

Briefing paper

EU Institutional Reforms

Implications for International Development and Humanitarian Assistance



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BOND is the UK network of non-governmental organisations (NGOs) working in international development and has over 330 members.

BOND promotes, supports, represents and, on occasion, leads the work and interests of the UK international development sector. It does this by promoting the exchange of experience, ideas and information with the aim of strengthening the quality and effectiveness of the sector.

BOND is a member of CONCORD, the European confederation of non-governmental organisations working in international development, emergency relief and development education, representing over 1600 NGOs which are supported by millions of citizens across Europe.

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SECTION 1 INTRODUCTION

With the European Parliament Elections in June 2009, the discussions around institutional reforms and the ratification of the Lisbon Treaty, a new European Commission (EC) being appointed by the end of 2009 and the review of the European Union (EU) budget, the period 2009-10 will prove to be a crucial time that will define the EU's institutional architecture and budgetary system for years to come.

These changes will have major implications for EU development and humanitarian policies and for the way development cooperation and humanitarian assistance are implemented. The future political space for development within the new institutional structure that will emerge is at stake.

The upcoming reform processes carry a unique opportunity to ensure that there is greater coherence between the objectives of EU development cooperation and other EU external action policies and to improve effectiveness and impact of EC development cooperation.

However, attempts to consolidate the EU's profile on foreign and security policy, and to strengthen EU external action and strategic vision, also bring a potential danger of increased politicisation of development cooperation or instrumentalisation of development funds for implementing foreign policy objectives.

If the EU is to remain the world's biggest donor of both development and humanitarian aid, the EC and the EU member states must ensure that the institutional change happening in the next 18 months produces strong policies and the appropriate administrative and financial means to implement EU development policies in a coherent, effective and comprehensive way. They will also have to show the political will to ensure that the new arrangements work.

As the UK's broadest network of NGOs working in international development, and as a member of CONCORD, the European confederation representing over 1600 NGOs across Europe, BOND is asking EU institutions, the UK Government and other EU member states to strongly commit to the overall objectives of EU development cooperation and humanitarian assistance: Poverty eradication and the achievement of the Millennium Development Goals.

This paper aims to:

1. Provide an overview of the current state of affairs of development cooperation and humanitarian assistance at EU level
2. Analyse the implications of forthcoming processes and reforms including the appointment of the new European Commission, the review of the EU budget, the proposed institutional reforms and the possible implications of the ratification of the Lisbon Treaty
3. Identify possible entry points for civil society organisations, parliamentarians and other stakeholders to advocate for the strengthening and consolidation of the central role of development cooperation and humanitarian assistance within EU external policies
4. Put forward a list of recommendations on how EU institutional reforms should be carried out and implemented

SECTION 2 SUMMARY OF RECOMMENDATIONS

The following recommendations should be taken into account as positions are being developed in preparation of the upcoming debates and negotiations for the proposed EU institutional reforms:

1. Development cooperation and humanitarian assistance should not be subordinated to external relations, but, on the contrary, should be at the centre of EU policies towards all developing countries. The composition of the Commission needs to reflect this.
2. There should be a dedicated administrative structure responsible for EU development policy and humanitarian assistance and its implementation, with a clear focus on development objectives and sufficient capacity. Development cooperation and humanitarian aid should be on equal footing with the CFSP (Common Foreign and Security Policy) within the rest of the Treaty. This separation should be reflected within the structure of the European Commission by maintaining a clear and strong institutional and political place for development cooperation, clearly independent from the CFSP. The new Development Service should be able to ensure that other policies are consistent with development objectives.
3. There should be a Commissioner for Development and Humanitarian Assistance who is in a position to promote the interest of EU development policy within the College of Commissioners and towards the Council. The Commissioner should have a say not only on policy formulation and funding but also on implementation of development policies in order to end the inconsistencies caused by the gap between policy formulation and implementation in the current structure.
4. The Development Service should be responsible for development policy and programming in all developing countries – African, Caribbean, Pacific, Asian and Latin American countries – to avoid current inconsistencies between treatment of the ACP and other developing countries due to the split between DG Development and DG External Relations.
5. EuropeAid should be merged or at least have a strong link with DG Development.
6. The new EU delegations should include development professionals as well as trade professionals and diplomats working on foreign policy. Development officials within the delegations should report directly to the Commissioner for Development, and work closely with the political desks to ensure coherence. It is important to ensure that development expertise is maintained and strengthened within the delegations, and the development voice is heard. Heads of Delegations should have responsibility for engaging with civil society (especially in ACP countries).
7. Humanitarian aid should be linked to development cooperation, while simultaneously guaranteeing the humanitarian principles of impartiality, neutrality and non-discrimination. It should therefore report to the Commissioner of Development Cooperation and Humanitarian Aid, while ECHO, the EC service for humanitarian aid, should be integrated in the overall administrative structure for development cooperation.
8. Development policy objectives should be fully reflected in the cooperation with developing countries within the European Neighbourhood and Partnership Instrument (ENPI) zone. It is important to ensure that, if neighbouring countries are going to be under the responsibility of the External Action Service, the Treaty commitments, and international commitments on Official Development Assistance (ODA) apply to ODA destined to neighbouring countries.
9. A Parliamentary Development Committee needs to be put in place which has the right and obligation to provide democratic scrutiny over development cooperation and humanitarian aid in all developing countries.
10. There should be a single budget for development cooperation and for humanitarian aid to provide clarity of purpose. Ideally this budget should include the European Development Fund (EDF).
11. If a European External Action Service (EEAS) is created it should not be funded from development and humanitarian aid financial instruments. Additional money will need to be found to support it.

SECTION 3 BACKGROUND

As the economic crisis, the food crisis and climate change take up centre stage in the EU external policy, poverty eradication, humanitarian aid and the achievement of the Millennium Development Goals (MDGs) are being pushed further down the agenda. At the same time the EU is going through a crucial time of change at the institutional and political level.

The election of 736 Members of the European Parliament in June could change the composition of the European Parliament and see the creation of new political groups.

Following the elections of the European Parliament, a new European Commission will be appointed in November. Although the number of commissioners will remain the same, the new appointment brings an opportunity to rearrange the structure of the Commission.

Meanwhile, ratification of the Lisbon Treaty is still being debated in some of the member states including Ireland where a second referendum is planned to take place in October. If the Treaty was ratified in all EU countries it could come into force as soon as January 2010, introducing a significant number of reforms to the EU institutional structures.

Finally, the European Commission is undertaking a fundamental review of the EU budget, which was approved in 2006 when the European Parliament, the European Council and the European Commission agreed that there was a need for modernisation of the budget, in order for the EU to be able to face the new challenges that have emerged since the first EU financial framework was agreed in 1988.

In view of all these changes, there is a fear among the development and humanitarian aid community that future EU institutional reforms could lead to development cooperation and humanitarian assistance becoming an instrument for EU foreign and security policy interests with a strong focus on diplomacy. This would leave development and humanitarian aid sidelined in spite of the current strong EU commitments to development assistance and humanitarian aid as laid down in such EU wide policy framework documents as *The European Consensus on Development* and *the European Consensus on Humanitarian Aid*.

If the Lisbon Treaty is ratified by the end of 2009, development cooperation will be put on the same footing as other EU external policies, while humanitarian assistance also figures more prominently on the EU external policy agenda. This will need to be reflected not only in the EC's administrative structure, but also in the nomenclature of the budget and the composition of the EC.

Likewise, the newly elected European Parliament should incorporate a stronger focus on development cooperation and humanitarian assistance in the set up of the parliamentary committees.

Poverty eradication and the achievement of the MDGs need to be the overall objectives of EU development cooperation and humanitarian aid, in line with international agreements and in compliance with international humanitarian law and principles. All three EU institutions need to join forces to ensure that these objectives are achieved as effectively and coherently as possible.

Timeline and next steps of the reform process

As the Lisbon Treaty has not yet been ratified by all EU member states it is not clear if and when some of the proposed reforms that the Treaty entails will take place. However EU member states have suggested that reforms should be discussed by the EU at the Heads of States Summit in June 2009. In the next few months the Commission and the Council will be developing their positions on the EEAS.

In addition, there are indications at the moment that, if there was a clear signal that the Lisbon Treaty were to come into force by the end of 2009, the appointment of the Commission might be postponed until after that happens.

The Nice Treaty will remain in place until the Lisbon Treaty is ratified and this has implications for the composition of the Commission. While it has been agreed that the future of the European Commission under the Lisbon Treaty will consist of 27 Commissioners, the Nice Treaty stipulates that the number of Commissioners shall be less than the number of member states and membership shall be based on a rotation system to be developed by the Council.

In view of all this, member states are presently considering the possibility of extending the mandate of the present Commission or adopting a transitory system whereby a new President of the Commission is installed who will continue working with the present Commissioners.

Likewise, if the Lisbon Treaty is not adopted, the number of Parliamentarians, presently consisting of 785 members, would be reduced to 732 in accordance with the Nice Treaty, instead of the proposed 751 under the Lisbon Treaty. Here too, transitional measures might be considered.

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4.1 Present EU external relation policies and humanitarian aid

As the world's biggest donor of development assistance, the EU delivers on average € 8 billion annually in aid to the developing world. In 2005, the three European institutions – the European Council, the European Parliament and the European Commission – jointly adopted the *European Consensus on Development*; a framework document for development aid at EU and national level. The document acknowledges that development cooperation is a shared competence between the European Community and the member states, whereby community policies need to be complementary to policies pursued by the member states. Policy coherence is one of the guiding principles to ensure that the objectives of development cooperation are taken into account by all policies affecting developing countries.

Since 1992, the European Community Humanitarian Office (ECHO) has contributed to the implementation of European Community humanitarian aid, providing emergency assistance and relief to victims of natural disasters or armed conflict outside the EU. Humanitarian aid is now seen as one of the EU's main external policy areas.

At present, the EU collectively is the leading humanitarian donor in the world. This cooperation between the Community and the EU member states was recently reaffirmed by the adoption of the *European Consensus on Humanitarian Aid* by the three EU institutions, setting out the common objectives and principles for humanitarian aid. The fundamental principles of humanitarian aid are humanity, neutrality, impartiality and independence. The upholding and promoting of these principles will be crucial in any reform activities.

These two documents form the basis for EU development cooperation and humanitarian assistance in Asia, Latin America and the ACP countries.

4.2 The Lisbon Treaty and its policy implications

Although the Lisbon Treaty has not yet been ratified due to the no-vote of the Irish people and legal procedures in some member states, there is a significant possibility that the Treaty might be adopted in the near future. If it is adopted, the EU will be introducing a number of reforms to the way the EU develops and implements external policies. Details of how this will impact on the EU development cooperation and humanitarian assistance delivery systems are still not clear.

While the legal basis for development cooperation was already introduced in 1992 in the Maastricht Treaty, and maintained in the Nice Treaty (2002), the Lisbon Treaty clearly strengthens the role of development cooperation.

The Lisbon Treaty identifies the Union's development policy as an EU policy area in its own right and acknowledges it provides the principal framework governing EU cooperation with all developing countries as defined by the OECD DAC (Organisation for Economic Cooperation and Development's Development Assistance Committee). The Treaty states that eradication of poverty is the primary objective of the Union's development policy, for which the achievement of the MDGs is key (article 208.1)¹.

With its strong focus on the principles of impartiality, neutrality and non-discrimination (article 214.2 of the Lisbon Treaty) EU humanitarian aid will continue to play its independent role within the EC's administrative structure, even though it is seen as one of the EU external policies.

While the proposed Lisbon Treaty policies are in line with current EU policy frameworks for development cooperation and humanitarian aid, it creates confusion by the structural changes it proposes for the EU's external relations architecture, particularly at the highest level.

Article 18 states that the European Council shall appoint the High Representative of the Union for Foreign Affairs and Security Policy. S/he is to chair the Foreign Affairs Council and ensure the preparation and implementation of EU common foreign and security policy, which falls solely under the mandate of the European Council (article 27). Does this mean that development cooperation will be subjected to foreign and security policy or will the Development Council be reinstated as the Council formation focussing on development cooperation in line with the prominence given to it by the Lisbon Treaty?

Moreover, the High Representative will also be one of the Vice-Presidents of the Commission and be responsible for external relations and the coordination of other aspects of the Union's external actions (article 18.4). This means that the High Representative will be wearing two hats and, although s/he will be bound by Commission responsibilities, it opens the way to additional influence by the Council on the Commission. If, in addition, development cooperation and humanitarian assistance would be viewed as an integral part of external relations, without a separate Commissioner, this could ultimately result in a subordination of these two policies to the common foreign and security policy.

The Lisbon Treaty also introduces the concept of the EEAS to assist the High Representative in fulfilling her/his mandate. The service is to be staffed with officials from the relevant departments of the General Secretariat of the Council and of the Commission and include staff seconded from national diplomatic services of the member states.

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In addition it will be working closely with the diplomatic services of the member states (article 27.3). The EEAS will have the responsibility for providing staff for EU Delegations in third countries. The EU Delegations will replace the existing European Commission's Delegations.

The Lisbon Treaty

TITLE III COOPERATION WITH THIRD COUNTRIES AND HUMANITARIAN AID

CHAPTER 1 DEVELOPMENT COOPERATION

Article 208

(ex Article 177 TEC)

1. Union policy in the field of development cooperation shall be conducted within the framework of the principles and objectives of the Union's external action. The Union's development cooperation policy and that of the member states complement and reinforce each other. Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty. The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries.

4.3 The Council

In the past, the Council included a separate Development Council to deal with European development cooperation but this was abolished in 2002 when the Council was restructured. Currently, the General Affairs and External Relations Council (GAERC) includes development cooperation within their remit, while regular informal meetings of development ministers focus solely on development policy. Although the abolition of the Development Council was seen as a purely technical reform, civil society has questioned the change, maintaining that it diminishes the place of development cooperation on the EU policy agenda. This issue should therefore be revisited with the adoption of the Lisbon Treaty.

The Lisbon Treaty would introduce a separation within the GAERC between the Foreign Affairs Council, which would be chaired by the High Representative, and the General Affairs Council, chaired by the rotating presidency. This raises the question of where development cooperation would be discussed.

Discussing development cooperation under the Foreign Affairs Council would favour policy coherence because development would be put on the same footing as other external relations areas. However, this arrangement also carries a potential danger of increased politicisation of development cooperation or instrumentalisation of development funds for implementing foreign policy objectives.

Discussing development cooperation under the General Affairs Council, chaired by the rotating presidency would not guarantee more independence nor visibility to the issues.

A third option would be to recreate the Development Council chaired by the rotating presidency, which would guarantee that development cooperation remains independent from EU foreign policy and economic objectives but would also mean confining discussions about development to a separate space with little visibility, with the risk of sidelining the issues.

4.4 The European Commission

4.4.1 The present administrative set up

While originally development cooperation was the responsibility of one commissioner covering all developing countries, the end of the Cold War brought with it the need to expand development cooperation to Eastern Europe. The differences in purpose of development assistance – mainly pre-Accession activities for the future member states – resulted in the division of development cooperation between the Commissioner for External Relations and the Commissioner for Development Aid. Although the political portfolios have changed hands from time to time, the budgetary control and administrative powers have remained unchanged leading to the present situation where two Commissioners and their Directorates General (DGs) are responsible for development cooperation.

The Directorate General for External Relations (DG RELEX), reporting to the Commissioner for External Relations, is responsible for Asia, Latin America and the near neighbourhood countries, and the Directorate for Development and Relations with African, Caribbean and Pacific States (DG DEV), reporting to the Commissioner for Development Cooperation and Humanitarian Aid, is responsible for developing general development policies and relations with ACP countries.

EuropeAid, the EC's implementing body reports to the Commissioner for External Relations, but also implements development policies in the ACP countries. In 2007 the OECD DAC Peer review commented on this situation:

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'It would make sense for the Community to reflect on the DEV-RELEX organisational division of labour as circumstances evolve in the future (e.g. eventual budgetisation of the EDF or adoption of a European Constitution). Peer Review team discussions with Parliament, member states and civil society suggest that many external partners would favour a more unified Community organisation for development co-operation, to minimise institutional redundancy, to shape development policies that are informed by the full geographic range of development experience and to ensure that development co-operation leadership is unambiguously dedicated to the priority issues of development.'

Although humanitarian aid is seen as part of the EU external relations, it has a separate place in the EC's administrative set up. The European Commission Humanitarian Office (ECHO) develops and ensures the implementation of humanitarian aid policies in third countries. It reports directly to the Commissioner on Development Cooperation and Humanitarian Aid.

Although ECHO is represented at the country level in some countries, it mainly works through regional centres staffed by humanitarian aid specialists who offer technical assistance in emergency situations. It needs to be noted that ECHO does not implement humanitarian aid, but works with implementing agencies, mainly international and UN organisations, with which it has signed Framework Partnership Agreements.

ECHO offers primary emergency aid, protracted emergency aid (for about six months) and longer term humanitarian aid based on 'global plans' (for about three years and, depending on the amount of support, needs the agreement of the Human Aid Committee (HAC) consisting of representatives of the member states).

4.4.2 Possible impact of a new Commission and the Lisbon Treaty on the EC's administrative structure

The appointment of a new Commission by the end of 2009 will also have an impact on the administrative structure of the EC as it has to align itself with the political portfolios of the Commissioners. Originally, the Lisbon Treaty proposed to reduce the number of Commissioners to create a more effective body. However, the concerns of the Irish voters have led the Council to agree to maintain 27 Commissioners. As it is the President of the Commission who ultimately decides on the division of the political portfolios among the Commissioners, the final decision on whether there will be a Commissioner for Development Cooperation and Humanitarian Aid will only be taken by the end of 2009. However, the Lisbon Treaty and in fact the European Consensus on Development and the European Consensus on Humanitarian Aid, offer some strong arguments for such a Commissioner.

As stated, the Lisbon Treaty recognises development cooperation as an EU external policy in its own right with poverty eradication and the achievement of the MDGs as its main objectives. A strong Commissioner for Development Cooperation and Humanitarian Aid responsible for both programming and implementation of development cooperation in all developing countries would ensure that development aid is not subordinated to other EU external policies. This will be even more important in view of the proposed role of the High Representative of the Union for Foreign Affairs and Security Policy as Vice-President of the European Commission.

A Commissioner for Development Cooperation and Humanitarian Aid needs to be supported by one Directorate General covering the programming and implementation of development cooperation in all developing countries; the present fragmentation of development cooperation between DG RELEX and DG Development leads to inefficiency and duplication.

The Lisbon Treaty's clear distinction between developing and non-developing countries, articles 208 and 212, should be reflected in the structure of the new Commission, where DG RELEX should be responsible for relations with non-developing countries and support the High Representative on EU Foreign and Security Policy in his role as Commissioner for External Relations, while DG Development should be responsible for development programmes in all developing countries and EuropeAid, as the implementer of development policies, needs to be integrated, or at least have strong links with, DG Development.

In view of the present decentralisation of the EC's external services, it will be important to maintain the EU's strong commitment to development cooperation in developing countries. A future EEAS, seen as a diplomatic service requiring diplomatic skills and reporting to the Council in the person of the High Representative, will need to guarantee the EU's adherence to this commitment. This can only be done by employing EC staff specialised in development cooperation, who will be appointed by DG Development and who would report directly to the Commissioner for Development Cooperation.

Likewise, humanitarian aid should not be integrated in a structure that cannot guarantee the humanitarian principles of humanity, neutrality, impartiality and independence. By its very nature, humanitarian aid cannot be an integral part of the EEAS and should remain fully in the EC's institutional architecture. As humanitarian aid and development cooperation are clearly linked, ECHO should continue reporting to the Commissioner for Development Cooperation and Humanitarian Aid, working closely with the DG Development.

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While discussions are ongoing and the Commission is starting to develop a position on how it would like to reform its structure, most of the member states have so far not taken a firm position on how they believe the EC should be structured and how the EEAS should function.

4.5 The EU budget - present and future reforms

Fifty years ago, the European Economic Community (EEC) focused development cooperation on countries in Africa, the Caribbean and the Pacific, financed through the EDF (European Development Fund). As the EEC developed into the EU, cooperation with countries in the other regions such as Asia and Latin America grew and new funding mechanisms were developed in the EU budget. In 2007, this resulted in the establishment of the Development Cooperation Instrument (DCI) as a main tool for the EU's cooperation with developing countries.

The DCI covers those countries that are not covered by other financial instruments such as the European Neighbourhood and Partnership Instrument (ENPI) for neighbouring countries in the East and the Mediterranean and the EDF. It also funds a set of thematic programmes in all parts of the developing world. In addition, the EU developed other specific instruments, such as the Stability Instrument, primarily intended to finance actions addressing situations of conflict and the instrument to cover humanitarian aid.

One of the principal aims of the reforms that the Lisbon Treaty is proposing is to bring an increased consistency between the different external policies of the EU, including the EU financing system. Resources provided for the implementation of the EU development policy need to be used solely for that purpose, bearing in mind the internationally accepted criteria defined in the OECD Development Assistance Committee (DAC). Other external policy areas such as foreign policy, defence and security should be funded with additional money and not through development specific financial instruments.

Future institutional and funding structures will need to guarantee social cohesion and poverty eradication. At least 20% of ODA must be consistently allocated to basic health and basic education. Funds dedicated to humanitarian assistance, conflict prevention, peace-building and human rights activities need to be ring-fenced.

Although the EDF is managed by the Commission, it remains outside the EU budget and is driven by the member states as contributors to the Fund. If EU development cooperation is to be coherent and consistent it means that the EDF should be brought within the EU budget. Instead of contributing directly into the EDF, depending on the individual annual commitments by the member states, the contributions would be allocated to the overall EU budget as part of a member states' contribution to the EU.

Overview of financial instruments for support to 3rd countries

Legal instrument	Applicability	Financing available	Period
European Development Fund	Countries of the African, Caribbean and Pacific Group	€ 22.68 billion	2008-2013
Development Cooperation Instrument ²	Asia, Latin America and South Africa	€10.057 billion	2007-2013
	Thematic programmes for countries covered by the EDF, DCI and ENPI	€ 5.596 billion	
	ACP Sugar Protocol	€ 1.244 billion	
European Neighbourhood Partnership Instrument ³	Southern Mediterranean, Middle East, Southern Caucuses and Eastern Europe	€ 12 billion	2007-2013
European Instrument for Democracy and Human Rights ⁴	All countries	€ 1.104 billion	2007-2013
Stability Instrument ⁵	All countries	€2.062 billion	2007-2013
Humanitarian Aid Instrument ⁶	All countries	€7.36 billion	2007-2013

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It would be up to the EU budgetary authorities, the Council and the European Parliament to allocate the funding to the various financing instruments, including for development cooperation and humanitarian aid.

If the EDF was to be budgetised there is also the question of whether it should then be integrated with the DCI as the sole financial instrument for development covering all the geographic regions or kept as a specific financial instrument for ACP countries. In both cases, it will be crucial to ensure a regional balance for EU development aid, have legal guarantees in place to ensure that sources for ACP countries do not diminish and ensure that financial support for development cooperation abides by the ODA criteria for development cooperation.

In preparation of a possible budgetisation in the future, EuropeAid has already started to install an integrated management system for both the EU budget and the EDF as of February 2009. This means that both funding instruments will be using identical headings and financial references to facilitate their coherent and efficient use.

Although the budgetisation of the EDF would increase its accountability, as the European Parliament would then exert its parliamentary scrutiny of development cooperation financing in all geographical areas, it also presents a threat in that within the EU budget less money could be allocated to development cooperation as a result of changing EU priorities. In a way this is also at the basis of the present discussions on a review of the EU budget. While the Financial Perspectives 2007-2013 were deliberated, it was agreed that within this period the British rebate, negotiated by the UK in the past, would be reviewed together with the expenditure for the Common Agricultural Policy. Although discussions are on hold at the moment, due to the economic and financial crisis, they will continue in the near future. Suggestions have been made that the money freed up by a cut in the Common Agricultural Policy, could be allocated instead to increase support for agriculture in developing countries.

Budgetary questions will also arise in relation to the setting up of the EEAS. Although the service will mainly report to the High Representative of the Union on Foreign Affairs and Security, who is a member of the Council, it will probably be funded through the EU budget. It should be clear that as the EEAS will be mainly a diplomatic service it cannot be funded through the financial instruments for development cooperation. The member states still need to resolve this problem.

4.6 The European Parliament today and in the future

The European Parliament is presently made up of 785 Members coming from 27 member states. It has legislative, budgetary and supervisory powers over EU policies and implementation. Its relations with the two other European institutions, the Council and the Commission, particularly those that relate to the budgetary procedures, are laid down in the Inter Institutional Agreement.

The parliamentary work is prepared in standing committees – specialised bodies that examine in detail matters under their remit – submitting their positions to the plenary to be adopted as the official position of the whole Parliament. The Committee on Development is responsible for the promotion, implementation and monitoring of EU development cooperation policy.

As the EDF is not part of the Community Budget the European Parliament, and therefore the Development Committee, has no direct influence on the spending of that budget or on the development of individual Country or Regional Strategy Papers for the ACP countries. The only opportunity the Parliament has to voice its concerns on the use of the EDF is when it gives the annual discharge. So far, the European Parliament can only scrutinise policy and influence funding in the context of the Development Cooperation Instrument (DCI), for example, development activities in Asia and Latin America, and thematic programmes in the whole of the developing world. It does this jointly with the Committee on Foreign Affairs, which is mainly responsible for development cooperation in those regions, in line with the administrative set up in the Commission.

The scrutiny of humanitarian aid at present falls under the remits of the European Parliamentary Committee on Foreign Affairs and the European Parliament Development Committee.

The European Parliament, through its standing committees, is also organising joint annual meetings with national parliamentarians to coordinate parliamentary activities on the respective issues at EU and national level. This is also in line with the Lisbon Treaty, which not only increases the power of the European Parliament but also offers national parliaments the opportunity to be more involved in EU legislation, including on development and humanitarian aid.

Following the European elections in June the new Members of the European Parliament (MEPs) decide on the set-up of the individual parliamentary committees. In the past these committees have been identified on the basis of the portfolios of the Commissioners. However, as development cooperation and humanitarian assistance have increased their prominence in EU external policies, the Parliament should ensure that a Development Committee is installed that has development cooperation and humanitarian assistance in all developing countries within its remit.

SECTION 5 CONCLUSIONS

The present fragmented structure of EC development cooperation, with general development policy and support for ACP countries falling within the remit of DG Development and external relations and support for Asia and Latin America falling within the remit of DG RELEX, does not contribute to a coherent and efficient delivery of development cooperation. The fact that EuropeAid reports to the Commissioner for External Relations, which is also responsible for the funding and EuropeAid's human resources, strongly undermines DG Development's role in development cooperation.

The ratification of the Lisbon Treaty would offer an opportunity to redress this situation. With its strong focus on development cooperation as an EU policy in its own right and the legal basis it would create for humanitarian aid, the Treaty requires the alignment of the EU's administrative structures with the articles adopted. However, before the reform of the EC's structure can be finalised certain political decisions will have to be taken by EU member states.

Not only will it be crucial for the EU Council to ensure that development cooperation is included in its formal set-up through, for instance, the possible reinstatement of the Development Council, but the exact definition of role of the High Representative of the Union for Foreign Affairs and Security Policy in both the Council and the Commission will be also crucial for both development cooperation and development assistance. If the new Commission does not include a Commissioner for Development Cooperation and Humanitarian Assistance with full powers, development cooperation runs the risk of becoming subordinated to external relation policies, security, migration or energy.

If the administrative set up is to reflect the Lisbon Treaty, development cooperation needs to have its own Directorate General responsible for all sectors and geographic areas related to development in line with the criteria developed by the OECD DAC. Likewise, the EU budget needs to be in harmony with the Lisbon Treaty.

Although some member states have vehemently opposed the budgetisation of the EDF, both the European Commission and the European Parliament are in favour. However, if the EDF is budgetised the EU needs to make sure that the funding will only be used for development cooperation in line with the OECD DAC criteria for developing countries. Moreover, whether as a joined financial instrument for development cooperation, together with the DCI, or as a separate financial instrument for ACP countries, it will need to be allocated sufficient and sustained funding to ensure the delivery of all the EU's development commitments.

Development cooperation needs a different approach from other external relation policies. Staff working in the EU/EC delegations, whether within a future EEAS or other forms of external representation, have to have development expertise. Although the EEAS is envisaged as a service reporting to the High Representative of the Union for Foreign Affairs and Security Policy both in the Council and the Commission, development staff should only report to a Commissioner for Development Cooperation and Humanitarian Assistance to ensure that the objectives of poverty eradication and the MDGs are achieved.

Likewise humanitarian aid needs to be linked to development cooperation, while simultaneously guaranteeing the humanitarian principles of impartiality, neutrality and non-discrimination. It should therefore report to a Commissioner of Development Cooperation and Humanitarian Aid, while ECHO, the EC service for humanitarian aid, should be integrated in the overall administrative structure for development cooperation.

Most importantly, whatever the outcome of the forthcoming EU institutional reforms, member states will have to show the **political will** to ensure that the new arrangements work and that their commitments to poverty eradication and the achievement of the MDGs are fully implemented and funded.

REFERENCES

EU Treaties¹

	Treaty	Articles	Changes
Development cooperation	Treaty establishing the European Community (2002)	<p>Article 177: Community policy in the sphere of development cooperation, which shall be complementary to the policies pursued by the member states, shall foster:</p> <ul style="list-style-type: none"> the sustainable economic and social development of the developing countries, and more particularly the most disadvantaged among them the smooth and gradual integration of the developing countries into the world economy the campaign against poverty in the developing countries 	Stronger focus on economic and social development in all developing countries, with a focus on their integration into the world economy and only secondary on the 'campaign against poverty'
	Lisbon Treaty	<p>Article 208.1.: Union development cooperation policy shall have as its primary objective the reduction and, in the long term, eradication of poverty. The Union shall take into account the objectives of development cooperation in the policies that it implements that are likely to affect developing countries</p> <p>Article 212: Without prejudice to the other provisions of the Treaties, and in particular Articles 208 to 211, the Union shall carry out economic, financial and technical cooperation measures, including assistance, in particular financial assistance, with third countries other than developing countries. Such measures shall be consistent with the development policy of the Union and shall be carried out within the framework of the principles and objectives of its external action</p>	Distinguishes between development cooperation with poverty eradication as its overarching goal focussing on developing countries and economic, financial and technical cooperation as a separate policy to be implemented in non-developing countries
Humanitarian Aid	Treaty establishing the European Community (2002)	No mention of humanitarian aid	
	Lisbon Treaty	Article 214: The Union's operations in the field of humanitarian aid shall be conducted within the framework of the principles and objectives of the external action of the Union. Such operations shall be intended to provide ad hoc assistance and relief and protection for people in third countries who are victims of natural or man-made disasters, in order to meet the humanitarian needs resulting from these different situations	Creates a legal base for EU humanitarian aid

2 REGULATION (EC) No 1905/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 December 2006 establishing a financing instrument for development cooperation

3 REGULATION (EC) No 1638/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument

4 REGULATION (EC) No 1889/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 December 2006

5 REGULATION (EC) No 1717/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on establishing an Instrument for Stability, 15 November 2006

6 Council Regulation (EC) No 1257/96 of 20 June 1996 concerning humanitarian aid