

# EUROPEAN PARLIAMENT

2004



2009

---

*Committee on Development*

**2004/2209(INI)**

22.2.2005

## **OPINION**

of the Committee on Development

for the Temporary Committee on Policy Challenges and Budgetary Means of  
the enlarged Union 2007-2013

on policy challenges and budgetary means of the enlarged Union 2007-2013  
(2004/2209(INI))

Draftswoman: Marie-Arlette Carlotti

PA\_NonLeg

## SUGGESTIONS

The Committee on Development calls on the Temporary Committee on Policy Challenges and Budgetary Means of the enlarged Union 2007-2013, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Stresses that the financial perspective and the related instruments must enable an improved response to the overall goals of the development policy of the European Union (EU), i.e. eradicating poverty and contributing to the Millennium development goals in all developing countries on the DAC list (part I), concentrating efforts on the least developed countries by means of sustainable social, economic and environmental development;

### *Future financial framework for development and humanitarian aid policy*

2. Welcomes the provisions of the Treaty establishing a Constitution for Europe (Articles III-316 to 321) which set out the objectives of the EU's development and humanitarian aid policy and provide a clear and proactive legal basis for its actions in this field;
3. Recalls that the financial framework for the EU's development and humanitarian aid policies must ensure that those policies are consistent and effective, promote the visibility of the Union's development and humanitarian aid policy, and facilitate the monitoring of financial contributions and their utilisation; stresses, in particular, that this framework must permit:
  - recognition of the specificity of the EU's development policy and reinforcement of its visibility;
  - political validation of its objectives and actions;
  - effective guarantees concerning its funding;
4. Believes that:
  - for development policy, these objectives will only be fully achieved on the basis of :
    - ◆ either a specific heading for the EU's development cooperation policy with respect to all the developing countries on the DAC list;
    - ◆ or two clear and distinct 'subcategories' within category 4:
      - 1) for the development expenditure with respect to all the developing countries on the DAC list currently funded from the budget (geographical and thematic headings);
      - 2) for cooperation with our ACP partners under the Cotonou agreement on the basis of EDF appropriations, if the Fund is budgetised from 2008 as the Commission proposes;
  - for humanitarian aid, the Commission's proposal to integrate all humanitarian actions within the humanitarian aid instrument is to be welcomed;
5. Regrets the failure of the Commission's proposals for regulations regarding the EU's external actions in the context of the financial perspective for 2007-2013 to respond to these demands; considers this framework to be incompatible with the development policy objectives set out in the legal basis (the European Constitution, the EC Treaty and the November 2000 declaration on development policy), and finds it inconsistent that the instruments that are supposed to serve the EU's development policy have already been

proposed despite the fact that the November 2000 declaration on development policy is currently being revised;

6. Is deeply concerned at the fact that the development cooperation instrument includes policies that do not concern developing countries, such as economic cooperation with the OECD countries, and at the existing overlap between the activities and objectives of the regulation on development cooperation and economic cooperation and that governing the stability instrument, some spending under which would be eligible for public development aid;
7. Calls on the EU to take a leading role in the provision and financing of global public goods, such as the fight against epidemics, deforestation, crime and terrorism;
8. Deplores the failure to pay attention to the transversal problems related to the Union's development cooperation policy, such as human rights, the environment, empowerment of women, and the fight against AIDS and the main communicable diseases;
9. Demands the inclusion of an explicit reference to the EU's commitment to promoting human rights as a fundamental priority objective of the external aid instruments under the financial perspective; calls for the creation of a specific financial instrument for the Union's policy for the promotion of democracy and human rights, in order to ensure the coherence, effectiveness, independence and visibility of that policy;
10. Recalls that the creation of horizontal programmes falls under codecision, and calls for Parliament's powers in the matter to be respected in full;

***Level of resources allocated to development and humanitarian aid policy under the financial perspective for 2007/2013***

11. Calls for more resources to be allocated to development, with a view to reaffirming the EU's commitment to becoming a leading actor able to play a stabilising role at world level, upholding the undertakings it has entered into in international terms on the subject of development;
12. Stresses that the appropriations allocated to the EU's development aid and humanitarian aid must be increased not only in absolute terms, but also in relative terms in the context of the future financial perspective;
13. Recommends that the major part of development cooperation expenditure over the period of the new financial perspective be devoted to realising the Millennium development goals, and that 20% be earmarked for basic education and health in the developing countries;
14. Notes that the Commission refers to an estimated increase in relative terms in the EU's Official Development Aid (ODA), which would rise from 8.84% to 9.44% of the budget over the period 2007/2013 (estimated maximum); welcomes this general trend, but insists that this effort must be more closely targeted on countries and policies meeting the objectives of the Union's development policy as set out in paragraph 1;

15. Considers, in this connection, that 10% by 2013 is a reasonable and accessible political goal, echoing the mobilisation of the Member States with a view to reaching the aid target of 0.7% of GDP;
16. Believes that this objective must be viewed in the context of a global increase in the EU's budgetary resources, tending towards the 'ceiling' of 1.24% of GNI (commitment appropriations); calls on the Commission to submit proposals in this sense, and rejects the attempts to cap resources artificially at 1% of GNI;
17. Calls for external actions not provided for in the budget to be financed exclusively from the stability instrument and in no circumstances from the development instrument; demands, for the 'external actions' envelope, the establishment of a margin that is flexible enough to ensure that, in future, action on unexpected political crises such as Iraq is not financed from the appropriations for development aid;
18. Stresses that the EU's new priorities in external relations, concerning the neighbouring countries, the CFSP, the ESDP, the fight against terrorism, immigration and nuclear safety, must be consistent with and must not have the effect of reducing the resources allocated to the long-term development and cooperation objectives; is concerned at the Commission's proposed figures for 2007/2013, which reflect a considerable relative reduction in the appropriations for development, economic cooperation and humanitarian aid vis-à-vis those for pre-accession, the neighbourhood policy and the stability instrument;
19. Considers the sums proposed by the Commission - EUR 44.229 bn for development cooperation expenditure and EUR 6.351 bn for humanitarian aid - for 2007/2013 to represent the minimum basis for negotiation; stresses that these sums are not such as to permit a proper response to the objectives of the EU's development and humanitarian aid policy; rejects out of hand any proposal to reduce their level;
20. Recalls the decision of the budgetary authority not to programme in advance the equivalent of 15% of the appropriations for humanitarian aid; insists that the emergency reserve must be maintained at least at its existing level, to enable rapid response to third countries' circumstantial aid needs not provided for in the budget, with priority for humanitarian aid actions;

### ***Budgetisation of the EDF***

21. Supports the principle of budgetisation of the EDF, which corresponds to Parliament's legitimate desire to exercise democratic control and to the objectives of the effectiveness and visibility of Community aid; nonetheless shares our ACP partners' concerns on the matter, and stresses that the integration of the EDF into the EU budget must comply with the following conditions:
  - the ceiling for the external relations heading must be raised;
  - the level of resources allocated to the ACP countries must be protected and guaranteed by means of a subheading or, at least, a separate subcategory, together with a specific legal basis;

- the resource allocation criteria must be centred on the rights and needs of communities, on the basis of a country-by-country approach, and on the contribution made towards the Millennium development goals and other international commitments;
  - control of programmes by the partner countries and participation of civil society, in the context of respect for the key principles of partnership;
  - reinforcement of the political role of the EU/ACP institutions (the ACP/EU Parliamentary Assembly, the ACP/EU Council and the ACP secretariat).
22. Notes that the own resources ceiling, currently 1.24% of GNI, does not include the 0.03% of GNI corresponding to the annual EDF allocation; urges the Council and Commission to take account in the new financial perspective of the EDF component when setting the ceilings for own resources and external actions;
23. Calls on the EU institutions, when negotiating the new financial perspective, to include a commitment in the interinstitutional agreement which will govern the financial perspective for the coming period with a view to guaranteeing the allocation of funds to the ACP countries for the entire duration of the financial perspective; stresses that the funding allocated to the ACP countries must not be cut in real terms;
24. Is determined to ensure that any future EDF regulation includes a fixed financial framework that is valid for the entire life of the financial perspective, as is currently the case for South Africa; at the end of the period, there should be a legal obligation to draw up a new regulation setting out new financial provisions for the period of the following financial perspective; expresses its intention to monitor all aspects of the implementation of these provisions, pursuant to point 33 of the interinstitutional agreement of 6 May 1999 between the European Parliament, the Council and the Commission on budgetary discipline and improvement of the budgetary procedure<sup>1</sup>;
25. Supports the Commission's proposal to allocate funding to cooperation with the ACP countries at a level corresponding to the partnership's aspirations, and considers the proposed sum of EUR 23.572 bn for the period of the financial perspective to represent a reasonable negotiating basis;

***Parliament's responsibility and respect for the principles of control and participation***

26. Stresses that the EP's responsibility as regards development funding is in line with the criteria of democratic responsibility and transparency, and reaffirms its commitment to the fundamental principles of partnership, control and participation which lie at the heart of both the EU's declaration on development policy and the Cotonou agreement;
27. Cannot accept the Commission's proposal to exclude Parliament from the consultation process on the definition of the geographical and thematic programmes under the regulation on development cooperation and economic cooperation; considers that it should be compulsory to consult the partner governments and civil society in the programming procedure;

---

<sup>1</sup> OJ C 172, 18.6.1999, p. 1.

28. Repeats its call for an annual debate in the EP on the Commission's annual report on development cooperation;

***The role of development cooperation and humanitarian aid in the EU's policies***

29. Insists that the financial perspective must more fully integrate the concept of 'good governance' in the implementation of the EU's development cooperation policy, as well as strengthening the external as well as internal coherence of the Union's policies, pursuant to the provisions of the Treaty establishing a Constitution for Europe under which 'the Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries';
30. Reiterates its conviction that the EU's development and humanitarian aid policy and the proper use of the appropriations devoted to it require that full and entire responsibility be entrusted to a single Commissioner, who would represent the Union's actions in the field at the political level and would voice its commitments before the international community.

## PROCEDURE

<b>Title</b>	Policy challenges and budgetary means of the enlarged Union 2007-2013
<b>Procedure number</b>	2004/2209(INI)
<b>Committee responsible</b>	FINP
<b>Committee asked for its opinion</b> Date announced in plenary	DEVE 15.9.2004
<b>Reinforced cooperation</b>	No
<b>Draftswoman</b> Date appointed	Marie-Arlette Carlotti 17.11.2004
<b>Discussed in committee</b>	2.12.2004      18.1.2005
<b>Date suggestions adopted</b>	21.2.2005
<b>Result of final vote</b>	for:                      24 against:                0 abstentions:           0
<b>Members present for the final vote</b>	Margrete Auken, Danutė Budreikaitė, Thierry Cornillet, Margrietus van den Berg, Fernando Fernández Martín, Maria Martens, Miguel Angel Martínez Martínez, Gay Mitchell, Luisa Morgantini, Józef Pinior, Toomas Savi, Pierre Schapira, Jürgen Schröder, María Elena Valenciano Martínez-Orozco, Mauro Zani.
<b>Substitutes present for the final vote</b>	John Bowis, Milan Gaľa, Alain Hutchinson, Bernard Lehideux, Manolis Mavrommatis, Karin Scheele, Anne Van Lancker, Zbigniew Zaleski.
<b>Substitutes under Rule 178(2) present for the final vote</b>	Irena Belohorská