



EUROPEAN PARLIAMENT

2009 - 2014

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*Committee on Development*

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**2011/2019(BUD)**

26.5.2011

# **OPINION**

of the Committee on Development

for the Committee on Budgets

on the mandate for the trilogue on the 2012 draft budget  
(2011/2019(BUD))

Rapporteur: Charles Goerens

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## SUGGESTIONS

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

### **Honouring our global commitments**

1. Points up the fact that, without additional sources of funding, the Member States will be unable to honour the commitments entered into in connection with the Millennium Development Goals; advocates establishing a European tax on financial transactions with a view to funding global public goods, i.e. poverty eradication and combating climate change; recalls that innovative financing for development is not designed to be a substitute for ODA, but is complementary; reiterates its conviction that the introduction of a FTT should therefore be linked with a more binding commitment of all member countries to achieve the 0.7% objective of ODA spending;
2. Points out that, world-wide, public aid to poorer countries has increased in 2011, without however matching undertakings and needs; questions the Commission's performance assessment of the DCI, firmly opposes the Commission's proposal to reduce DCI by EUR 70 million and calls for the EU's commitment to be maintained in 2012 despite the difficult budgetary situation;
3. Reiterates its conviction that environment issues must be better mainstreamed and financed throughout all external policies, as the environment, natural resources and healthy ecosystems play an essential role in human development and in the eradication of poverty; in this context, supports the proposal to increase the thematic programme on the environment and the sustainable management of natural resources as a step towards fulfilling the EU's commitments at the climate conference in Cancun in 2010; urges, however, that expenditure committed in order to mitigate the impact of climate change on developing countries should come from an additional financial injection and should not be the result of reclassifying funds originally allocated for development purposes; recalls that, for this principle to be secured, separate accounting for climate finance is needed; reiterates that, in order to make climate funding effective, there is a need to better mainstream climate change concerns into EU development cooperation, while enforcing Policy Coherence for Development;
4. Considers that the responsibility for reducing poverty in emerging countries lies primarily with their governments; urges the Commission to gradually phase out development aid in the form of subsidies to emerging economies and instead to take a differentiated approach tailored to the needs of each economy, taking national programmes – in particular those relating to women's rights, combating domestic violence and upholding gay rights – as a basis and using various methods, such as cofinancing and blending of loans and grants; urges the EU, during the phasing-out period, to target its assistance on capacity-building for the establishment of tax collection systems, the strengthening of emerging countries' fiscal policies, measures to promote the mobilisation of domestic revenue, and the establishment of social security and other redistribution systems, whilst, at the same time, combating tax havens, tax evasion and illicit capital flight;

5. Stresses the need to help all countries achieve the MDGs by 2015 and actively to encourage developing countries to meet MDG targets; calls on the Commission to concentrate development aid on the poorest countries, including fragile states, and, within these countries, on the least favoured and most vulnerable sections of their populations, whilst emphasising the importance of improving the quality of aid; calls, furthermore, for all cooperation with developing countries which does not meet the OECD Development Assistance Committee's criteria to be funded through instruments other than those earmarked for development cooperation;
6. Regrets the 33% reduction in the budget line 'European Neighbourhood and Partnership – Financial assistance to Palestine, the peace process and UNRWA' proposed by the Commission in the 2012 budget; points out that this is liable to jeopardise UNRWA's payment of salaries to more than 28 000 members of the local staff (based in Gaza, the West Bank, Lebanon, Syria and Jordan) working inter alia in the educational, social and health sectors;
7. Rejects any attempt to merge the development cooperation and humanitarian aid budgets; considers that humanitarian aid and civil protection in non-EU countries are underfunded, especially in view of the growing number of humanitarian crises and natural disasters; calls, therefore, for all or some of the amount in the emergency reserve to be directly transferred to DG ECHO's initial budget;
8. Notes that the efforts of actors funded through the Global Fund to Fight Aids, Tuberculosis and Malaria has led to substantial and rapid results and commends the Fund on what has been achieved thus far; emphasises that continued support to these actors is essential to counteract and eliminate the spread of AIDS, Tuberculosis and Malaria; however, is highly concerned about the misappropriation of funds from the Global Fund and considers that it is of critical importance that concrete measures be taken against future fraud; stresses that the misuse of funds and corruption are totally unacceptable;
9. Stresses the importance of zinc for the treatment and prevention of diarrhoea and malnutrition in order to improve the survival rate, growth and brain development of young children; urges the EU and the Member States to allocate the necessary funds to provide zinc supplementation in developing countries which could save the lives of 450 000 children under the age of five every year;
10. Urges that funding for mechanisms to improve access to financial services in developing countries be continued and stepped up; calls on the EU and developing countries to strengthen property rights and to facilitate access to credit and loans for small businesses, farmers and local communities;

### **Rebalancing the budget and complementarity**

11. Notes the growing disparity between the chronic underfunding of heading 4 (external policy) and the new political commitments entered into by the Council, particularly as regards development policy; calls, accordingly, for the ceiling for heading 4 to be raised for 2012 and 2013 and for the next funding period;
12. Urges the Council not to cut administrative expenditure lines, since they are necessary for

full and effective implementation of multiannual programmes;

13. Calls on the Commission to provide Parliament with exhaustive information, in a timely manner, on utilisation of the European Development Fund, on the Commission's assessment of the eligibility criteria for budget support and on monitoring measures;
14. Calls on the Commission and the Member States to encourage, in a spirit of complementarity, more frequent co-planning of their development programmes in countries not receiving budget support, with a view to ensuring that actions on the ground complement each other;
15. Takes the view that the EU, as the world's leading donor, ought to take the leading role in global development cooperation; in this context, takes the view that an independent internal think-tank might prove useful in helping the Commission make its strategic choices.

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	25.5.2011
<b>Result of final vote</b>	+: 27 -: 0 0: 0
<b>Members present for the final vote</b>	Thijs Berman, Corina Crețu, Nirj Deva, Leonidas Donskis, Charles Goerens, Catherine Grèze, Franziska Keller, Miguel Angel Martínez Martínez, Norbert Neuser, Bill Newton Dunn, Maurice Ponga, Birgit Schnieber-Jastram, Michèle Striffler, Alf Svensson, Eleni Theoharous, Patrice Tirolien, Ivo Vajgl, Anna Záborská, Iva Zanicchi, Gabriele Zimmer
<b>Substitute(s) present for the final vote</b>	Kriton Arsenis, Santiago Fisas Ayxela, Isabella Lövin, Csaba Óry, Åsa Westlund
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Ashley Fox, Göran Färm