

CONCORD EU Budget Review Task Force

CONCORD EU Budget Review Contribution April 2008

Information on CONCORD:

CONCORD is the European NGO Confederation for Relief and Development. Its 20 international networks and 22 national associations from the European Member States represent more than 1600 European NGOs vis-à-vis the European Institutions.

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Type of organisation: European NGO Confederation for Relief and Development

Level of representation: European

Stated objectives of the organisation: CONCORD leads reflection and political actions and regularly engages in dialogue with the European institutions and other civil society organisations in the domain of development cooperation.

Membership: 22 National Associations & 20 International Networks

This contribution sets out some general recommendations for the EU budget review, before outlining more specific recommendations in relation to development policy.

I. General Principles

CONCORD fully supports the recommendations for the EU's budget set out within the contribution of the EU Civil Society Contact Group, of which we are a member (*A value and rights based EU budget for the future*). We call for the following elements to be established as general principles for the EU's budget.

- The European Union's budget must provide the means to **translate European values and principles into effective action**, rather than being the result of horse-trading as has been the case in the past.
- The principle of **sustainable development** must be the central objective of the EU's budget. Environmental sustainability and gender equality should be mainstreamed throughout the budget.
- There must be **coherence between the different elements of expenditure** in the EU's budget. This means that expenditures in one category (e.g. CAP or fisheries) should not undermine expenditure in another category (e.g. development).
- The EU's budget should be spent in a **transparent and accountable** manner if it is to be effective and secure the support of the EU's citizens.
- The EU's budget should promote and anchor **poverty eradication** as the overarching principle of the EU's international cooperation, including within the fields of trade, development aid, and development education.
- The budget should reflect the **principles of partnership with external countries, the participation of civil society, coherence, and aid effectiveness**.

II. The Importance of External Relations within the EU Budget

The EU has a growing role as a global player as a result of the need to engage with global issues such as climate change, globalisation, and public health threats. This increased role is recognised by the EU, as is the pressing need for greater coherence between the different policy areas. Furthermore, the EU is committed to achieving the Millennium Development Goals as a means of supporting international development, and the urgent need to combat climate change and to adapt to its likely impact makes strong development action even more urgent.

We believe that the European Union's budgetary resources must match its aims. We therefore believe that in order to ensure consistency with the values of the European Union, the budget for external relations must be increased.

Furthermore, the structure of the future budget of the European Union must be consistent with the Lisbon Treaty. The EU's cooperation for developing countries should be financed by budget lines that are directly linked to the articles in the Lisbon Treaty defining the EU's development policy.

The legal instruments covering the EU's cooperation with developing countries should be clearly oriented towards the objectives of the EU's development policy as defined by the Treaty and development policy statements relating to the development articles of the Treaty. Separate legal instruments should be established to finance other external policy areas, such as foreign policy, defence, security, etc. Financial allocations for these instruments should be additional to development funding.

III. Development and the EU budget: CONCORD's recommendations

CONCORD makes the following recommendations for incorporation into the EU's budget review:

i) The EU budget should invest in social and human development

The EU development policy must guarantee social cohesion and poverty reduction to help citizens in the world to realise their rights. The EU needs to invest in the pillar areas key to achieving the Millennium Development Goals. This includes actions on employment and decent work, gender equality, actions to reduce social exclusion and increase access to basic social services such as health and education, especially for the most vulnerable groups such as children, women, disabled people and refugees and internally displaced persons.

ii) EU governments must commit to spend at least 0.7% GDP on Official Development Assistance (ODA).

The EU budget must support the achievement of this international commitment to development assistance spending. Budgetary resources spent on ODA must be non-inflated, real aid targeted solely for development.

iii) ODA should be ring-fenced and targeted at poverty eradication and development objectives.

EU funds dedicated to development aid, humanitarian aid, conflict prevention and peace-building, and human rights activities, should be clearly separated from other activities such as border controls, the fight against terrorism, election monitoring, or military operations. It is important for

both the effectiveness of ODA, and also for the transparency of the EU budget, that there should be a clear separation between the different instruments within the EU's external policies. Based on this principle, the European Development Fund should be incorporated into the budget with the objective of increasing the democratic control exercised by the European Parliament on ODA.

- iv) *The promotion of gender equality and women's empowerment must be adequately resourced*

As a key principle of the European Development Consensus, the EU budget must ensure adequate resources to promote the centrality of gender equality and women's empowerment as a development goal in itself and as an essential element in eradicating poverty and inequalities.

- v) *Conflict prevention should be adequately resourced and mainstreamed within the budget*

Conflicts can undermine efforts to promote sustainable development, and lead to an increase in poverty whilst making assistance ineffective or impossible. In order to address this, we call for the mainstreaming of conflict prevention and for conflict prevention to be adequately resourced within the EU budget.

- vi) *The budget must promote coherence between the different elements of the EU's external relations*

The EU's budget must promote a coherent and consistent international cooperation policy of the EU. This must encompass an integrated approach to development policies, foreign affairs, migration, trade and agriculture, security, economic and other policies to make sure that these policies are coherent with internationally agreed development goals and that they do not undermine or obstruct them. In particular, the EU budget must ensure that development aims are not undermined by military interventions and EU strategic interest in trade and energy.

- vii) *The budget should ensure coordination and continuity within different forms of aid*

The EU's budget must reflect a consistent long-term policy for Development by ensuring a complementarity and continuity between all phases of aid. A holistic and realistic approach should be adopted to addressing prevention of conflict and disaster preparedness, sustainable development, post-crisis reconstruction and rehabilitation. In order to support this goal, a financial instrument should be created to link short-term relief funding, support for rehabilitation, and longer-term development aid.

- viii) *Budget instruments should promote the participation of a wide range of actors, and should recognise the important role of civil society in all humanitarian and development contexts*

The participation of all actors, especially the poorest and most marginalised, must be a prerequisite for poverty reduction and the achievement of the Millennium Development Goals. The budget must also facilitate the recognition of the important role of civil society within development and humanitarian actions.

- ix) *The EU's development budget must be managed in partnership with partner countries*

In accordance with the principle of partnership, the EU's budget must ensure that partner countries have the ability to decide their own development strategies and objectives, and that EC aid is not subject to political conditionalities.

x) At least 20% of ODA must be allocated to basic health and basic education

In accordance with the initiative of the 1995 Copenhagen World Summit for Social Development, at least 20% of EC ODA should be allocated to basic health and education services.

xi) Development education should be prioritised

Development education can provide a means to promote public support for EU's role in development and to ensure that the EU budget is transparent and accountable to EU citizens. We therefore call for at least 3% of ODA to be dedicated to development education and awareness-raising.

xii) Aid Effectiveness should be facilitated by the budget

EU citizens demand that the EU should ensure the effective and proper use of aid to support the development of poorer countries. Aid must be granted effectively and efficiently, and accountability and transparency must be ensured in development cooperation through the use of clear quality standards for ODA allocation, programming and expenditure.