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*Committee on Development*

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**2011/2111(INI)**

7.12.2011

## **OPINION**

of the Committee on Development

for the Committee on Foreign Affairs

on EU foreign policy towards the BRICS and other emerging powers:  
objectives and strategies  
(2011/2111(INI))

Rapporteur: Birgit Schnieber-Jastram

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## SUGGESTIONS

The Committee on Development calls on the Committee on Foreign Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- A. whereas, with the exception of Russia, all of the BRICS countries are, according to the OECD/DAC classification, developing countries;
- B. whereas, in spite of the recent spectacular economic growth in most of the BRICS countries, these same countries are also the ones with the single largest concentration of poverty in the world, according to the World Bank (e.g. in China, 207 million people live on less than USD 1.25 per day, while in India 41.6 % of the population does so); whereas this shows that in the great majority of cases, without pro-poor growth and creation of safety nets, rapid economic growth may entail an increase in inequalities;
- 1. Points out that the BRICS countries are too diverse for the EU to pursue a single policy towards them and urges that a new, differentiated form of development cooperation be established; suggests, however, that while the EU should try to find coherent patterns and areas of interest to the BRICS (technical cooperation and assistance, alignment of legislative requirements, etc.) which could allow the EU to establish itself as a primary BRICS partner and to maximise its comparative advantages, such as advanced environmental legislation, experience in regional cooperation and expertise in setting up systems for reducing social inequalities (e.g. efficient tax and social protection systems), the EU should strive to engage further the BRICS countries in multilateral settings to address global issues, as in the case of climate change, sustainable development (in the context of Rio + 20), the fight against poverty, etc. and in taking a responsible role in international climate talks;
- 2. Is aware that the BRICS are a stronger economic grouping and are more suited to address global political and economic issues, whereas the IBSA grouping (India, Brazil and South Africa) already has mechanisms in place to tackle socio-economic and developmental issues;
- 3. Likewise, calls on the EU to enhance political dialogue and cooperation with BRICS to push further forward the reform of global financial and economic governance institutions, i.e. the Bretton Woods institutions, with the aim of ensuring the broad representation of all member countries while reflecting changes in economic weight;
- 4. Believes that the EU should formulate its position regarding a closer relationship with the BRICS, even taking into account the fact that the EU's vision and the BRICS countries' vision with regard to binding commitments and institutionalised regimes may not necessarily always be the same; believes also that support from the BRICS countries for effective multilateralism might be gained in exchange for stronger representation in relevant international institutions; insists that the challenges posed by the rise of the BRICS should be seen as an opportunity rather than a problem;
- 5. Calls on the EU to uphold standards of corporate social responsibility even in the face of increased competition over resources in order to guarantee legal security and sustainable

long-time partnerships;

6. Believes that ‘effective multilateralism’ and greater coordination in multilateral fora to address global governance issues should remain the core of enhanced partnership with the BRICS countries; recommends, in particular, that the EU pursue its efforts to engage these countries on this line;
7. Welcomes initiatives within the context of the Joint EU-Africa Strategy 2nd Action Plan 2011-2013 that provide training on best practice in negotiating mineral contracts and in fostering scientific cooperation in the mining sector, as initiatives like EITI will only take effect in the longer term and some BRICS countries have not yet decided to participate in said initiatives;
8. Highlights that the advantages of signing up to the aid effectiveness principles are also relevant for emerging donors and stresses that dialogues in the context of budget support and capacity building in African countries have proven to be productive with regard to intensified discussions with the BRICS;
9. Calls on the Commission to define specific areas of cooperation with the BRICS in the field of development policy, e.g. cooperation in the health sector (including access to basic healthcare services and infrastructure), the fight against poverty, AIDS, urban-rural disparities and corruption, – areas which are not only important within China and other BRICS countries themselves but also represent a focus of their development cooperation – cooperation in mitigation and adaptation to climate change, and cooperation with the BRICS countries in agricultural development;
10. Insists upon the need to upgrade political dialogue with the BRICS countries on observance of human rights and social and environmental standards; recalls in this respect that the observance of core labour standards (CLS) and the ILO’s decent work agenda is essential in achieving the MDGs as by guaranteeing socio-political stability and raising the skill levels of a country’s workforce these have a positive impact on the economy of a country;
11. Notes that the BRICS have emerged as important players in the field of external assistance, at times questioning the sustainability of the projects financed; calls on the EU to engage the BRICS into endorsing the Equator principles, a voluntary set of standards for determining, assessing and managing social and environment risk in project financing;
12. Stresses the potential of research policy for improved BRICS-EU relations in general and development policy in particular; calls on the Commission, therefore, to support scientific capacity building in developing countries through greater investment in research infrastructure, either under the framework programmes or through the financing instrument for development cooperation (DCI), for example in radio astronomy projects in Africa in which both BRICS countries and the EU participate;
13. Points out that enhancing transparency on financing flows, ensuring competitive bidding in projects, and assessing fully the macroeconomic impact of financing in the field of development policies is in the interest of low-income countries, the BRICS and the EU;

14. Proposes that the EU's focus on 'aid effectiveness' should be complemented by a focus on 'development effectiveness' (i.e. output and results of development policies and assistance), which is the preferred concept of emerging donors; takes the view that the concept of 'development effectiveness' might thus provide not only an opportunity for more substantial EU-BRICS dialogue but also a chance to strengthen within the EU itself the concept of policy coherence for development enshrined in Article 208 TFEU;
15. Calls on the BRICS countries to take on a role in international development policy that better reflects their share in global GDP;
16. Urges the EU and the Member States to support south-south cooperation initiatives and to take part in triangular cooperation projects in which the BRICS are participating;
17. Points out that because the BRICS are not members of the OECD, they are not bound to observe OECD criteria for official development assistance (ODA) nor OECD guidelines on export credit financing that limit tied aid, regulate credit practices, require exchange of information, and impose social, environmental and governance standards on financing activities;

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	5.12.2011
<b>Result of final vote</b>	+: 20 -: 0 0: 0
<b>Members present for the final vote</b>	Véronique De Keyser, Leonidas Donskis, Charles Goerens, Catherine Grèze, Eva Joly, Filip Kaczmarek, Miguel Angel Martínez Martínez, Norbert Neuser, Maurice Ponga, Michèle Striffler, Alf Svensson, Anna Záborská, Iva Zanicchi, Gabriele Zimmer
<b>Substitute(s) present for the final vote</b>	Fiona Hall, Eduard Kukan, Krzysztof Lisek, Linda McAvan, Judith Sargentini
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Vittorio Prodi