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20 June 2003

REPORT

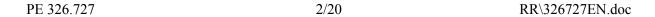
on the Communication from the Commission to the Council and the European Parliament and the Economic and Social Committee on participation of non-state actors in EC development policy (COM(2002) 598 - 2002/2283(INI))

Committee on Development and Cooperation

Rapporteur: Richard Howitt

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PROCEDURAL PAGE

By letter of 7 November 2002 the Commission forwarded to Parliament its Communication on participation of non-state actors in EC development policy (COM(2002) 598), which had been referred to the Committee on Development and Cooperation and the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy for information.

At the sitting of 16 January 2003 the President of Parliament announced that the Committee on Development and Cooperation had been authorised to draw up an own-initiative report on the subject under Rules 47(2) and 163 and the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy had been asked for its opinion.

The Committee on Development and Cooperation had appointed Richard Howitt rapporteur at its meeting of 3 December 2002.

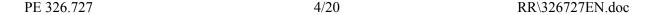
The committee considered the draft report at its meetings of 20 May and 11 June 2003.

At the latter meeting it adopted the motion for a resolution unanimously.

The following were present for the vote: Joaquim Miranda chairman; Margrietus J. van den Berg, vice-chairman; Richard Howitt, rapporteur; Jean-Pierre Bebear, Yasmine Boudjenah, John Bowis, John Alexander Corrie, Michael Gahler (for Nirj Deva), Vitaliano Gemelli, Karin Junker, Karsten Knolle, Nelly Maes (for Paul A.A.J.G. Lannoye), Miguel Angel Martínez Martínez, Hans Modrow, Didier Rod, Francisca Sauquillo Pérez del Arco, Agnes Schierhuber (for Luigi Cesaro) and Maj Britt Theorin.

The opinion of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy is attached.

The report was tabled on 20 June 2003.





MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the Communication from the Commission to the Council and the European Parliament and the Economic and Social Committee on participation of non-state actors in EC development policy (COM(2002) 598 - 2002/2283(INI))

The European Parliament,

- having regard to the Communication from the Commission (COM(2002) 598 C5-0625/2002)¹,
- having regard to the Council Conclusions of 19 May 2003 on this Communication²,
- having regard to the revised preliminary draft opinion of the European Economic and Social Committee of 26 March 2003 on the role of civil society in European development policy³,
- having regard to Articles 177, 178, 179, 180, 181 and 181a of the EC Treaty,
- having regard to the ACP-EC Partnership Agreement signed in Cotonou on 23 June 2000⁴,
- having regard to the Council and Commission Joint Declaration of 10 November 2000 on the European Community's development policy⁵,
- having regard to its resolution of 1 March 2001 on the Commission Communication to the Council and the European Parliament on the European Community's Development Policy⁶,
- having regard to the Commission Communication "Towards a reinforced culture of consultation and dialogue – General principles and minimum standards for consultation of interested parties by the Commission"⁷,
- having regard to the Commission White Paper on European governance⁸,
- having regard to the Commission White Paper on reform of the Commission⁹ and in particular Chapter II (IV) thereof on improving the dialogue with civil society,
- having regard to its resolution of 30 November 2000 on the Commission White Paper on the reform of the Commission¹⁰,

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¹ Not yet published in OJ.

² DEVGEN 63/RELEX 169/Doc. 9125/03.

³ REX/097-R/CESE/669/2002 rev.

⁴ OJ L 317, 15.12.2000, p. 3.

⁵ Doc. 13458/02 DEVGEN 140.

⁶ OJ C 277, 1.10.2001, p. 20.

⁷ COM (2002) 704.

⁸ OJ C 287, 12.10.2001, p. 1.

⁹ COM (2000) 200.

¹⁰ OJ C 228, 13.8.2001, p. 24.

- having regard to its resolution of 10 December 1996 on the participation of citizens and social actors in the institutional system of the European Union¹
- having regard to its resolution on the Commission Communication entitled
 "Democratisation, the rule of law, respect for human rights and good governance: the challenges of the partnership between the European Union and the ACP states"²
- having regard to its resolutions of March 1987 and of May 1992 on the role of NGOs in development cooperation³
- having regard to the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, (June 1998),
- having regard to the Council Regulation (EC) No 1658/98 of 17 July 1998 on cofinancing operations with European non-governmental development organisations (NGOs) in the fields of interest to the developing countries⁴,
- having regard to the Council Regulation (EC) No 955/2002 of the European Parliament and of the Council of 13 May 2002 extending and amending Council Regulation (EC) No 1659/98 on decentralised cooperation⁵,
- having regard to the evaluation of the de-centralised cooperation budget line B7-6002 of September 2000⁶ and to the evaluation of the budget line B7-6000 of co-financing operations with European non-governmental development organisations (NGDOs) of December 2000⁷,
- having regard to the Replies by the Commission to the Questionnaire by Richard Howitt in relation with this Communication⁸,
- having regard to Rules 47(2) and 163 of its Rules of Procedure,
- having regard to the report of the Committee on Development and Cooperation and the opinion of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy (A5-0249/2003),
- A. whereas ownership of development strategies by partner countries and the widest possible participation by all sections of society are key principles in EC Development policy; and that Non-State Actors (NSA) participation does not in itself guarantee policies for bottom-up development, poverty-reduction and social inclusion but should flow from them,
- B. whereas the UN General Assembly in its UN Millennium Declaration of September 2000 resolved to develop strong partnerships with the private sector and with civil society organisations in pursuit of development and poverty eradication, with its accompanying

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¹ OJ C 20, 20.1.1997, p. 20.

² OJ C 104, 14.4.1999, p. 185.

³ OJ C 76 23.3.1987, p. 128 and OJ C 150, 15.6.1992, p. 273.

⁴ OJ L 213 30.7.1998, p. 1.

⁵ OJ L 148, 6.6.2002. p. 1.

⁶ Aidco, evaluation, ref. 951516, 09/2000.

⁷ Aidco, evaluation, ref. 951568, 12/2000.

⁸ PE 326.730 - available in EN & FR.

Agenda for Action incorporating 1300 civil society organisations world-wide,

- C. whereas according to an estimation made by the Commission¹, out of 63 Country Strategy Papers (CSPs) analysed, NSAs inputs were taken into account only in 36 cases suggesting that in 23 cases NSAs were consulted and "ignored",
- D. whereas one of the responsibilities of the Committee on Development and Cooperation of the European Parliament is promotion, application and monitoring of the development and cooperation policy of the European Union, through which consultation with European and Southern NSAs plays a vital role,

A. General principles

- 1. Welcomes the Commission Communication on Participation of Non-State Actors in EC Development Policy as a significant step in promoting a participatory approach in all EC development programmes;
- 2. Recognises that the role of non-state actors (NSA) is essential in carrying out the process of political democratisation, building an active civil society and strengthening economic and social cohesion, which are all the necessary components of any sustainable development; stresses however that the involvement of NSA in EU development policy should be based on EU guidelines and priorities given to its political responsibility and its commitment, in seeking global solutions for peace, security and harmonious world development;
- 3. Welcomes the attempt to spread the principle set in Cotonou (Art. 2, 4 and 6, inter alia) of NSA participation in each and every stage of the development policy to all regions; yet regrets that the fundamental principle stated in Cotonou of opening the partnership to all different kinds of NSAs in order to encourage the integration of all sections of society into the mainstream of political, economic and social life is not sufficiently reflected in this Communication;
- 4. In particular, emphasises that as long as NSAs are not involved in the elaboration of EU development policy documents, such as Regional Strategy Papers, Country Strategy Papers, National Indicative Programmes and regulations, there is a risk that the principles stated in the Communication will never turn into concrete realisation;
- 5. Calls for policy dialogue with NSAs to include all aspects of relations between EU and third countries that have an impact on development in its broader meaning; *(deletion)*
- 6. Considers it a priority to combine the efforts of the EU, its Member States, international multilateral organisations and NSA to combat extreme poverty in the world; calls for close co-operation with economic operators in developing countries to ensure the utmost consistency and effectiveness of actions undertaken to combat this painful phenomenon;
- 7. Considers it important to improve the dialogue and consultation between the non-state local actors and the national authorities of developing countries in crucial areas such as

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¹ Replies to Question 1 & 2 (PE 326.730).

the judiciary, public administration, the media, in order to strengthen the capacities, accountability and transparency of public institutions and to increase public sector effectiveness in applying principles of respect of human rights, good governance and in fighting corruption;

- 8. Regrets that there was no official solicitation for input from Southern or Northern NSAs into the Communication, in direct contrast with the principles stated which aim to ensure "an adequate level of consultation and participation in all partners' countries";
- 9. Acknowledges the subsequent informal consultation of various NSA groups by the Commission for the drafting of "Guidelines on Principles and Best Practices for the Participation of Non-State Actors in the development dialogues and consultations" (the Guidelines) as a practical follow-up of the Communication¹ although regrets the short timescale allowed for this;
- 10. Calls on the Commission to draw on a spectrum of 'global best practice' and lessons learnt in participatory approaches elaborated by other international actors such as the United Nations, World Bank, bilateral agencies and academic institutions²; considers that efficiency will be enhanced by stimulating the creation of national sectoral umbrella organisations, involving all the grassroot organisations, to act as partners in the dialogue;
- 11. Rejects the artificial distinction between NSAs as implementing partners and NSAs acting on their own initiative proposed by the Communication, which, as the Commission accepts³, fails to reflect the diversity within the NSA community;

B. Finding the right place for NSAs in the policy dialogue

- 12. Calls for the Commission to fully implement the principles stated in the December 2002 Communication "Towards a reinforced culture of consultation and dialogue" in particular a commitment to open, inclusive and non-restrictive dialogue with NSAs in development policy at all levels of policy formulation and implementation;
- 13. Welcomes the bi-annual meetings between the Commissioner for Development and the Non-Governmental Development Organisation (NGDO) community; calls for the *joint* preparation of the agenda and contents of the meetings between Commission services and NGDOs to allow them to give a real input in policy formulation;
- 14. Welcomes the fact that the EU ACP Council of Ministers has taken some steps to facilitate the implementation of Article 15 of the Cotonou Agreement in relation to NSAs' involvement in Joint EU ACP Council meetings, with the organisation of the meeting with NSAs on 16 May 2003; calls on the EU-ACP Council of Ministers to guarantee a

⁴ COM(2002) 704.



¹ Replies to Question 11 & 12 (PE 326.730).

² Concrete publications are: "The World Bank Participation Sourcebook" (World Bank), the "Fact Sheet: Presentation of Products for Poverty Reduction Strategies (PRS) - Instruments, Methods, Approaches", GTZ and "Rethinking Governance Handbook: An inventory of Ideas to Enhance Participation, Transparency and Accountability", University of Victoria's Center for Global Studies, Canada. All these publications are available at www.worldbank.org/participation/tools&methods/toolkitsmanuals.

³ Reply to Question 20 (PE 326.730).

- broad participation of NSAs in all of its meetings and calls for similar provisions to be adopted for all developing countries and regions;
- 15. Calls on the Commission to set up a contractually binding obligation for the participation of Southern NSAs in all EC Cooperation Agreements and Programmes (ALA, MEDA, TACIS, CARDS, etc.) following the model set up in the Cotonou Agreement and thus enhancing the creation of a "culture of dialogue" in developing countries¹;
- 16. Calls on the Commission to ensure in all its communications with developing country governments that it underlines that increased participation of NSAs in the formulation and implementation of public policies is fully consistent with parliamentary democracy; indeed that a strong and diverse civil society in all our countries strengthens democratic values by promoting public debate, scrutiny and participation;
- 17. Calls for the setting up of multi-stakeholder national or regional cooperation programme steering committees in each developing State or region, to consult on EU aid programmes and promote all aspects of civil society participation including representatives of the ACP State concerned, the Head of the European Commission Delegation in the country, and representatives of the local NSAs;
- 18. Calls on the Commission to actively participate with private sector NSAs, in both the North and the South, and their stakeholders on issues relating to Corporate Social Responsibility and insists that these issues should be extended to their supply chain and subcontractors;
- 19. Calls on the Commission to ensure both NSAs' inputs and a continuing demonstrable improvement in these inputs in the upcoming process of CSPs mid-term review in all countries;
- 20. Emphasises the importance of supporting the creation and growth of democratic trade unions in Southern countries as a prerequisite for sustainable economic development; calls for the Commission to ensure practical implementation of the core International Labour Organisation conventions in all its development activities, and to guarantee the participation of Southern trade unions, through the transfer of know-how from Northern to Southern Trade Union Associations in particular through the organisation of regional conferences; and support the setting up of an independent ACP Trade Union Forum to parallel representation for Business and wider Civil Society;
- 21. Stresses that private sector NSAs, active in trade and industry, can offer an important contribution to development cooperation due to their experience and know-how;
- 22. Recognises the obligations of the European Parliament itself to constantly ensure and improve its involvement with representatives for NSAs in development policy; in particular for its appropriate Committee to undertake regular dialogue through such mechanisms as seminars, hearings as well as in the individual preparation of reports; considers it necessary to amend Annex VI point XIV of its Rules of Procedure to support

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¹ Reply to Question 22 (PE 326.730).

this:

C. Implementation mechanisms, measurable targets and monitoring indicators

- 23. Emphasises the importance of the mapping exercise¹ undertaken by the Commission to establish a realistic picture of the potentialities and needs of local NSAs in development programmes specific to each country and for the incorporation of the results of this exercise into CSPs in a consistent way, in consultation with local NSAs;
- 24. Highlights the importance of the objective pursued by the budget line B7 6000 (NGO Cofinancing line) to promote own-initiative development activities by European NGDOs; welcomes the improvements introduced by the European Commission (AIDCO) in the management of this line, which have led to a significant reduction of the time lapsed between submission of proposals and final decision; however regrets successive attempts to reduce the funding available by the Commission in presenting its Preliminary Draft Budget as well as continued understaffing of the responsible Unit; notes the on-going reflection exercise to further improve the quality of the selected projects and expects the European Parliament to be involved in this exercise in the near future;
- 25. Believes that European-based development NGDOs play an essential role in development education and awareness amongst European citizens, in research and innovation in development policy, as well as in the implementation of specific programmes often in cooperation with Southern partners; believes that the objectives pursued by the budget line B7 6002 (decentralised cooperation) for the direct involvement of Southern civil society in EU programmes are equally important and calls for a significant increase in the level of its funding, subject to the outcome of future budget discussions and without prejudice to EU NGOs as essential in achieving the claimed objective of enhancing ownership of development strategies by partner countries;
- 26. Expects the Investment Facility to be launched in the near future, following the entry into force of the Cotonou Agreement in April 2003 and looks forward to seeing the results of EBAS and DIAGNOS revisions, as part of the implementation of EU private sector development strategy in ACP countries;
- 27. Welcomes and fully endorses the Commission's Programming Guidelines Notes No 6 (09/03/01), in particular regarding the figure of up to 15 % of EDF funds to be allocated to local NSAs; calls for the Commission to incorporate this target up to of 15 % for NSAs in all geographical budget lines in the Preliminary Draft Budget for future years;
- 28. Takes note that, as regards to the funds reserved under the EDF for NSAs, in 39 countries out of 63 an amount has been agreed with the National Authorising Officer for a total amount of around € 170,18 million²; calls for an amount to be discussed and agreed with the National Authorising Officer for the remaining 24 countries;
- 29. Emphasises that setting a financial target for NSAs participation in the implementation of development programmes should not substitute the qualitative participation of NSAs in

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¹ Reply to Question 9 & 10 (PE 326.730).

² Reply to Question 2 (PE 326.730).

the rest of development policy stages;

- 30. Welcomes the inclusion in the Guidelines of appropriate monitoring mechanisms to check the quality of the process of NSA participation, as well as the added value for policy formulation and implementation; endorses the inclusion of these assessments in the annual reports of EC Delegations and in the annual report on the EC development policy and the implementation of the external assistance, where a special chapter on participation of NSAs in development policy should be included;
- 31. Welcomes and strongly supports the intention of the Commission to appoint one staff member in each EC Delegation as responsible for ensuring the implementation and monitoring of participation of local NSAs in development policies and programmes¹; regrets the fact that the Commission has not yet foreseen training for EC Delegation staff in this respect² and considers that immediate steps have to be taken, in particular on participatory methodology and on day-to-day implementation of Commission financial regulations, for further dissemination amongst local NSAs;

D. Capacity building

- 32. Calls for a systematic mainstreaming of capacity building activities for Southern NGOs in all EC budget lines and into all programmes related to development; special attention should be paid to small and grass roots organisations which have the capacity to reach and represent vulnerable and isolated groups of the population and to ensuring participation in cross-cutting issues in all cases such as gender, the environment and human rights;
- 33. Calls for the Commission to consider the creation of a capacity-building facility for Southern NSAs, managed by each EC Delegation, which would be specially relevant in countries unwilling to support or cooperate with local NSAs;
- 34. Calls in this connection on the Commission to leave projects successfully carried out via NSAs under NSA management, with a view to ensuring continuity of this approach, in order, in addition, to avoid the risk that authorised EU funds will seep away within government structures:
- 35. Welcomes the preparedness expressed by the Commission to support activities proposed by the ACP Civil Society Forum³; calls on the Commission to take active steps to assist its development and effectiveness, in particular concerning its transformation into a permanent global platform⁴;
- 36. Emphasises that there is a greater obligation on the European Commission to undertake proactive consultation with Southern NSAs, to continually seek to simplify and open up its procedures at local as well as the European level;
- 37. Calls on the Commission to continue providing an adequate and sustained level of core funding to support EU-level development NGO bodies, recognising the added value this

¹ Reply to Question 14 (PE 326.730).

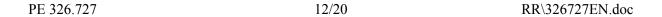
² Reply to Question 13 (PE 326.730).

³ Reply to Question 5 (PE 326.730).

⁴ Declaration of ACP Civil Society Forum (2-5 July 2001, Brussels).

provides to EU policy formulation and the legitimate expectation of voluntary donors to such organisations that their contribution is directed to development activities rather than dialogue with public authorities;

38. Instructs its President to forward this resolution to the Council and the Commission.



EXPLANATORY STATEMENT

Development non-governmental organisations (NGOs) such as Oxfam, Save the Children or Action Aid from the United Kingdom, Ayuda en Acción or Manos Unidas from Spain, Médecins Sans Frontiéres or Action Contre Le Faim, from France, Misereor or EDD from Germany, COPI or COSV from Italy and their counterparts across Europe are renown for promoting development in the poor countries of the world.

Meanwhile NGOs in developing countries themselves such as human rights' protectors, women's groups or community based organisations supporting local water or health projects are similarly recognised by the public as representing the true beneficiaries that development is supposed to be about.

Yet for too long they have had an uncomfortable relationship with the major aid provider in the world - the European Union.

True that €1.4 billion of Europe's official development assistance is claimed to be managed by or with such non-state actors (NSAs), but the European Commission's own figures show that this represents just 3 per cent of assistance to Latin America and just 2 per cent to Asia. No comparable figure is even calculated for the poorest regions of the world - and Europe's principal developments partners - the countries of Africa, the Caribbean and the Pacific (ACP).

NGOs in fact have just one door for initiatives of their own making in to Europe's development budget - the "B7-6000" co-financing line. Yet year-by-year the European Commission proposes to cut the amounts to be provided - despite the fact that applications from around Europe are made which are five times greater than the sum available. Management reforms have only just begun which saw delays between applications and decisions made of more than a year.

Meanwhile the Southern NGOs appear to get an even rougher deal. The "B7-6002" decentralised cooperation budget provides less than 3 per cent of what is available to European development NGOs. Two years ago, the European Commission proposed merging the two lines of support - seeming to pit European and Southern NGOs against each other - whilst the lion's share of the development pot remained beyond their grasp.

Perhaps this remained academic to most NGOs in developing countries. Members of the European Parliament regularly find that local NGOs are totally unaware of Europe's development efforts - or have been rebuffed in any attempt to find out. The European Union has sometimes stood accused of acquiescing with undemocratic regimes in some developing countries, who have actively sought to prevent support to independent NGOs - who threaten to expose corruption or human rights abuse to their local population or the outside world.

The European Union's relationship with associations of development NGOs undertaking policy dialogue in Brussels itself has also been strewn with problems. The organisations themselves complain that any consultation they enjoy is entirely ad hoc, and that the European Commission can be accused of consulting when it wants to legitimise its own perspective, rather than genuinely seeking to listen and respond to alternative viewpoints. Meanwhile a Commission severely limited in its staff numbers has genuinely struggled to cope with the

myriad of demands from literally thousands of organisations - local, national and international. It became dismayed to find levels of apparent mismanagement and waste in the principal development NGO umbrella body - known as "the CLONG" - which ultimately led to it being closed down altogether. Yet despite lessons learnt, the replacement structure for dialogue with European Commissioner Poul Nielson still sees criticisms from NGOs that communication is one-way from the Commission at the end of its deliberations, rather than a genuine two-way dialogue on policy alternatives.

All sides would accept that a sea-change needs to occur in relations between Europe's development aid and the NGO sector.

Indeed as long ago as 1998, the Commission established a small internal working party under the direction of the then head of the Commission Directorate for Development, Philip Lowe, to recommend how such improvements could be brought about. An official Communication was promised, yet this disappeared in to the long grass of first, Commissioner Neil Kinnock's reform programme and then the White Paper on Governance promoted by Commission President Romano Prodi. All of these offered a sincere commitment to the contribution made by development NGOs, but fine words were never matched with action.

Until last year when a Commission Communication on Non-State Actors was finally published.

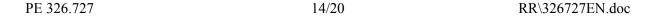
As Rapporteur, responsible for steering agreement of the document through the European Parliament, my guiding principle has precisely been to seek to realise the promises made.

On first reading, I could find very little with which to disagree. But would anything change as a result?

It seemed ironic that the very document that aims to ensure "an adequate level of consultation and participation in all partners' countries" was itself developed without any official consultation or input from civil society organisations in Europe or in the developing world. In response, I have successfully encouraged the Commission to ensure at least limited consultation over the Guidelines intended to implement it.

A questionnaire I produced found that in barely half of the 63 countries where agreed development strategies (CSPs) are being implemented had there been any consultation with civil society at all. Incredibly, the European Commission accepted that in 23 cases they *had* undertaken such consultation - and then completely ignored the findings! My proposal seeks to guarantee consultation in all countries. Furthermore, to acknowledge the efforts of local staff who have made a laudable attempt at such involvement - like those I had seen with my own eyes in Burkina Faso - I foresee a process of gradual and demonstrable improvement everywhere. Parliament must accept that consultation is not an exact science measurable in numbers alone, and that the quality of involvement particularly from the poorest and most marginalised in developing country societies is at least as important when the Commission's activities are assessed.

It is a cornerstone of the proposals that I am putting to the European Parliament that such consultations and their results are not an "add on", but integrated in to the mainstream processes for the delivery of EU aid. This should include all relevant policy instruments and





the first test on whether such a commitment is serious will be the forthcoming "mid-term review" of existing agreed "Country Strategy Papers". One suggestion NGOs themselves have made is that multi-stakeholder committees be set up in each country or region to oversee this process, and to directly promote participation and consultation. Parliament should give this idea our support.

One question which has been particularly difficult to resolve is how to ensure consultation is as wide as possible, reaching those representing the poorest and most marginalised?

The European Commission appears right to reject formal procedures present in the United Nations or the Council of Europe which "accredit" certain NSAs for special consultative status. A more open approach is the right course - even if the Communication itself risks criticism of eurocentricity by appearing to ignore best practice elsewhere in the world - something which the examples proffered seek to redress. The Communication has also been roundly condemned for seeking to artificially divide NSAs between those engaged in implementation with the EU and those acting under their own initiative. The Commission seems now to accept its error, and should put this squarely on the record. Nevertheless the true guarantor of genuine participation is through the effective monitoring and control mechanisms which exist to manage the programmes overall. Parliament should expect to see the results in the annual report of every EC Delegation, as well as substantially evaluated in the Commission's Annual Report on development policy overall.

Similarly, the funding issues can also only be properly resolved as part of the mainstream EU budget process. I was pleased that the Commission itself proposed specifically discussing and agreeing amounts for NSAs with government representatives (National Authorising Officers) in all of the developing countries where this has not hitherto taken place. However, they are suddenly fighting shy of the "up to 15 per cent" target for NSAs the Commission endorsed in its own programming guidelines for the ACP in 2001. To the contrary, my proposed resolution suggests that this *should* be adopted as a concrete target and extended to all regions of the world. After all, it guarantees that 85 per cent will not be made available to anyone other than governments - hardly a radical proposal. Second, Parliament should avoid the divide-and-rule tactics, and argue for more specific funding for both European and Southern NGOs - the B7-6000 and 6002 lines. In addition, I have received assurances that MEPs will be directly involved in discussions about the better management of these funds. Third, it seems nonsensical that the draft guidelines produced by the Commission on implementation of the Communication deliberately exclude funding issues. It suggests that the Commission sees consultation as a "soft" issue, to be dealt with separately from the "hard" issue of where the money goes. Only by dealing with both questions in an integrated way, will the Commission demonstrate that both are of equal importance.

Meanwhile, current developments in the European Union make this the right time to pursue such changes.

The criticism of "ad hoc-ness"

The forthcoming new Treaty on European Union to be proposed by the Convention on the Future of Europe provides the opportunity to establish the legal base which would require consultation with civil society to take place. Although some NGOs have argued for a specific requirement through a Council Resolution for consultation with development NGOs, this

appears to be a second best solution, and Parliament is asked to back participation with the development community through these wider efforts for civil dialogue as a whole. European Governments have already signed up to binding provisions in the Cotonou Agreement with the ACP countries, and they would be foolish to deny this approach in all regions of the world. In the meantime, this debate does not prevent the Commission immediately building in such binding commitments when it negotiates cooperation agreements with third countries. They should.

The criticism of non-implementation

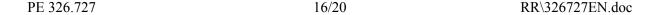
The deconcentration of EU development funding, decision-making and staffing from Brussels to developing countries themselves, provides the ideal time to ensure results. My suggestion that one staff member in each Delegation be specifically designated as responsible for overseeing consultation with civil society has been warmly welcomed by the Commission. Their failure to plan the necessary training to make this a success is surely an oversight, and they should think again. Although capacity building to enable NSAs to genuinely take advantage of the new approach is also an issue of mainstreaming, the suggestion for a small capacity-building instrument managed by each Delegation may go some way to providing the sort of small scale funds which really make a difference on the ground.

Three final points

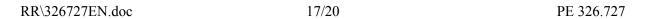
Throughout this statement, I have deliberately used the various terms - NSAs, NGOs, civil society and the like interchangeably. The social partners - business and trade unions - have a legitimate criticism that too much of the thinking is directed at non-governmental organisations rather than other actors independent of the state. This is probably irrelevant for most of the questions dealt with above. Nevertheless, diversity within the community of NSAs is an important issue. The ongoing debates around Corporate Social Responsibility in the business community and the promotion of the core standards of the International Labour Organisation are specific issues affecting the social partners, which should be explicitly supported in response to a renewed commitment on participation. One practical example of selected amnesia in this respect is the failure to enable the setting up of an umbrella forum for trade union representation in the ACP, to match the evolving for a representing business and wider civil society. This should be redressed.

Second, as with all European Parliament resolutions, we should practice what we preach. That means ensuring the highest possible involvement of NSAs in our own deliberative processes. The Parliament's Development Committee has a good record in this respect, but the resolution suggests a rule change may be necessary to advance this approach.

And third, most academics and development practitioners would agree that ownership of development strategies by those intended to benefit provides the best guarantee of the success of those strategies. Many of today's buzzwords around public-private partnerships, good governance or sustainability are equally dependent on participation by a healthy and functioning civil society in the developing country. Thus it is the principle of participatory development - not simply the operation of consultation processes - that must be the ultimate arbiter as to whether the good intentions of this new Communication really do make a difference.



I hope they will.



OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS, HUMAN RIGHTS, COMMON SECURITY AND DEFENCE POLICY

for the Committee on Development and Cooperation

on the Communication from the Commission to the Council and the European Parliament and the Economic and Social Committee on participation of non-state actors in the EC development policy (COM(2002) 598 – 2002/2283(INI))

Draftsman: Armin Laschet

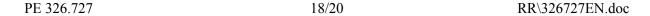
PROCEDURE

The Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy appointed Armin Laschet draftsman at its meeting of 21 January 2003.

It considered the draft opinion at its meeting of 10 June 2003.

At this meeting it adopted the following conclusions unanimously.

The following were present for the vote Elmar Brok (chairman), Baroness Nicholson of Winterbourne (vice-chairman), Christos Zacharakis (vice-chairman), Michael Gahler for Armin Laschet (draftsman), Richard Howitt, Ulpu Iivari (for Glyn Ford), Nelly Maes (for Joost Lagendijk), Miguel Angel Martínez Martínez (for Mário Soares), Raimon Obiols i Germà, Hannes Swoboda and Matti Wuori.



CONCLUSIONS

The Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy calls on the Committee on Development and Cooperation, as the committee responsible, to incorporate the following points in its motion for a resolution:

- Recognises that the role of non-state actors (NSA) is essential in carrying out the process
 of political democratisation, building an active civil society and strengthening economic
 and social cohesion, which are all the necessary components of any sustainable
 development; stresses however that the involvement of NSA in EU development policy
 should be based on EU guidelines and priorities given to its political responsibility and its
 commitment, in seeking global solutions for peace, security and harmonious world
 development;
- 2. Considers it necessary to increase the funds made available for the southern NGOs especially those active in Human Rights issues under the B7-6002 centralised cooperation budget line (representing only 3% of the sums provided to European NGOs) to enhance their influence and actions at regional and local levels, while ensuring the rigorous monitoring of expenditure and ex-post control of operations; calls on the NSA to undertake and carry out the same controls and apply the same guarantees as those laid down in the Community rules on the matter;
- 3. Calls on the Commission to submit, within the annual report on development policy, a specific chapter on the implementation of projects by the NSA for which financial assistance has been provided, so that adequate adjustments in management can be made to ensure maximum efficiency; encourages the Commission to undertake on a regular basis at short and medium term, an assessment of the economic and social impact of these projects;
- 4. Stresses the importance of a sound co-ordination between the Commission and NSA in implementing development policy which should extend beyond the necessary exchange of information on identifying and selecting projects and should be based on a strategy to increase complementarily the synergy between all types of assistance provided by the Union to developing countries;
- 5. Considers it a priority to combine the efforts of the EU, its Member States, international multilateral organisations and NSA to combat extreme poverty in the world; calls for close co-operation with economic operators in developing countries to ensure the utmost consistency and effectiveness of actions undertaken to combat this painful phenomenon;
- 6. Calls on the Commission to ensure that NSA are involved in the process of elaborating of development strategies for the countries concerned so that these are adapted as much as possible to each country's individual socio-political and economical circumstances;
- 7. Considers it essential to promote greater participation by an active and organised civil society and the private sector in the development process, especially in areas that concern or directly affect these actors, or where they have specific competencies;
- 8. Considers it necessary to strengthen the capacities of local NSA in developing countries as



- regards their institutional and personal know-how and skills (through Community technical assistance, training), in order to increase their effectiveness; calls on the Commission to encourage and facilitate the efforts of NSA at both national and regional levels to assess their needs and elaborate proposals for capacity-building programmes;
- 9. Considers it important to improve the dialogue and consultation between the non-state local actors and the national authorities of developing countries in crucial areas such as the judiciary, public administration, the media, in order to strengthen the capacities, accountability and transparency of public institutions and to increase public sector effectiveness in applying principles of good governance and in fighting corruption.

