked in the field of development NGOs. She holds a Master's in education from the University of Jyväskylä. At the age of 22, she set up the Finnish European youth movement (today JEF–Finland, under the umbrella of the Young European Federalists). A teacher until 2003, Urpilainen was elected to the Finnish Parliament as a member of the Social Democratic Party (SDP, part of the Socialists & Democrats Group in the European Parliament). She was a Member of Parliament between 2007 and 2011 and had been again since 2014, and is a member of the Foreign Affairs Committee. At the age of 32, she became the first female leader of

the SDP, a position she held between 2008 and 2014. From 2011 to 2014, Urpilainen was Deputy Prime Minister and Minister of Finance in the government led by Jyrki Katainen.

Urpilainen's experience in positions of responsibility covers development and several international partnerships, including the Joint World Bank-IMF Development Committee, as the chair of the National Commission on Sustainable Development (2013-2014), and the Finnish National Commission for Unesco (where she was chair from 2015 to 2018). Urpilainen chaired Taksvärkki, a student NGO undertaking development cooperation projects; she joined the board of World Vision Finland, a development NGO (2015-2019), and was a member of the board of Crisis Management Initiative, a Finnish NGO working in the field of conflict prevention and peacebuilding, until her nomination to the Commission.

*This is one of a set of Briefings designed to give Members of the European Parliament an overview of major issues of interest in the context of the hearings of the Commissioners-designate. The full set of Briefings can be found at: [https://epthinktank.eu/commissioner\\_hearings\\_2019](https://epthinktank.eu/commissioner_hearings_2019)*

## Background

The proposed new title of the post for the Commissioner in charge of development cooperation highlights the European Union's willingness to move its relations with developing countries away from a classical donor-recipient approach, towards a mutually beneficial partnership of equals. The Commissioner-designate's [mandate](#) builds on trends shaped by the outgoing Commission: a focus on a privileged partnership with Africa and the will to achieve comprehensive agreements with countries from which originate, or through which circulate, the largest number of migrants to Europe. Promoting the achievement of the United Nations sustainable development goals (UN SDGs) in the EU and its partner countries is also at the core of the mandate, notably in promoting women's and girls' empowerment and supporting civil society.

EU policies in developing countries remain directed by the 'primary objective' of 'the reduction and in the long term the eradication of poverty' (Article 208 TFEU). This is challenging, as although the global poverty rate is decreasing – mostly due to rising incomes in China – [growing inequalities](#) overshadow the prospects of global development and put social cohesion and economic stability at risk. Today, the combined wealth of the richest [26 people](#) in the world is equal to that of the poorer half of the world's population, and this gap is widening. With a poverty rate of above 30 %, Sub-Saharan Africa is home to most of the world's poor, and in contrast to other regions, the total number of poor people is increasing, exacerbating the continent's vulnerability to the impact of climate change and risk of political violence. Against this background, official development assistance (ODA) remains essential leverage in development policies. The EU and its Member States account for 57 % of global ODA; in [2017](#), 20 % of [€74.4 billion](#) in collective EU aid was disbursed by the Commission, with the remaining 80 % spent by Member States. Despite the fragmentation of development policies, and budgetary constraints that contributed to the reduction of the EU's collective ODA for a second year in a row in 2018, the EU's financial contribution and agenda-setting influence in various international forums make it a major shaper of the global development effort.

## Recent developments

In June 2017, the EU's overall development policy goals and principles were redefined in the new [European Consensus on Development](#), endorsed by both EU institutions and Member States. The new framework adopts the UN [2030 Agenda's](#) holistic approach, addressing social, economic and environmental dimensions in an integrated manner. While retaining poverty eradication as the main goal of EU development policy, the consensus underlines the contribution to achieving the overall objectives of EU external action, in particular building resilience and addressing the root causes of migration. It reaffirms the principles and values guiding EU development action, stressing the rights-based approach to development cooperation, with gender equality as a core underlying value. The [new paradigm](#) for financing the achievement of the SDGs implies effective use of all public and private financial flows. The need for a rise in ODA remains crucial however, as [stressed](#) by the Council in May 2019, particularly as a means to leverage additional resources, such as private-sector investment.

The creation of the [European Fund for Sustainable Development](#) (EFSD), one pillar of the [EU External Investment Plan](#) in September 2017, ties in with this new perspective and aims to mobilise various financing sources for development. Using existing blending facilities and the new EFSD guarantee, the EFSD aims to scale up private-sector involvement in socio-economic development in Africa and the EU neighbourhood. The Commission expects the EFSD to trigger additional public and private investment of up to €44 billion. If the Member States match the EU contribution, this figure could double to €88 billion. Together with the [EU Emergency Trust Fund for stability and addressing root causes of irregular migration in Africa](#), (EUTF for Africa, established in 2015), the EFSD is also one of the financial arms of the [new partnership framework for cooperation with third countries](#) with high irregular emigration. The establishment of crisis-related trust funds (for [the Central African Republic](#), [Colombia](#) and [Syria](#)), is a step towards operationalisation of the humanitarian-development-security nexus on the ground.

Launched in September 2018, the [Africa-Europe Alliance for sustainable investment and jobs](#) completes this new approach, focusing on investment in job creation and education, establishing a good business environment, and fostering trade. In the next five years, it should develop into a comprehensive strategy for Africa. Its success will to a large extent depend on the deployment of the EFSD and its successor EFSD+, which remain the main vehicles for achieving the promised substantial increase in intercontinental investment and trade.

## Priorities and challenges

### Public opinion

EU public support for development aid remains high. In a [2018 Eurobarometer](#) survey, 89 % of EU citizens considered it important to help people in developing countries, and 71% felt tackling poverty in third countries should be one of the EU's main priorities. However, only a minority was in favour of increasing EU aid.

The economic and political rise of middle-income countries, particularly China, has brought new actors to the development cooperation field, changing its patterns. Several key events in 2019, in particular the [High-level Political Forum on Sustainable Development](#) (8-19 July), the [Climate Summit](#) in New York (23 September) and the [Sustainable Development Goals Summit](#) (24-25 September), have provided the EU with important opportunities to re-affirm its leadership and engagement within the global development architecture and to promote a rules-based multilateral order, tackle global challenges and project European values – all three [European Council strategic agenda](#) priorities adopted in June 2019. As part of this multilateral action, the current [renegotiation of the 'Cotonou' partnership](#) with African, Caribbean and Pacific countries aims to take new EU strategies, the SDGs, and new ambitions of the partner countries concerned, into account.

The Council also underlined the EU's longstanding commitment to [policy coherence for development](#) (PCD), which involves taking the objectives of development cooperation into account in all internal and external policies that are likely to affect developing countries, as a fundamental contribution towards achieving the [SDGs](#). Council [called on](#) the Commission to build PCD into its overall work on the implementation of the 2030 agenda. To fund these policies, the Commission proposed the consolidation of the existing development policy financial instruments (including the currently off-budget European Development Fund) [into one](#) (Neighbourhood, Development and International Cooperation Instrument, or 'NDICI'), to cover the EU's external action in its entirety, allowing a more flexible use of funds. This proposal will be central in the [negotiation of the multi-annual financial framework \(MFF\)](#) for 2021-2027. This merging of instruments is in line with the [integrated approach](#) to address the root causes of irregular migration through socio-economic development, job creation and capacity-building in support of security and development, notably through comprehensive partnerships with countries of migration origin and transit.

However, several non-governmental organisations have raised [concern](#) that the EU policy of using development aid as a means of curbing irregular migration risks diverting aid from those most in need, and indirectly prompting [unexpected negative consequences](#) for the local economic and social fabric. In parallel, ['blending'](#), the use of EU ODA to leverage substantial private and public investment in developing countries, must be closely [monitored](#) to ensure its real impact on sustainable development and poverty alleviation. [Democratic scrutiny](#) of innovative financial instruments such as the EFSD and the trust funds, is also a challenge.

## European Parliament

### Treaty basis and European Parliament competence

Articles 208 to 211 of the Treaty on the Functioning of the European Union (TFEU) contain provisions on EU development policy, defining it as a shared competence of the EU and the Member States. The European Parliament is co-legislator, together with the Council, in the framework of the ordinary legislative procedure (Article 212(2) TFEU in conjunction with Article 209 TFEU).

Through resolutions adopted in the 2014-2019 term, the European Parliament contributed actively to EU development policy reform. Reiterating that the fight against poverty and hunger should remain the primary goal of [EU development policy](#); Parliament advocated specifically in favour of:

- a more [codified](#) coordination between EU and Member States' development policies;
- a [post-Cotonou partnership](#) with reinforced political dialogue and monitoring, better involvement of local authorities, civil society and the private sector;
- needs- and efficiency-based criteria for the allocation of aid, excluding all conditionality not related to development objectives, such as migration issues;
- more public-private partnerships for development, with strict criteria on aid effectiveness, and environmental and social standards;
- [improved parliamentary scrutiny](#) of trust funds and blended finance;
- legally binding measures to hold multinational companies accountable for their compliance with international standards and fiscal obligations;
- effective monitoring of the impact of all EU policies on the developing countries.

Parliament's March 2019 [first-reading position](#) recommended important amendments to the NDICI:

- a €4 billion increase, bringing the NDICI up to €93 billion;
- a stronger focus on human rights and development, and gender mainstreaming;
- a significant rise in climate and environmental spending (45 % target), a maximum spending cap of 10 % for addressing the root causes of migration and migration management, and a minimum 20 % target for social inclusion and human development projects;
- a target of 95 % of spending to fulfil the ODA criteria, to achieve the collective target of 0.7 % of EU gross national income to be spent on ODA;
- important changes to the EFSD+, the envisaged successor to the EFSD, to better: support local private sectors, poor and marginalised people, combat climate change, and monitor development effectiveness, human rights and labour rights;
- reinforced democratic accountability for all measures financed by the NDICI.

## FURTHER READING

[Legislative Train Schedule - Development](#), European Parliament, updated monthly

Immenkamp, B, [A new neighbourhood, development and international cooperation instrument: Proposal for a new regulation](#), EU Legislation in Progress briefing, EPRS, 2019

[A general survey of development policy](#), European Parliament, 2019.

[International cooperation and development](#), European Commission (website).

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