


# Procedure file

Basic information		
INI - Own-initiative procedure	<a href="#">2012/2063(INI)</a>	Procedure completed
EU 2011 report on policy coherence for development		
Subject 6.30 Development cooperation		

Key players				
European Parliament	Committee responsible	Rapporteur	Appointed	
	<b>DEVE</b> Development		25/01/2012	
		PPE <a href="#">SCHNIEBER-JASTRAM Birgit</a>		
		Shadow rapporteur		
		S&D <a href="#">TIROLIEN Patrice</a>		
		ALDE <a href="#">GOERENS Charles</a>		
		Verts/ALE <a href="#">TAYLOR Keith</a>		
	Committee for opinion	Rapporteur for opinion	Appointed	
	<b>AFET</b> Foreign Affairs	The committee decided not to give an opinion.		
	<b>INTA</b> International Trade	The committee decided not to give an opinion.		
	<b>EMPL</b> Employment and Social Affairs		15/03/2012	
		S&D <a href="#">COSTELLO Emer</a>		
	<b>ENVI</b> Environment, Public Health and Food Safety	The committee decided not to give an opinion.		
	<b>ITRE</b> Industry, Research and Energy	The committee decided not to give an opinion.		
<b>AGRI</b> Agriculture and Rural Development	The committee decided not to give an opinion.			
<b>PECH</b> Fisheries				
<b>JURI</b> Legal Affairs	The committee decided not to give an opinion.			
<b>LIBE</b> Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.			
<b>FEMM</b> Women's Rights and Gender Equality		27/03/2012		
	ECR <a href="#">ČEŠKOVÁ Andrea</a>			
European Commission	Commission DG <a href="#">International Cooperation and Development</a>	Commissioner PIEBALGS Andris		

Key events			
15/12/2011	Non-legislative basic document published	<a href="#">SEC(2011)1627</a>	Summary
20/04/2012	Committee referral announced in Parliament		
18/09/2012	Vote in committee		
11/10/2012	Committee report tabled for plenary	<a href="#">A7-0302/2012</a>	
25/10/2012	Results of vote in Parliament		
25/10/2012	Decision by Parliament	<a href="#">T7-0399/2012</a>	Summary
25/10/2012	End of procedure in Parliament		

Technical information	
Procedure reference	2012/2063(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed
Committee dossier	DEVE/7/09296

Documentation gateway					
Non-legislative basic document		<a href="#">SEC(2011)1627</a>	15/12/2011	EC	Summary
Committee draft report		<a href="#">PE492.611</a>	22/06/2012	EP	
Committee opinion	EMPL	<a href="#">PE491.245</a>	11/07/2012	EP	
Amendments tabled in committee		<a href="#">PE494.579</a>	28/08/2012	EP	
Committee opinion	FEMM	<a href="#">PE491.350</a>	05/09/2012	EP	
Committee opinion	PECH	<a href="#">PE492.581</a>	06/09/2012	EP	
Committee report tabled for plenary, single reading		<a href="#">A7-0302/2012</a>	11/10/2012	EP	
Text adopted by Parliament, single reading		<a href="#">T7-0399/2012</a>	25/10/2012	EP	Summary
Commission response to text adopted in plenary		SP(2013)72/2	04/03/2013	EC	

## EU 2011 report on policy coherence for development

**PURPOSE:** to present the 2011 Report on Policy Coherence for Development (PCD).

**CONTENT:** since 2005, Policy Coherence for Development (PCD) has become a permanent and significant pillar of the EU effort to enhance the impact of external assistance and to better tailor and weight the external effects of EU non-development policies in our partner countries.

This is the third biennial report on PCD progress prepared by the Commission.

It aims to report on:

- progress made by the EU and its Member States in making their policies more coherent with development cooperation objectives, focusing on those sectors identified as priority challenges for the PCD exercise ;
- recent activities to ensure better monitoring and implementation of the PCD process, and
- the main lessons learned and challenges ahead.

## EU 2011 report on policy coherence for development

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The Committee on Development adopted the own-initiative report by Birgit SCHNIEBER-JASTRAM (EPP, DE) on the EU 2011 Report on Policy Coherence for Development. It welcomes the EU's efforts towards PCD, underlining that PCD is not only a legal obligation, but also a chance for the EU to establish equal and sustainable partnerships with developing countries that go beyond development cooperation. Members believe that PCD must be based on the recognition of the right of a country to define by democratic means its own policies, priorities and strategies to protect its populations' livelihoods in line with the UN International covenant on Economic, Social and Cultural rights.

They insist that the questions regarding the economic, environmental and social impacts of policies inside and outside of the EU laid down in the 2009 Impact Assessments Guidelines must be answered in the Commission's impact assessments as well as in the impact assessments to be made by Parliament. The Commission should complete the impact assessments in advance of the corresponding policy proposal in order to ensure that civil society organisations (CSOs) and other relevant stakeholders can participate in the process.

It welcomes the Commission's proposal to deepen cooperation with the European Parliament and national parliaments on PCD and proposes that these exchanges should come in the form of structured annual meetings, which include clear objectives along with task-monitoring activities with the goal of strengthening PCD in the EU. Furthermore, the report suggests making PCD a clear priority for the EEAS and the Delegations by further strengthening the EU's policy dialogue with CSOs, local parliaments and other stakeholders, by asking them to gather evidence on lack of either inconsistency or coherence, by improving the PCD references in programming documents and making them operational, and by developing a training programme for all new EEAS staff to ensure that they are able to understand and apply PCD. Adequate resources to fulfil this task must be allocated.

Trade: Members take the view that the OECD guidelines for multi-national enterprises should become binding standards in EU investment treaties for business, ensuring that treaties include clauses on transparency and on the fight against illicit capital flows, along with full reporting on environmental and social issues by companies. They point out that investment agreements should improve the rights and duties of governments to regulate economic activities in sensitive policy areas such as the environment and foster decent work in the broader public interest and in the longer-term interest of future generations.

Agricultural and Fisheries Policy: deploring that the share of EU Aid for Trade (Aft) to LDCs declined to 16 % in 2010 (EUR 1.7 billion, as against EUR 8.7 billion to non-LDCs) from 22 % in 2009, the committee calls on the Commission to:

- inform Parliament about the annual and/or multi-annual share of the EDF funds spent as Aft;
- promote, within the WTO, the suggestion of some donors to narrow the scope of the Aid for Trade Initiative in order to make it more focused on key elements of the trade and development nexus, in order to make it more effective and to secure donors' financing.

Members repeat the need for independent assessments of the EU's agricultural and trade policies, paying special attention to impacts on local and smallholder producers, and building on evidence submitted by governments, farmers' organisations, civil society organisations and other stakeholders in developing countries which are EU trading partners.

With regard to fisheries policies, stressing that Fisheries Partnership Agreements (FPA) payments should be compatible with development objectives and that the impacts of FPAs should be closely monitored by the EU, the committee takes the view that PCD should be reinforced by: a) making DG-MARE and DG-Development jointly responsible for FPAs, b) applying relevant principles outlined in the FAO Code of Conduct for Responsible Fishing, EU commitments towards Policy Coherence for Development, and the EU-ACP Cotonou Agreement, c) incorporating human rights, anti-corruption and accountability obligations in all FPAs, and d) ensuring that FPAs are consistent with or contribute to the poverty reduction and human development objectives identified in the EU's Country and Regional Strategy Papers.

Climate Change and Energy: the report calls for a systematic climate change risk assessment of all aspects of EU's policy planning and decision making, including trade, agriculture, food security, etc., and it demands that the result of this assessment be used to formulate clear and coherent country and regional strategy papers, as well as development programmes and projects.

It also calls on the Commission to report on the social sustainability of biofuels by the end of 2012 and to consult with affected communities and local NGOs beforehand. Member States are urged to allocate a significant share of the auctioning revenues from the European Emissions Trading System (ETS) to climate change-related activities in developing countries from 2013 onwards.

Security: the committee stresses the following:

- the publication of the Council's Thirteenth Annual Report on control of exports of military technology and equipment raised questions about the reliability and usability of the data provided;
- the relevance of the EU's pledges for democracy and human rights and for conditions such as those enshrined in the "more for more" approach concerning the EU's immediate Neighbourhood policy can only be assured when no other policy area, and when no interaction with partner countries, counteract initiatives undertaken to strengthen human rights, human security and democracy in partner countries.

Migration: noting that 'brain drain' can cause serious problems in developing countries, especially in the health sector, the report asks the Commission to monitor the effects of the Blue Card system on developing countries and promote the application of the "WHO Code of practice" regarding the international recruitment of health personnel to both the public and the private sectors.

Members also note that mobility partnerships must be consistent with the international human rights legal framework, and they ask the EU to prevent conditionality in development aid relating to migration reduction, in both bilateral and multilateral negotiations by the EU and its Member States. They want Article 13 of the ACP-EU Agreement to include the principles of circular migration and the granting of circular visas. Whilst the article emphasises respect for human rights, the scope of these principles is seriously compromised by bilateral readmission agreements with transit countries which, taken together, amount to an externalisation by Europe of the management of migration, and which do not guarantee respect for the rights of migrants and may result in 'cascade' readmissions that jeopardise their safety and their lives.

Other issues: Members discuss a wide variety of issues, including: (i) the overall framework of good governance and respect for human rights, (ii) the division of responsibilities between the EEAS and DEVCO, (iii) the concept of "EU actorness", (iv) the need to ensure that social provisions enshrined in EU trade agreements are implemented; (v) the

importance of establishing PCD focal points in developing countries to improve information exchanges, (vi) the importance of taking account of the situation of women, not simply as a vulnerable section of the population, but also as active facilitators of development policies.

Lastly, Members reiterate that the creation of a Standing Rapporteur for PCD from the ACP countries in the context of the Joint Parliamentary Assembly would facilitate the coordination with, and work of, the EP's Standing Rapporteur on PCD and the relevant department of the Commission and Council, and would help to eliminate obstacles to PCD within developing countries themselves.

## EU 2011 report on policy coherence for development

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The European Parliament adopted by 561 to 47 with 51 abstentions a resolution on the EU 2011 Report on Policy Coherence for Development. It welcomes the EU's efforts towards PCD, underlining that PCD is not only a legal obligation, but also a chance for the EU to establish equal and sustainable partnerships with developing countries that go beyond development cooperation. Parliament believes that PCD must be based on the recognition of the right of a country to define by democratic means its own policies, priorities and strategies to protect its populations' livelihoods.

Parliament insists that questions on the economic, environmental and social impacts of policies must be answered and the Commission should complete the impact assessments in advance of the corresponding policy proposal in order to ensure that civil society organisations (CSOs) and other relevant stakeholders can participate in the process. Generally, Parliament underlines the importance of binding corporate social responsibility (CSR) obligations and of encouraging employers to apply social standards, which are more ambitious than current statutory provisions. It calls on the Commission to support the Member States in carefully monitoring the implementation, and ensuring the legal enforcement, of these obligations.

At an institutional level, Parliament welcomes the Commission's proposal to deepen cooperation with the European Parliament and national parliaments on PCD and proposes that these exchanges should come in the form of structured annual meetings, which include clear objectives along with task-monitoring activities with the goal of strengthening PCD in the EU. Furthermore, it suggests making PCD a clear priority for the EEAS and the Delegations by further strengthening the EU's policy dialogue with CSOs, local parliaments and other stakeholders, by asking them to gather evidence on lack of either inconsistency or coherence. Adequate resources to fulfil this task must be allocated.

As well as these general observations, Parliament makes a series of recommendations on five priority areas set out in the Report:

**Trade:** Parliament takes the view that the OECD guidelines for multi-national enterprises should become binding standards in EU investment treaties for business, ensuring that treaties include clauses on transparency and on the fight against illicit capital flows, along with full reporting on environmental and social issues by companies. It points out that investment agreements should improve the rights and duties of governments to regulate economic activities in sensitive policy areas such as the environment and foster decent work in the broader public interest and in the longer-term interest of future generations. Parliament regrets the lack of commitment to mainstream fair trade principles across EU policies.

**Agricultural and Fisheries Policy:** deploring that the share of EU Aid for Trade (Aft) to LDCs declined to 16 % in 2010 (EUR 1.7 billion, as against EUR 8.7 billion to non-LDCs) from 22 % in 2009, Parliament calls on the Commission to:

- inform Parliament about the annual and/or multi-annual share of the EDF funds spent as Aft;
- promote, within the WTO, the suggestion of some donors to narrow the scope of the Aid for Trade Initiative in order to make it more focused on key elements of the trade and development nexus, in order to make it more effective and to secure donors' financing.

Members repeat the need for independent assessments of the EU's agricultural and trade policies, paying special attention to impacts on local and smallholder producers, and building on evidence submitted by governments, farmers' organisations, civil society organisations and other stakeholders in developing countries which are EU trading partners. Generally, Parliament believes that developing countries should protect their economy and proceed to selective market openings.

In the agricultural area, Parliament calls on the Commission to develop an integrated approach to nutrition, set up a dedicated trust fund to address the problem of malnutrition in developing countries, and mobilise the necessary resources to deliver the basic interventions that could prevent the vast majority of malnutrition, especially in the critical 1 000-day window between conception and age 2. Such a trust fund would enable the leveraging and pooling of resources from Commission and Member States, and possibly other donors, and would enable better visibility of EU action in saving lives. Parliament deplores the fact that only approximately EUR 418 million or around 3.4 % of the total Commission development aid budget of EUR 12 billion per year, is currently allocated to direct nutrition intervention.

With regard to fisheries policies, stressing that Fisheries Partnership Agreements (FPA) payments should be compatible with development objectives and that the impacts of FPAs should be closely monitored by the EU, the committee takes the view that PCD should be reinforced by: a) making DG-MARE and DG-Development jointly responsible for FPAs, b) applying relevant principles outlined in the FAO Code of Conduct for Responsible Fishing, EU commitments towards Policy Coherence for Development, and the EU-ACP Cotonou Agreement, c) incorporating human rights, anti-corruption and accountability obligations in all FPAs, and d) ensuring that FPAs are consistent with or contribute to the poverty reduction and human development objectives identified in the EU's Country and Regional Strategy Papers.

Furthermore, Parliament considers that any system of attributing fishing opportunities to countries within RFMOs must include the legitimate rights and aspirations of developing states to develop their own fisheries. It insists that the EU oppose the introduction of Transferable Fishing Concessions schemes in RFMOs, since they would jeopardise the both the livelihood and the well-being of dependent communities in developing countries.

Emphasising that fisheries cooperation is able directly to benefit the 150 million people on our planet who rely on fishing and fishery-related activities for their livelihood, Parliament recalls that many vessels do not duly report their catches and are not inspected, that the data supplied by vessels are not checked and that the species caught are not clearly identified. It considers that the EU can and must make a more effective contribution towards overcoming these problems in the fight against illegal fishing.

**Climate Change and Energy:** Parliament believes that the challenges posed by climate change must be addressed through structural reforms, and calls for a systematic climate change risk assessment of all aspects of EU's policy planning and decision making, including trade, agriculture, food security, etc., and it demands that the result of this assessment be used to formulate clear and coherent country and regional

strategy papers, as well as development programmes and projects.

It also calls on the Commission to report on the social sustainability of biofuels by the end of 2012 and to consult with affected communities and local NGOs beforehand. It points out that this is an opportunity to propose an adequate methodology and cover the full impacts that European biofuels targets are having on food security, land rights and other development issues. At the same time, Member States are urged to allocate a significant share of the auctioning revenues from the European Emissions Trading System (ETS) to climate change-related activities in developing countries from 2013 onwards.

Security: Parliament stresses the following:

- the publication of the Council's Thirteenth Annual Report on control of exports of military technology and equipment raised questions about the reliability and usability of the data provided;
- with the Council Working Group on Conventional Arms Exports being the main committee responsible for the EU's Code of Conduct on Arms Exports, it is imperative that development objectives are taken into account in this forum. Parliament calls on the Council to make the European Code of Conduct on Arms Exports legally binding.

Migration: noting that 'brain drain' can cause serious problems in developing countries, especially in the health sector, the report asks the Commission to monitor the effects of the Blue Card system on developing countries and promote the application of the "WHO Code of practice" regarding the international recruitment of health personnel to both the public and the private sectors.

Members also note that mobility partnerships must be consistent with the international human rights legal framework, and they ask the EU to prevent conditionality in development aid relating to migration reduction, in both bilateral and multilateral negotiations by the EU and its Member States. Supporting a migrant-centred and human rights based approach to EU migration policy; Parliament wants Article 13 of the ACP-EU Agreement to include the principles of circular migration and the granting of circular visas. Whilst the article emphasises respect for human rights, Parliament states that the scope of these principles is seriously compromised by bilateral readmission agreements with transit countries which, taken together, amount to an externalisation by Europe of the management of migration, and which do not guarantee respect for the rights of migrants and may result in 'cascade' readmissions that jeopardise their safety and their lives.

Other issues: Parliament also discusses a wide variety of issues, including: (i) the overall framework of good governance and respect for human rights in the context of development policy, (ii) the division of responsibilities between the EEAS and DEVCO, (iii) the concept of "EU actorness" in order to improve the visibility of Union action, (iv) the need to ensure that social provisions enshrined in EU trade agreements are implemented; (v) the importance of establishing PCD focal points in developing countries to improve information exchanges, (vi) the importance of taking account of the situation of women, and implementing the specific clauses on the prohibition on coercion or compulsion in sexual and reproductive health matters, and the strengthening of the rights of girls and women in developing countries (including the fight against femicides); (vii) strengthening financial transparency; (viii) greater democratic control of budgetary aid in developing countries.

On the social plane, Parliament stresses the need to include provisions in trade agreements on social standards and on the objectives of full and productive employment. It also stresses the need to support and spread collective bargaining as a tool for reducing labour market inequalities, ensuring decent work and wages, preventing social dumping as well as engaging in social dialogue with trade unions about the implementation of social standards in their respective countries.

Post-2015 international framework: Parliament stresses that a post-2015 international framework for development cooperation, in order to provide a more comprehensive approach to poverty eradication and sustainable development, should go beyond a traditional interpretation of development cooperation, leveraging policy coherence for development as an important mechanism and promoting rights-based approaches. Such a framework should go beyond the current concept of public action and aid and should involve all countries (developed, developing, emerging) and all actors (traditional and new donors, developing and developed country governments, and local authorities, the private sector, NGOs, social partners, etc.) in a coherent and inclusive process.