

CPDE STATEMENT ON THE REVISION OF THE EUROPEAN CONSENSUS ON DEVELOPMENT

16 March 2017

As the European Union works to update its development policy framework, CPDE calls on the EU and its Member States to stay true to the goals of development and ensure that people and planet are at the heart of its policy.

The European Commission proposed an update to the EU's development policy framework, the European Consensus on Development¹, that will be adopted by the EU and its Member States to guide their development actions in the coming years. This update is geared to reflect the EU's commitment to the UN 2030 Agenda for Sustainable Development (2030 Agenda) and the overarching goal to decrease inequality and eradicate poverty through sustainable development.

In working towards its goals, the EU and its Member States have collectively become the largest provider of development aid, providing more than half of aid worldwide.² However, they still face challenges to achieve even their most basic commitments. Their Official Development Assistance (ODA) by 2015, only reached 0.47%, a far cry from the 0.7% minimum.³ Amid a financial crisis and the increasing imposition of austerity measures, many EU Member States have decreased their budget for development aid.⁴ And several countries have improperly reported non-aid spending as aid, especially as funds intended for foreign development aid have been re-directed to cover domestic refugee costs.⁵

The proposed new European Consensus on Development (Consensus) lays out a framework for action for the EU and its Member States that covers the social ("people"), environmental ("planet"), and economic ("prosperity") aspects of sustainable development along with "peace" and "partnership" as its priorities. It also puts forth strategies the EU and its Member States will rely on in implementing its development action.

While the proposed policy framework maintains a commitment to an inclusive, rights-based approach to development, the objectives must not be conflated with other priorities or watered down to the detriment of intended beneficiaries. CPDE works to ensure that human rights are at the core of development action and that development actors apply the principles of development effectiveness to ensure that the real impact of development co-operation reaches the people for whom it is intended. We urge the EU and its Member States—in developing and applying its development policy—to take heed to its own commitments for the same.

Development policy must serve the goals of development

The development policy of the EU and its Member States should be focused squarely on development—eradicating poverty, reducing inequalities—and not be diluted by issues that, although important, are not development priorities.

¹ Communication from the Commission Proposal for a new European Consensus on Development, Our World, our Dignity, our Future, available at http://ec.europa.eu/europeaid/sites/devco/files/communication-proposal-new-consensus-development-20161122_en.pdf

² European Commission, 2016, *EU Official Development Assistance reaches highest-ever share of Gross National Income*, available at http://europa.eu/rapid/press-release_IP-16-1362_en.htm

³ European Commission, 2016, *see note 2.*

⁴ African, Caribbean, and Pacific Group of States, 2012, *PRESS RELEASE: ACP Group calls on EU Council to honour commitment to world's poor*, <http://www.acp.int/content/press-release-acp-group-calls-eu-council-honour-commitment-world-s-poor>

⁵ Eurodad, 2016, *2015 aid statistics: Many EU countries become the biggest recipients of their own aid*, <http://www.eurodad.org/2015AidStatistics>

EU development policy must reflect strategies that will put first values such as respect for human dignity, liberty, democracy, equality, the rule of law, and human rights for all. However, trade, security, and migration have crept into and are taking a prominent role in the EU's negotiations around its development policy. The EU and its Member States must ensure that policy dialogue around these topics does not become a prerequisite or guide for the EU in forging development partnerships.

Economic growth and development are not one in the same, and economic growth through increased trade and partnerships with the private sector has not proven to be a legitimate way of reducing poverty and inequality. CSOs have seen human rights abuses, unfair and harmful labor conditions, and wasteful exploitation of natural resources as a result of such activity. While it is promising that the Presidency of the Council of the EU has referred to the need for “sustainable and inclusive growth”, the EU must acknowledge and address the underlying structural and systemic injustices—such as power imbalances and income inequality—that prevent equal benefits for all people and impede sustainable development. In revising its development policy, the EU and its Member States should eliminate approaches that further contribute to the current global economic system and adhere to mechanisms that require fair trade and require that investment be people-centered, environmentally sustainable, and respect human rights.

In response to the current migrant and refugee crisis, the EU has concerted its efforts to stop migration to Europe and prevent cross-border migration within Europe.⁶ Further, Member States have re-directed development funds to manage migration within their own borders.⁷ CPDE strongly suggests that EU development policy not be used principally to manage migration but to address the root causes of migration. The EU and its Member States should also take into account their own actions that contribute to migration. These include, for example, support for neoliberal policies, which put stress on local economies and social structures, and large-scale land deals, or land grabs, by states and private companies. These actions have led people to search for better lives away from their homes and families, often in dangerous and dire situations, and their rights and dignity must always be safeguarded.

In a broader sense, many of the EU's policies that relate to development fail to reflect approaches that will push the purpose and goal of development. For example, the *Communication on a renewed partnership with the countries of Africa, the Caribbean and the Pacific*⁸ further reflects an economic focus, while the Partnership Framework on migration and the proposed European External Investment Plan (EIP) have both had an overbearing focus on migration objectives rather than addressing the root causes of forced migration and displacement.⁹ Moreover, the EU Global Strategy on Foreign and Security Policy (EUGS)¹⁰, which lays out common priorities for the EU and its Member States in its actions abroad, requires that development policy align with EUGS foreign and security priorities, which include security and resilience, rather than the broader

⁶ See Communication from the Commission on establishing a new Partnership Framework with third countries under the European Agenda of Migration (Partnership Framework), available at http://eur-lex.europa.eu/resource.html?uri=cellar:763f0d11-2d86-11e6-b497-01aa75ed71a1.0001.02/DOC_1&format=PDF

See also, Communication from the Commission Strengthening European Investments for jobs and growth: Towards a second phase of the European Fund for Strategic Investments and a new European External Investment Plan, available at eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52016DC0581&from=EN

⁷ See, note 5

⁸ See, Joint Communication on A renewed partnership with the countries of Africa, the Caribbean and the Pacific, available at https://ec.europa.eu/europeaid/sites/devco/files/joint-communication-renewed-partnership-acp-20161122_en.pdf

⁹ See, note 6

¹⁰ See, A Global Strategy for the European Union's Foreign and Security Policy: “Shared Vision, Common Action: A Stronger Europe”, available at https://europa.eu/globalstrategy/sites/globalstrategy/files/regions/files/eugs_review_web.pdf

priorities of sustainable development.¹¹ This is problematic as eradicating poverty and securing human rights for all people should be the clear and uncompromised goal of any development action.

With these issues in mind, the EU and its Member States must pursue a development policy that serves the goals of development and take care to steer clear of a direction that leads it down a path which runs counter to its own fundamental values and undermines its own goals for development co-operation.

CPDE further highlights considerations that the EU and its Member States should ensure are integral to its development policy framework:

Private sector accountability must be a priority

CPDE cautions against any partnership with the private sector that does not require accountability and transparency from private sector actors. The private sector's main goal is to maximise their profits, which is not in line with, and is even counter to, the goals of development. After private sector intervention, we too often see increased indebtedness and privatization of basic public services rather than increased and equal access for all people.

Public-private partnerships (PPPs), as well as blended finance, has proven that innovative development finance subsidised by ODA does not lead to optimal development results, and they pose big questions when it comes to accountability and transparency.¹² These innovative financing tools should follow the development effectiveness principles and never erode the access to public goods; they should respect national development objectives and internationally agreed human rights and social and labour standards. The EU should devise specific criteria to assess private sector interventions in development, particularly when benefitting from ODA funds.

In its resolution on the European Consensus on Development, the European Parliament called for the EU and its Member states to actively engage in efforts to hold accountable transnational corporations for human rights abuses and violations of environmental standards¹³, and the Council of the EU should strive for the same. The EU and its Member States should develop and enforce binding standards that require transparency and hold all private sector actors accountable for their actions. In this sense, the promotion of decent work and social dialogue is a way to promote business accountability. They are indispensable building blocks of sustainable development and must be at the centre of EU policies for strong, sustainable and inclusive growth and development. As an instrument of social and economic governance for development, social dialogue can contribute effectively to the realisation of the 2030 Agenda. It provides more ownership to people, in particular workers, helps to increase accountability and strengthen domestic policies, and contributes to the design and implementation of better redistribution policies. Social dialogue also facilitates social peace and is a forceful instrument for reconciliation and reconstruction.¹⁴

Development action in situations of conflict and fragility should align with principles of development effectiveness and human rights

CPDE stresses the need for the EU and its Member States to respect and protect the fundamental rights of civil society actors in situations of conflict and fragility. The meaningful inclusion and participation of social and

¹¹ EUGS, 11

¹² See, *The development effectiveness of supporting the private sector with ODA funds*, <http://www.ituc-csi.org/DFI-study>

¹³ European Parliament resolution of 14 February 2017 on the revision of the European Consensus on Development, ¶ 68 <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+P8-TA-2017-0026+0+DOC+PDF+V0//EN>

¹⁴ See, *Decent work and social dialogue to leave no one behind Trade union position on the revision of the European Consensus on Development*, http://www.ituc-csi.org/IMG/pdf/tus_on_european_consensus_on_development_en.pdf

mass movements, people's organizations, and local communities must be ensured in the peace-building process in order to achieve the best outcomes for all involved, and an enabling environment for such participation should be fostered. Trust-building, promotion of peace, and dialogue must be a central part of these efforts as well. In developing ways forward, prioritization and implementation of the SDGs is vital, especially in the most challenged contexts. And the private sector must be held accountable in these contexts as well, especially in resource-rich areas.

Further, CPDE cautions against the EU and its Member States using development aid to work closely with security sector actors, including military actors, in development cooperation. Doing so can, for example, leave development projects marked as military targets in areas of ongoing conflict and lead to the continued muddling of development aid and humanitarian aid. Using development aid to finance the military and security sector poses a threat to development as it opens up a pathway for development aid to be used for purposes other than those for which it was intended.

An enabling environment for civil society and a true commitment to development effectiveness should guide EU development policy

The EU is a member of the Global Partnership for Effective Development Cooperation, and CPDE welcomes the EU's promotion of development effectiveness principles in its own work and that of all its development partners, including civil society. In order to achieve this, however, it is imperative that civil society organizations (CSOs) operate in an environment where they can fulfill their role as independent development actors and achieve their own development effectiveness. The EU and all development stakeholders must strengthen their efforts to achieve an enabling environment for CSOs' full participation in the development process. Indeed, with the current trend of closing civic spaces and of human rights defenders and activists being increasingly harassed and assassinated by public and private actors, this is more important than ever.

The EU, in its development policy and application of development effectiveness principles, should strive for retraction of restrictive laws that hinder the full operation of CSOs, and support the creation of permanent multi-stakeholder structures that can monitor and create legal and regulatory reforms. The European Parliament's resolution on the revision of the Consensus strongly highlights the need for political dialogue and consultation with and participation of civil society in the development process¹⁵; however, this can only be achieved when basic civil and political rights are safeguarded. The EU and its Member States should acknowledge the distinct role of civil society in the development process, strengthening democracy, and in achieving human rights.

CPDE welcomes that the Presidency of the Council of the EU promotes development effectiveness as fundamental to achieving the SDGs and to development cooperation. CPDE urges the EU and its Member States to go even further and ensure that they adopt and implement an approach to development that applies universally a framework of effective development co-operation. Through universal application, in which all development effectiveness principles are integrated in the planning, monitoring, and implementation of its development policy, the EU and its Member States can make a meaningful and lasting impact toward poverty eradication and reducing inequality.

Conclusion and recommendations

The new European Consensus on Development will be broad and will necessarily touch on myriad dimensions of development co-operation in an effort to implement the 2030 Agenda and achieve the overall aim of development. Poverty eradication and reducing inequality should remain central to development cooperation, and any implementation of the 2030 Agenda must uphold the integrity and universality of the effective development cooperation agenda. The EU and its Member States' commitments and actions must not only be

¹⁵ See note 13, ¶ 20, 21

ambitious but should also translate into concrete and meaningful results on the ground. Thus, CPDE urges the EU and its Member States to:

- ensure coherence among the totality of EU and Member State internal and external policies—especially regarding trade, migration, the environment, and climate change—so that they do not undermine the overarching goals of sustainable development;
- uphold the principles of development effectiveness in all development actions and put in place mechanisms that require the same for all development partners;
- adhere to a framework for development that embodies a universal application of effective development co-operation;
- require accountability and transparency standards for the private sector and actively support and engage in developing such standards, with a view toward developing binding criteria for business responsibility in development;
- support the unique role of civil society in the development process and their contribution to the achievement of the 2030 Agenda, and prioritise the full realization of human rights and fundamental freedoms;
- raise ambition beyond the economic aims of this proposed Consensus to tackle the underlying systemic and structural causes of poverty and inequality.

We acknowledge the significance for the EU and its Member States to reach an agreement on the future of its development policy. These must not only be words that rest on paper, but lead to actions that will eradicate poverty, realise decent work, reduce inequality, and realise human rights for all. We will continue to engage with the EU and its Member States to ensure that their development policy makes a meaningful and lasting impact for people and the planet.