Procedure file

RSP - Resolutions on topical subjects Resolution on the revision of the Cotonou Agreement and setting of the amount for the 10th European Development Fund (EDF) Subject 6.30.02 Financial and technical cooperation and assistance 6.30.03 European Development Fund (EDF) 6.40.06 Relations with ACP countries, conventions and generalities

Key players			
European Parliament			
Council of the European Union	Council configuration General Affairs	Meeting <u>2722</u>	Date 10/04/2006

Key events			
22/03/2006	Debate in Parliament	-	
23/03/2006	Results of vote in Parliament		
23/03/2006	Decision by Parliament	<u>T6-0112/2006</u>	Summary
23/03/2006	End of procedure in Parliament		
10/04/2006	Resolution/conclusions adopted by Council		Summary

Technical information	
Procedure reference	2005/2655(RSP)
Procedure type	RSP - Resolutions on topical subjects
Procedure subtype	Debate or resolution on oral question/interpellation
Legal basis	Rules of Procedure EP 136-p5
Stage reached in procedure	Procedure completed

Documentation gateway			
Oral question/interpellation by Parliament	B6-0006/2006	13/03/2006	EP
Motion for a resolution	B6-0191/2006	22/03/2006	EP
Motion for a resolution	B6-0193/2006	22/03/2006	EP
Motion for a resolution	B6-0194/2006	22/03/2006	EP

Motion for a resolution	B6-0196/2006	22/03/2006	EP	
Motion for a resolution	B6-0199/2006	22/03/2006	EP	
Motion for a resolution	B6-0200/2006	22/03/2006	EP	
Joint motion for resolution	RC-B6-0191/2006	22/03/2006		
Text adopted by Parliament, topical subjects	T6-0112/2006	23/03/2006	EP	Summary
Commission response to text adopted in plenary	SP(2006)1725	19/04/2006	EC	
Commission response to text adopted in plenary	SP(2006)1918/2	30/06/2006	EC	

Resolution on the revision of the Cotonou Agreement and setting of the amount for the 10th European Development Fund (EDF)

The Parliament has adopted a joint resolution on the revision of the Cotonou Agreement and the setting of the amount of the 10th EDF. However, it regrets that the overall amount for the 10th EDF decided by the European Council is below the original calculation of the Commission. It equally regrets that the plethora of political commitments made in 2005 in support of substantial increases in ODA have not been translated into a substantial increase in the contributions of Member States to the EDF; underlines that the proposed amount for the 10th EDF would amount to only 0.028% of Member States' GDP.

Moreover, it deplores the fact that, on the one hand, Member States have made commitments to increase development aid but on the other hand, if the level of the 10th EDF remains at that fixed by the European Council, the overall levels of ODA managed by the Commission will fall from 19% to just 14% by 2015, making this a de facto re-nationalisation of development policy.

The Member States are called upon to consider significantly raising their contributions to the 10th EDF. It requests that the Council and the Commission to clarify how the development dimension of the Economic Partnership Agreements, currently under negotiation, will be financed. The Council is urged to provide new money for 'aid for trade' programmes and insists that such programmes should not shift resources already earmarked for other development initiatives, such as the MDGs. Both the Council and the Commission are urged to ensure that the contributions of Romania and Bulgaria to the 10th EDF will be additional once they have acceded to the EU. They should also take into account the accession of East Timor to the Cotonou Agreement and the fact that aid directed to this new country should clearly be additional in the light of the formula described in Annex 1a to the Cotonou Agreement. The question of future financing of cooperation with OCTs should be clarified as soon as possible. In addition, The two institutions should clarify the future financing of the African Union, including what level of financing should come from the MEDA programme.

Lastly, the Parliament recalls that all EDF expenditure must satisfy the ODA eligibility criteria, as defined by the OECD's Development Assistance Committee and it calls on the Commission to take the lead in ensuring coordination between the Member States in order to enhance the effectiveness of both EU and bilateral development funding.

Resolution on the revision of the Cotonou Agreement and setting of the amount for the 10th European Development Fund (EDF)

The Council adopted conclusions reconfirm its commitment to the ongoing negotiations with all six ACP regions and its support to allow the timely conclusion and entry into force by 1 January 2008 of the Cotonou Agreement, of the Economic Partnership Agreements (EPA) as development instruments complementary to the overall development efforts in order to eradicate poverty and to achieve the Millennium Development Goals The Council is committed to an ambitious outcome of the EPA negotiations with a view to substantial improvements in regional integration and access for ACP products to EU markets. At the same time, the Council recalls its support for asymmetric and flexible EPA arrangements and the preferential market access for the ACP countries, in line with development needs and WTO requirements.

The Council confirms that to achieve the objectives of the EPAs, fostering regional integration of ACP countries as well as into the world economy, donor assistance should among others be directed to:

- assisting ACP countries to negotiate trade agreements tailored to their needs and capacities e.g. through impact assessment studies and other instruments:
- supporting ACP countries to become more active players in the framework of multilateral trade, and enhance South-South trade;
- helping the ACP countries to establish transparent and predictable rules to spur investment and growth and liberalise services that are key to their development interests;
- addressing agriculture and food security as key elements in the negotiations and supporting the development of regional agricultural markets based on an adequate market regulatory framework;
- providing financial support for building trade capacity and competitiveness and implementing supply side reforms linked to EPAs and WTO implementation;
- assisting ACP countries to comply with rules and standards and reduce non-tariff barriers to trade;
- supporting ACP countries facing adjustment needs arising from EPA implementation or regional and multilateral liberalisation efforts through adequately tailored instruments.

The Council therefore supports the Regional Preparatory Task Forces (RPTFs) as key structures to link the EPA negotiations with accompanying development assistance. Member States are invited, in coordination with the Commission and other donors, to supplement and support these EPA-related activities organised via the RPTFs with their own ongoing bilateral and multilateral development assistance.