



EUROPEAN PARLIAMENT

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Committee on Foreign Affairs

2010/2300(INI)

18.4.2011

OPINION

of the Committee on Foreign Affairs

for the Committee on Development

on the future of EU budget support to developing countries
(2010/2300(INI))

Rapporteur: Gabriele Albertini

PA_NonLeg

SUGGESTIONS

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

1. Welcomes the European-level consultation process; hopes that budget support award practice will be objectively analysed and improved in order to increase its effectiveness;
2. Recalls that, according to the Lisbon Treaty, poverty reduction and eradication is the EU's primary development policy objective; emphasises that poverty has multiple dimensions such as human, economic, socio-cultural, gender, environmental, and political, which all need to be tackled by the EU development policy;
3. Shares the view that budget support can help in building mechanisms to fight corruption if the conditions for a transparent and fully accountable budgetary management are in place and performance indicators have been agreed; otherwise it could - on the contrary - contribute to fanning corruption; stresses the importance, if necessary, of assisting the public authorities and parliaments in beneficiary countries to promote transparency and good governance and to fight corruption;
4. Believes that budget support just like programmed aid should be treated as a transitional instrument and should not hamper efforts to strengthen countries' capacities to raise own resources, such as taxes in order to become independent from third country donations;
5. Is of the opinion that development strategies must be designed by recipient governments themselves, in consultation with a broad spectrum of civil society and local authorities, and in close cooperation with international donors, and must be agreed by national parliaments; further, that civil society, local authorities and parliamentarians must be involved throughout every stage of implementation, monitoring and the evaluation of results, that this process must be transparent, allowing for a regular and effective dialogue with civil society and that this requirement must be a decisive eligibility criterion for budget support;
6. Emphasises the importance of the effectiveness of EU development aid; calls on developing EU-level independent evaluation systems and a complaints mechanism open to those affected by EU aid, as well as supporting in-country accountability mechanisms;
7. Considers that, since the use of budget support is an important strategic decision in the Union's relation with its partner countries, Article 290 TFEU (delegated acts) must apply to the definition of the eligibility criteria for this aid modality, giving the Council and Parliament, as co-legislators, full co-decision powers over its adoption, including - if necessary - the right of revocation of the delegated act;
8. Reiterates that budget support should be spent in pursuit of poverty reduction, including the pursuit of the Millennium Development Goals and to principles such as partnership, aid effectiveness and policy coherence for development; expresses its support for results-based incentives but emphasises that variances of disbursement must be predictable as far as possible so as not to impact negatively on budgetary planning; reiterates that budget

support should only be granted to countries meeting and upholding minimum standards of governance and respect for human rights; underlines that conditions linked to macro-economic reforms must be compatible with human and social development;

9. Underlines that sectoral budget support can constitute under certain circumstances a useful intermediary option to give the concerned governments and parliaments more ownership over aid funds while earmarking them for the MDGs;
10. Is of the opinion that, within the context of the ownership principle of the Paris Declaration, the European Parliament should always try to promote the access to basic education, basic health services and respect for human rights;
11. States that the effectiveness of development-policy measures in the partner countries must fully take into consideration local conditions and respect the EU values as stated by the Treaty including the principle of rule of law and democracy; stresses that needs must remain a crucial criterion for the allocation of EU development aid;
12. Calls on the Commission and the Member States to create a public register in which budget support agreements, procedures and development indicators are transparently listed, with a view to reinforcing the domestic democratic institutions and to ensuring mutual accountability;
13. Emphasises the crucial and compulsory role of policy coherence in the implementation of a high-impact development policy; states that budget support will only have a real and lasting positive effect if development-friendly action is pursued in other EU policy areas such as environment, energy, climate, trade, agriculture, and foreign and security policy; underlines in this context the need for EU trade policy to help creating a level playing field and to support trade capacities in developing countries considering that trade can be one of the most effective drivers of economic growth and development; further calls for the EU foreign and security policy to focus on the promotion of democracy and human rights, peace and security, all key preconditions for sustainable development; calls on more systematic efforts to mainstream climate change adaptation and disaster risk reduction measures;
14. Calls on the Member States to comply with their commitment to gradually reach the agreed target of spending 0.7% of GDP on development cooperation.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	13.4.2011
Result of final vote	+: 54 -: 3 0: 0
Members present for the final vote	Gabriele Albertini, Dominique Baudis, Bastiaan Belder, Elmar Brok, Arnaud Danjean, Ana Gomes, Andrzej Grzyb, Anna Ibrisagic, Anneli Jäätteenmäki, Jelko Kacin, Ioannis Kasoulides, Tunne Kelam, Nicole Kiil-Nielsen, Maria Eleni Koppa, Andrey Kovatchev, Paweł Robert Kowal, Wolfgang Kreissl-Dörfler, Eduard Kukan, Krzysztof Lisek, Sabine Lösing, Ulrike Lunacek, Barry Madlener, Mario Mauro, Kyriakos Mavronikolas, Willy Meyer, Francisco José Millán Mon, Alexander Mirsky, María Muñoz De Urquiza, Norica Nicolai, Raimon Obiols, Ria Oomen-Ruijten, Justas Vincas Paleckis, Ioan Mircea Pașcu, Vincent Peillon, Hans-Gert Pöttering, Libor Rouček, José Ignacio Salafranca Sánchez-Neyra, Jacek Saryusz-Wolski, Werner Schulz, Charles Tannock, Inese Vaidere, Kristian Vigenin
Substitute(s) present for the final vote	Elena Băsescu, Véronique De Keyser, Andrew Duff, Roberto Gualtieri, Liisa Jaakonsaari, Elisabeth Jeggle, Agnès Le Brun, Barbara Lochbihler, Jacek Protasiewicz, Judith Sargentini, György Schöpflin, Ivo Vajgl
Substitute(s) under Rule 187(2) present for the final vote	Marije Cornelissen, Leonardo Domenici, Birgit Schnieber-Jastram