

New European consensus on development Will it be fit for purpose?

SUMMARY

Adopted in the form of a joint declaration, the European consensus on development, more than a common banner, is a necessary precondition to the complementarity and coordination of European development policies envisaged in the EU Treaties. The redefinition of development policy in times of internal crisis and global transformation is high-stakes – while integrating the new and ambitious vision presented in Agenda 2030 is a recognised necessity, there are inherent risks to the exercise. A surfeit of priorities may undermine the strategic character of this framework document, while exacerbating challenges of coherence and coordination. The political focus on the migration crisis may, some fear, subordinate development aid to cooperation on migration management, marking the end of values-based EU development policy.

As the interinstitutional negotiations progress, the European Parliament advocates for poverty eradication to remain the main goal of development policy. Parliament defends need- and efficiency-based criteria for the allocation of development aid. It also proposes a strong reinforcement of legal tools and institutional mechanisms to implement EU-wide coordination and policy coherence for development (PCD), without which the EU contribution to Agenda 2030 implementation may be jeopardised by its internal inconsistencies.



In this briefing:

- Revamping EU development policy in a changing international context
- European consensus on development
- Commission proposal for revision
- Stakeholder views
- European Parliament position
- Outlook
- Main references

Revamping EU development policy in a changing international context

As the world experiences turbulence – war and unrest, forced displacement of massive scale, intensifying natural disasters, and chronic economic crisis – [Agenda 2030](#), adopted in September 2015, paves the way toward a new positive perspective for humanity. However, the ambitious and comprehensive set of UN sustainable development goals (SDGs) requires an upgrade of collective action at global, regional and local levels, inspiring a rethink of development policy.

While preparations by the European Commission were already under way in December 2015, the [Foreign Affairs Council](#) decided on 12 May 2016 to formally launch a review of EU development policy. The main purpose of this exercise being to adapt and update EU development policy to reflect the new universally applicable and wide-ranging SDGs and also to reinforce aspects such as addressing deep causes of migration and the security-development nexus.

European consensus on development

Why is consensus needed?

Development is a shared competence between the EU and its Member States, in the sense that the EU has competence to carry out activities and conduct a common policy; however, this does not prevent Member States from exercising their own competences in the area. This situation results in the conduct of 29 parallel development policies. The European Commission manages around 15 % of the total EU official development assistance (ODA) – representing [€10 billion](#) in 2015. Member States' agencies account for 85 % of the total figure of [€68 billion](#) for 2015. The first step to fulfil the treaty obligation to attain coherence, complementarity and coordination between EU and Member State development policies in the spirit of EU loyal cooperation, is to agree on common set of values, commitments and implementation modalities to guide the actions of all actors involved.

Articles 208 to 211 of the Treaty on the Functioning of the European Union (TFEU) contain provisions on EU development policy, defined as a shared competence of both the EU and Member States. Article 208 of the TFEU states that the 'Union's development cooperation policy and that of the Member States complement and reinforce each other'. Article 210 of the TFEU establishes coordination of policies on development cooperation, including in international organisations. It confers on the European Commission the right to take any useful initiative to promote that coordination. The EP 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).

What is the European consensus on development?

The first [European consensus on development](#) was agreed in 2005 in the form of [a joint declaration](#) by the EU institutions and Member States, and was signed by United Kingdom Prime Minister Tony Blair, representing the Council Presidency, European Parliament President, Josep Borrell, and President of the European Commission, José Manuel Barroso. This political declaration defined the EU's common development policy goals, and principles to guide Member States' 'bilateral policies and EU level cooperation'. The declaration reaffirmed the EU commitment to poverty eradication, in its multidimensional definition, as a central goal of development policy while promoting common values (respect for human rights, fundamental freedoms, peace, democracy, good governance, gender equality, the rule of law, solidarity and justice). On the basis of longstanding EU commitments to principles of [aid effectiveness](#) (national ownership,

partnership, coordination and harmonisation, alignment to recipient country systems and results-oriented policies and programmes), the consensus specified common EU principles in terms of ownership and partnership; in-depth political dialogue; civil society participation; gender equality and addressing state fragility. It also reaffirmed the common commitment to promoting policy coherence for development (PCD) and to this purpose strengthened PCD procedures and mechanisms at all levels, including the need to scale up development resources to 0.7 % of the GNI of the each individual Member State by 2015.

Did the consensus succeed?

According to the [European Commission's assessment](#), backed by the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD/DAC) [peer review](#), the consensus was a useful tool, fostering a shared and common vision for EU and Member States' development cooperation. There is, according to the Commission, a significant degree of alignment between the consensus principles, values and commitments, and the EU and Members States' policies. Their actions focused in particular on poverty reduction, specifically through support for growth, food security, education, and health. Resources were concentrated on those countries most in need. However, other commentators are less positive in their evaluation. For [Mackie](#), for instance, Members States' support for the implementation of common engagements included in the 2005 consensus was often more 'tacit than explicit'.¹

European Commission proposal for revision

The European Commission [proposal 'For a new European Consensus on Development Our World, our Dignity, our Future'](#), taking the results of the [public consultation](#) launched in May 2016 into account, was presented on 22 November 2016. It adopts the holistic approach of the 2030 Agenda, integrating social, economic and environmental dimensions, while retaining poverty eradication as the main goal of EU development policy. The draft consensus reaffirms the principles and values guiding EU development action, stressing a rights-based approach to development cooperation, with gender equality as one of its core underlying values. The core of the proposal is structured around the five axes of the 2030 Agenda and specifies the long list of EU commitments in different fields:

- **People:** human development and dignity

Eliminating hunger, universal health coverage, universal access to quality education, adequate and sustainable social protection, and decent work in a healthy environment, are particular objectives that Member States and the EU will pursue to eradicate poverty and tackle discrimination and inequalities.

- **Planet:** protecting the environment, managing natural resources and tackling climate change

The EU and its Member States will promote, via its development cooperation resources, efficiency, sustainable production and consumption, and the conservation of all natural resources; they will integrate environment and climate, mitigation and adaptation, into all development cooperation strategies.

- **Prosperity:** inclusive and sustainable growth and jobs

The EU and its Member States will help developing countries to improve their business environment and promote trade and public and private investment, in particular through the European External Investment Plan.

- **Peace:** peaceful and inclusive societies, democracy and rule of law

The EU and its Member States will use development cooperation as one of the key instruments to foster democratic, peaceful and inclusive societies and to prevent, manage and resolve conflicts. The special focus will therefore be on support for fragile and conflict-affected countries and action that promotes democracy, human rights, the rule of law and the good governance.

- **Partnership**

While recognising each country's primary responsibility for its economic and social development, the EU also recognises the important role of collaborative partnership, considered the force behind Agenda 2030 implementation.

To improve the impact and effectiveness of its development cooperation, the Commission stresses the need for better coordination between the EU and the Member States (focusing on joint programming, common strategies, joint action and improved reporting), in multi-stakeholder partnerships, involving a broad spectrum of private and public stakeholders from global, country and local levels. The Commission emphasises the use of particular tools, such as budget support, [EU trust funds](#) and [blending](#) (via the new [European Fund for Sustainable Development](#), part of the External Investment Plan), to increase the private sector contribution to development. Particular support will be provided to help partner countries to generate additional resources for development at the domestic level, including promoting domestic resource mobilisation and tackling illicit financial flows. The word 'migration' is mentioned 30 times, compared to 10 mentions in the old consensus: while recognising the positive contribution to development of well managed migration, the proposal gives prominent status to tackling its root causes.

The debate in the Council on [28 November 2016](#) stressed that aspects such as addressing the root causes of migration and gender equality, should be built into the new consensus to be adopted in 2017 as a joint statement by the Council, Member States' representatives, the European Parliament, and the European Commission.

Stakeholder views

Non-governmental organisations (NGOs) and the think tanks active in the field of development cooperation generally [welcomed](#) the revision of the European consensus on development, recognising the need to adapt to the changing international context and new global agendas.

Several stakeholders however point to risks associated with this redefinition. Among others, the fears are that the new consensus will be:

- ambitious in the scope of its objectives but lacking adequate institutional framework and working method to achieve them;²
- too broad, without clear sectoral and geographical priorities, to be truly strategic;³
- [a dilution](#) of the development priorities of eradicating poverty and reducing inequalities in other issues related to trade, security and migration;
- without a mechanism that would guarantee efficient implementation of PCD;⁴

- giving the private sector an increased role without sufficient transparency in private-public partnerships and binding accountability in cases of human rights abuses or environmental damages;
- overly focused on migration control, rendering development cooperation an instrument to address migration and security concerns, rather than prioritising the needs of the poor.

Regarding this last concern, [CARE](#), the international confederation of development and humanitarian NGOs, advocates against the increase used of ODA in support of military expenditure and the costs of hosting refugees that should be covered by additional funding. [Henökl and Keizer](#) further elaborate on this issue: for the authors, the new consensus must integrate a holistic and sustainable concept of security, helping to connect development policy to issues of stability, democracy and security in EU foreign policy, as outlined in the EU global strategy, but without subordinating development policy to security concerns. The authors also stress that the new consensus should define the form and the content of cooperation with middle-income countries, in particular regarding the implementation of the SDGs. They advocate horizontal, vertical and sectoral coordination, as well as a division of tasks in the EU, in order to better use the available resources. More effective collaboration between EU institutions and Member States, both at headquarters and in the field, is one of the most frequent points. [Mackie](#), in particular, raises the question as to whether there is a momentum to move towards a clearer form of division of labour, as already agreed in the EU's 2007 code of conduct.

Several stakeholders underline that, although the declared priority is poverty eradication, the vision proposed does not address the underlining causes of poverty, linked to an economic growth centred development model, power imbalances between rich and poor, and growing social and economic inequalities. Others, such as [Oxfam](#), recognise the positive vision of the draft consensus, but ask the EU to align with its other recent policies. Indeed, many NGOs have expressed concerns regarding the new partnership framework and the External Investment Plan, which, in their view, serve primarily the EU's own security and commercial interests instead of helping people lift themselves out of poverty.

European Parliament position

The European Parliament [resolution of 14 February 2017](#), the result of a own initiative [report](#) drafted by rapporteurs Bogdan Brunon Wenta, (EPP, Poland) and Norbert Neuser (S&D, Germany), reiterates Parliament's key long-term position for the fight against poverty and hunger to remain a primary goal, and to maintain [official development aid](#) (ODA) as the backbone of EU development policy. The Parliament calls again on the Member States to fulfil their engagement to achieve the ODA 0.7 % target by 2030. Concerning increased private sector participation in development cooperation, in particular via the new European External Investment Plan, the parliament supports more public-private partnership to leverage additional resources for development, but stresses the need for strict criteria related to aid effectiveness and environmental and social standards when blending EU grants to boost investment. In order to be able to hold multinational companies to account for their compliance with human rights, social and environmental standards, as well as fulfilling their fiscal obligations, the Parliament sees a need to establish legally binding European and international measures.

To avoid the subordination of EU development policy to foreign policy goals on security and migration control, the European Parliament suggests the use of need- and efficiency-

based criteria for the allocation of development assistance, with the exclusion of all conditionality not related to development objectives, such as cooperation in migration matters. Migration linked development assistance has to be focused on promoting inclusion and economic opportunities, democracy building and good governance, and must fulfil the ODA definition. The Parliament also seeks a strong role in monitoring of migration related use of development funds.

To increase overall effectiveness and reduce fragmentation of EU development policies, a legally binding instrument is proposed, to enhance coordination and ensure effective complementarity between the development aid of Member States and EU institutions. Parliament also reiterates its call for an effective mechanism to monitor and evaluate the impact of all internal and external policies on developing countries (policy coherence for development), including a European arbitration system under the authority of the President of the European Commission. As for the, often criticised, trade-development nexus, the Parliament sees the EU commitment to fair and ethical trade schemes as an integral part of the new consensus.

The resolution constitutes the European Parliament official position in ongoing interinstitutional negotiations. After four interinstitutional meetings, there are good chances that the final proposal could be endorsed, in the form of a Rule 123 resolution, during the second plenary session in May 2017, so that formal signature may take place during the [European Development Days](#) (7-8 June 2017).

The **consultative committees** of the EU are also preparing their input to the ongoing debate on the future consensus. The position of the European Economic and Social Committee is [expected](#) by the end of April 2017. The Committee of Regions' opinion, [adopted](#) on 8 February 2016, stresses that, considering the universal nature and broad scope of Agenda 2030, it should be considered a multi-level and multi-stakeholder agenda, and therefore involve actors at all levels (local, regional, national and international). The importance of decentralised cooperation, in particular in knowledge sharing between different actors, is also emphasised.

Outlook

Bodenstein, Faust and Furness stress that the ambitious 2030 Agenda introduces a series of potentially competing new goals to development policy,⁵ exacerbating the coherence challenge the EU faces both vertically (between the EU and Member States' policies) and horizontally (across all policy sectors).⁶ In this context, it can be questioned whether a purely 'normative incentive' – shared values and rhetorical commitments embodied in the European consensus on development – is sufficient motivation for truly collective action, resulting in a coherent and complementary European development aid. Alternatively, 'coercive incentives', in the form of binding mechanisms and instruments to implement the PCD and the coordination of development policies would be needed – as proposed by the European Parliament – for Europe to provide a decisive contribution to the creation of global public goods envisaged in Agenda 2030: for a peaceful and prosperous humanity that leaves no one behind.

Main references

[Keysource on the revision of the European consensus on development](#), EPRS, 2017.

Endnotes

¹ Mackie, J. 2017. [What is the new European Consensus on Development for?](#) ECDPM Talking Points blog, 17 February 2017.

- ² Sherriff, A., Laferrère, A., Gregersen, C., Bossuyt, J. 2016. [ECDPM submission to the European Commission's Public Consultation on revising the European Consensus on Development](#). Maastricht: ECDPM, August 2016.
- ³ Faure R., Maxwell, S., [The proposed new European Consensus on Development: has the European Commission got it right](#), Briefing papers, January 2017.
- ⁴ [CONCORD Red Lines: Proposal for a New European Consensus on Development](#), January 2017.
- ⁵ Bodenstein, T., Faust, J., Furness, M. [European Union Development Policy: Collective Action in Times of Global Transformation and Domestic Crisis](#), 20 October 2016.
- ⁶ For the concept of vertical and horizontal coherence see Carbone M. (ed) [Policy Coherence and EU Development Policy](#), 2009, p.85-86.

Disclaimer and Copyright

The content of this document is the sole responsibility of the author and any opinions expressed therein do not necessarily represent the official position of the European Parliament. It is addressed to the Members and staff of the EP for their parliamentary work. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

© European Union, 2017.

Photo credits: © pandavector / Fotolia.

eprs@ep.europa.eu

<http://www.eprs.ep.parl.union.eu> (intranet)

<http://www.europarl.europa.eu/thinktank> (internet)

<http://epthinktank.eu> (blog)

