

# Briefing on a new direction for EU Development Policy and Cooperation

## 1. What is at stake - general introduction

After six months of low activity in the area of EU development policy making, the EC (and DG DEVCO in particular) is now rushing into a number of reviews and legislative processes that are due to be launched still in 2016.

On 22 November, the EC and the EEAS are expected to adopt and publish a package of communications that will include:

- A proposal for the revision of the European Consensus on Development
- A communication on the future of EU-ACP cooperation beyond 2020
- A communication on sustainable development (exact format and content tbc)

This package will contain a number of new directions and re-orientations of EU development cooperation that represent a paradigm shift away from what is now qualified as traditional development cooperation, with the word 'traditional' meant in a somewhat pejorative sense. According to EU officials, the elements of context conducive to this shift are the escalating demographic growth in Africa, the rising number of countries in crisis or fragile situation and the enormous gap in foreign direct investments in least developed countries compared to other more well-off countries. Two direct consequences of these trends with an impact on the EU are the number of people asking for asylum and looking for a better life in Europe and the growing risk of terrorist attacks on the EU soil. This 'new' context requires a new mix of policies and modalities of cooperation giving prominence to job creation to address the root causes of migration through the promotion of private sector, more EU support for border control, security measures and security sector reform and the leveraging of private investments. Not all EU officials believe in such a simplistic (and populist) vision but many of them see in this new approach an opportunity to raise priority and interest for EU development cooperation and to increase the development budget. Even if the objectives are not fully shared, it seems that there is a consensus on the means, in particular, the External Investment Plan and on the necessity to get away from traditional development cooperation. In the area of agriculture, for example, it would mean supporting the integration of small scale farmers in global value chains through partnership with private sector instead of financing the staff and activities of the ministry of agriculture.

A first important communication was the Migration Partnerships Framework launched in June 2016. It set the tone on the imperative of controlling migration dominating development policy and the instrumentalisation of EU development cooperation with the effective blocking of migrants from reaching the EU and the readmission of deportees as a key condition for the release of development funds.

Mogherini's Global Strategy published in the same month reinforces the prominence, in external action, of stemming migration to Europe and of a more politicised use of development that has to serve EU interest in a 'flexible' way. It set the tone on the securitisation of development cooperation: that it should also be used to 'enable and enhance our partners' capacities to deliver security within

the rule of law' including border control and training of the military. The Global Strategy also promotes private sector investments as a main tool for development as *EU Development funds* should catalyse strategic investments through public-private partnerships, driving sustainable growth, job creation, and skills and technological transfers.

The new paradigm that is taking shape in EU development policy is well summarised in the communication on the review of the Multi-Annual Financial Framework that was published mid-September: In the long term, the EU should continue to increase its efforts to address the root causes of irregular migration and forced displacement and to provide capacity building to the host communities and relevant institutions. This will require fundamentally reconsidering the scale and nature of traditional development co-operation models. A much greater role must be given to private investors looking for new investment opportunities in emerging markets. The Commission is therefore presenting an ambitious External Investment Plan that would tackle the root causes of migration and support partners to manage its consequences, while contributing to the achievement of other development goals.

The three main elements of the review of the EU external action budget are:

- stemming migration and addressing its root causes,
- promoting European private sector investments in developing countries, and
- enhancing EU action in security sector reform and anti-terrorism.

None of these priorities are really new or surprising and their precursors were visible in debates around development and in a number of decisions in the last years, in particular in response to migration pressure at EU borders, in pushes in favour of a greater role for private finance in development at all levels from national to global and in the DAC OECD decision of February 2016 to broaden the scope of security expenditures that can be included within the ODA definition<sup>1</sup>.

Certain member states are strong proponents of this paradigm shift and are already applying similar approaches at national level. Several member states decided to increase the share of their ODA allocated to the reception of refugees on their soil and in April 2016, a group of 10 MS addressed a letter to the EEAS and the EC urging them to step up their efforts in both military and civilian components of capacity building for security. The outcome of that process is a proposal to revise the legal basis of the Instrument contributing to Stability and Peace (IcSP) and to transfer €100 million from the Development Cooperation instrument to the IcSP in the 2017 budget.

It doesn't mean that EC proposals will be endorsed without debate. It will most likely be possible to influence their final outcome. Not all member states are in favour of using ODA to finance military expenditures or to secure European private sector investments. And on a number of issues that are under co-decision the European Parliament will certainly have diverging views.

Quite worrying in all these debates is the absence of any serious open debate and proposal on the implementation of the SDGs. Everybody refers to them as the new framework for development, in particular Ms Mogherini in her global strategy, but none of the decisions recently taken or proposed are really aligned with the principles of Agenda 2030 and conducive to more sustainable development cooperation. There is a misappropriation of the SDGs in the global strategy, with goal 16 on peaceful and inclusive societies and accountable institutions becoming the security goal while the paper contains very few references to human rights based approach, people and planet or the essential role of civil society in development and democratisation.

<sup>&</sup>lt;sup>1</sup> More information on DAC High Level Meeting decision at <a href="http://www.oecd.org/dac/dac-hlm.htm">http://www.oecd.org/dac/dac-hlm.htm</a>

Agenda 2030 is supposed to form the basis of the new European Consensus on Development and all good wording, principles and objectives will be there as stated by Commissioner Mimica in the European Parliament on 27 September. But what we might end-up with is a growing gap between policy and practice in future EU Development cooperation. As MEP Goerens would put it: are we credible, or do we like to make grand claims that are not followed by effect?

## 2. On-going processes in detail

### 2.1. Multi-Annual Financial Framework review

<u>Purpose</u>: At the time of adoption of the current MFF (2014-2020), the European Parliament put forward the demand for a compulsory mid-term review "allowing for a quantitative as well as qualitative analysis and stock-taking on the functioning of the MFF". The Parliament highlighted the need for a "post-electoral revision clause" enshrined in the MFF regulation, giving the opportunity both to the new Commission and to the newly elected Parliament of reconfirming and reassessing the EU's political and budgetary priorities by adjusting the MFF accordingly.

Also part of the MFF review but in a second stage that will take place in 2017:

- The legal basis of each financing instrument might also be revised (after evaluation) but this revision will be limited to certain parts. In the case of the Development Cooperation Instrument it is the annexes with the detailed priorities of cooperation for each region and each thematic programme that will be up to revision.
- The Multi-annual implementation plans of each instrument or programme under an instrument will also be reviewed as most of them only covered the 2014-2017 period. It is at that level that real changes in EU development priorities might appear which will directly impact at country level.
- However, more important and radical changes, already announced in this MFF review, will really materialise when the new post 2020 MFF will be discussed.

### Timeline:

In accordance with the agreement of 2013, the Commission tabled mid-September 2016 a communication, a staff working document and a series of legislative proposals to revise the current MFF.

No deadline appears to be set for the adoption of the MFF revision. However, Article 25 of the MFF regulation obliges the Commission to present its legislative proposal for the post-2020 MFF before 1 January 2018, it is clear that the mid-term revision process should be concluded before that date. In its mid- September press release, the EC announces that it will work closely with the other institutions to secure agreement on as much of the package as possible by the end of 2016.

Actors and procedure: the Council will have to adopt any mid-term revision of the MFF Regulation by unanimity. The Parliament must grant its consent for any revision by a majority of its component members. On Council side, the issue will be in the hands of the 'Friends of Presidency' group(s) under the final responsibility of the General Affairs Council while on the EP side, the Budget Committee will take the lead.

In accordance with Article 312(5) of the Lisbon Treaty, the Council should engage in interinstitutional negotiations with the Parliament before adopting any draft revision to the MFF regulation and not only afterwards when it sends its request for the Parliament's consent.

It is not only the MFF regulation that will be revised. The EP and the Council will also have to codecide on a number of legislative proposals, in particular, the revision of the legal basis of the Instrument contributing to Stability and Peace so as to integrate capacity building of military actors, and the new legal basis for the European Fund for Sustainable Development (EFSD).

#### <u>Issues</u>:

Note that the MFF revision is a complex process and that no less than 9 legislative proposals have been tabled by the EC together with its communication on the MFF review. We try here to summarise their main novelties and what they mean for Development budget.

- In total, EC proposal on MFF review would require an additional 13 billion euros for the period 2017-2020 including 1.385 billion for Heading 4 on External Action, divided as follows:
  - o Partnership framework process (migration) : € 750 million
  - European Fund for Sustainable Development (part of the new external investment plan): €250 million
  - o Macro-financial assistance : € 270 million
  - External Lending Mandate of EIB : €115 million
- A direct consequence of increasing the total budget would be that **the remaining margin** (between MFF ceilings and real budgets) would decrease dramatically to 1.9 billion for the whole budget. In order to maintain a sufficient capacity for the budget to react to unforeseen events until the end of the MFF period, the EC proposes to double the volume of the special Flexibility Instrument and the Emergency Aid Reserve to €4.1 and €2.5 billion respectively for 2017-2020. More innovative, is the proposal to create a Union Crisis Reserve, funded through the re-budgeting of de-committed appropriations, by means of an amendment of the MFF Regulation and the Financial Regulation.
- In addition, the reinforcement of the IcSP for capacity building in support of security and development requires additional EUR 100 million over the period 2017-2020 that will be financed through **redeployment** within Heading 4 of the MFF (from Development cooperation instrument).
- Additional resources will also **originate from the European Development Fund** that is not integrated in Heading 4 of the budget.
- At the heart of the first pillar of the External Investment Plan lies the creation of a new European Fund for sustainable Development (EFSD) which will consist of external blending facilities with refocused priorities (Regional Investment Platforms for Africa and for the EU Neighbourhood) and a new Guarantee which will allow for the delivery of a range of innovative instruments to crowd-in the private sector. The EFSD will amount € 3.35 billion but part of that money is already included in the MFF (€ 2.6 billion for existing investment facilities). The € 1.5 EFSD Guarantee for Sustainable Development borne by the EU budget will be backed by a guarantee fund endowed with EUR 750 million (250 from the contingency margin of the MFF, 100 from the neighbourhood instrument and 400 million from the EDF). (see Legal basis)
- Finally, the Commission proposes, in parallel with the MFF Mid-Term Review, to increase the
   External Lending Mandate of the EIB by EUR 5.3 billion to reach a total of EUR 32.3 billion.

   For this to happen the external lending guarantee will increase by €115 million.

- Important to know is that how to account for guarantee funds to support investments is under discussion in the OECD DAC. Currently, the funds are accounted as ODA only in the case they are released. There is a push to modify that rule so that the guarantee itself can count as ODA.
- **Regarding climate finance**, the EC is confident that the current benchmark overall, at least 20% of the EU budget should contribute to the fight against the causes and consequences of climate change is properly implemented and that it will be even reinforced in the future. Hence, there is no specific new proposal on climate finance.
- **Increasing flexibility** of the MFF includes the proposal to reserve 10% from all external instruments to adapt to new/evolving situations.
- The EC is also proposing to revise and simplify the financial regulation, to smooth the shifting of resources inside the budget and to more systematically resort to trust funds as it was the case in these last years. New modalities such as trust funds or investment platforms represent a real risk for aid transparency and accountability and escape a great deal of EP and public scrutiny.

Most contentious with MS will probably be the new EU Crisis Reserve as it would mean that decommitted funds (from commitments that didn't materialise) would not go back to MS as it is the case now. Another problematic proposal is to reduce the global margin which means that EU expenditures in the coming years will be closer to the maximum ceiling authorised and Member states will have to disburse more.

The European Parliament is in favour of an increase of the budget especially for heading 3 (security, asylum, etc...) and heading 4 (external action) but might have problems with other proposals linked to the diversion of development funds towards security and migration related expenditures. The way trust funds are decided and governed outside of EP scrutiny and private investors' accountability and criteria for the use of the EFSD will also be issues MEPs will closely look at.

<u>Recent CS papers</u>: <u>Letters from CS to OECD DAC</u> on definition and modernisation of ODA / <u>CS statement on the Migration Partnerships framework.</u>

In preparation: detailed analysis of the MFF proposal and key red-lines by a group of CONCORD members.

## 2.2 New EU Consensus on Development

<u>Purpose</u>: The first EU Consensus on Development was adopted in 2005 by all institutions, the EC, the Council and the European Parliament as well as national Parliaments and was also signed-off by the EEAS once it was established. It is the main policy paper governing EU development policy and EC development cooperation. In 2010 it was complemented by the Agenda for Change, an EC strategic document presenting new priorities for EC development cooperation. Neither document makes any reference to Agenda 2030 or the Paris Agreement on CC and so it was decided in agreement with the MS that they were due for revision. The new Consensus on Development will replace both documents and will still contain two parts, one on policy and a more operational one. But contrary to the previous consensus, the EC would like the operational part to not only apply to the EC but also to MS. This is not confirmed by the Slovak Presidency and could easily become a major difficulty in the discussion with MS.

## <u>Timeline:</u>

- June to August: on-line public consultation

- 8 September: EC to present outcomes of the public consultation during CODEV (member states) meeting
- **12 September**: Informal Foreign Affairs Council (development focus): first discussion on the Consensus and post-Cotonou.
- **17 October**: formal FAC meeting will discuss the consensus
- **27 September**: Commissioner Mimica presents the first draft of the European consensus in an exchange of views with DEVE committee.
- Launch of the EC inter-service consultation in the first half of October.
- 19 October: Dialogue between DG Manservisi and CONCORD
- 22 November: EC Communication on Consensus to be published together with a staff working document assessing 2005 Consensus and a synopsis of the responses to the consultation.
- **28 November:** Formal Development FAC will discuss EC proposal.
- MS will not adopt Council conclusions nor an informal common positions for the trilogue negotiations with the EC and EP, at least not under the Slovak presidency – CONCORD will check with Maltese presidency
- Adoption of EP report not before January 2017.
- **By mid-2017:** Trialogue and sign-off process by national parliaments (optimistic timeline). The Commission will reach out to National Parliaments through a series of visits in MS.

## Actors:

DEVCO Policy Unit A1, headed by Gaspar Frontini is leading the drafting but all the policy units in DEVCO will be involved in the preparation of this communication. DG DEVCO proposal will be transmitted to EP and Council on 22 November and will subject to a trialogue (same format as codecision although it is not a legislative process).

The CODEV (chaired by Slovakia and then Malta) and Development FAC will take the lead on Council side.

Co-rapporteurs in EP DEVE committee are Wenta (EPP) and Neuser (S&D) and the shadow rapporteurs Goerens (ALDE), Sanchez Caldentey (GUE), Heubuch (Greens), Corrao(EFDD) and Theocharous (ECR).

The need for an approval by all national parliaments is not confirmed (according to Slovak PermRep) – it is depending on legislative procedures in each country. The EC would like to go through that process however.

## Issues:

According to recent information from meetings with EC officials, important issues to be addressed by the Consensus review are:

The consensus will have a new structure\_organised around the 5 Ps:

the what: people, prosperity, planet and peace

and the how: partnerships.

 The 2030 Agenda will be the driving force behind the Consensus but it also needs to include some other principles in particular from the Lisbon Treaty. Alignment with Agenda 2030 is a good thing but depends on the approach taken. How far will principles such as 'leaving no one behind' or the objective of fighting inequalities and the traditional EU areas of cooperation such as human development or food security and rural development be reflected in priorities and operational part? How far will environmental and climate change concerns be addressed as an integral part of sustainable development? A high official told us that it will not be possible to cover all 17 SDGs but a member of the drafting team also said that focusing on 3 areas of priority in each country as suggested by the Agenda for Change is not feasible anymore and that there is a need to look at a broader agenda and where the EU can add value and generate synergies.

- The Consensus needs to be coherent ('go hand in hand') with the Global Strategy which bears a risk of securitization and militarisation of ODA and for Development policy to become more flexible and aligned with EU external action strategic priorities. The consensus will have to address the nexus between development and security and between development and migration.
- They are not looking to subsume the Consensus on Humanitarian Aid within the consensus on Development (as was suggested at a certain stage) but rather to address the interface and need for coordination.
- Means of implementation and modalities of cooperation will change with much more importance given to the leveraging of private finance. Trust funds and the External Investment Plan will be at the core of future EU development cooperation while more 'traditional' modalities such as budget support or civil society projects risk losing out.
- Accountability, including for Private Sector: the EU has pushed internationally for strong
  accountability mechanisms and development effectiveness for all actors. What will it mean for its
  own development aid and for results indicators (beyond GDP and jobs)?
- Migration/Refugees: there is an 'appetite' to address this and explore cross overs with other areas. EC will frame it as 'mobility and migration'. To be monitored closely as MS might have different approaches.
- Civil society space: the EC will make sure that planning processes for 2030 include civil society.
  However they seem to look at the issue from a 'partnership with CS' point of view. They need to
  take a much broader approach on civil society space, human rights and fundamental freedoms
  linked to democratic governance, justice and power relations and private sector accountability
  and regulation.
- PCSD: it seems that the way the EC will address PCD and PCSD is still unclear and in the making
  in relation with the broader communication on Agenda 2030. According to EC, no major change
  to be expected.
- 0.7%: there are a lot of messages and commitments on this and EC wants to maintain the commitment.
- The second part of the consensus, the more operational one, will give a lot of attention to coordination, harmonisation and joint programming between EC and MS. This operational part that should apply equally to EC and MS might represent a main contentious issue in the debate with MS.

<u>Existing civil society papers</u>: ACT EU and CONCORD responses to the on-line consultation on the review of the consensus / <u>CONCORD position paper</u> /

In preparation: ACT EU policy paper on EU Development Policy (working title) / CONCORD speaking points for the 19 October consultation with DG DEVCO.

## 2.3 EU implementation strategy of Agenda 2030

## Purpose:

EU was a big proponent of Agenda 2030 and the SDGs and is now expected to produce an overarching strategy for its implementation at EU level, both internally and externally. The exact content of the 22 November communication is not known yet. At the origin it was supposed to be a mapping of existing policies and how far they are aligned with Agenda 2030. ut It now seems that it will also contain some more forward looking elements. From a recent meeting with the EC Secretary General

- The EC wants to implement Agenda 2030 by mainstreaming it through the various EU policies.
- The Better Regulation package will allow for better coordination and coherence between all the policies, and ensure stakeholders can intervene along the way.
- There will be a clear focus on EU interests and economic growth 'as a leverage for social progress'

### Timetable:

22 November for the first EC communication on the SDGs. Not sure it will be followed by another one? Mid-June 2017 for the first monitoring report on SDG at EU level (see below) before the 2017 High Level Political Forum.

Once it is published, the EC communication will be discussed in the Jumbo group of the Council.

### Actors:

In the EC, there is an **Agenda 2030 inter-service steering group** involving all DGs (more than 20 DGs), which meets on a regular basis.

At higher political level, there is a project team on sustainable development chaired by Vice-President Timmermans, working closely together with VP Katainen and HRVP Mogherini. In total, 11 Commissioners are participating in this project team.

**Eurostat** was also asked to produce a report that could be released at the same time as the Communication on SDGs on 22 November. This will include sustainable development strategy indicators, Europe 2020 indicators, resource efficiency scoreboard indicators, impact indicators for the 10 Juncker priorities. In parallel, Eurostat are working to develop a set of around 100 indicators which will be used to monitor SDG progress at the EU level and the first monitoring report using these should be available second quarter of 2017 (they aim at mid-June).

**At Council level**, the Jumbo Group is still in charge. It includes the working parties on development (CODEV), on Environment and on relations with international institutions.

## Issues

Many issues, including: integrated strategy for SDGs instead of cherry picking / real integration of the 3 pillars / PCSD/ mainstreaming of principles both internally and externally / sustainable consumption and production versus Europe 2020 strategy and growth and jobs /fight against inequalities and governance / growth versus well-being / planetary boundaries and climate change / human development / accountability and reporting/ CS space and role ...

Existing CS papers: (post September 2015) <u>9 essential elements for EU implementation of the SDGs</u> / <u>CS role to realising Agenda 2030</u>/ <u>Key advocacy messages</u> on Agenda 2030 follow up and review / Letters to Timmermans and Member States.

In preparation: new CONCORD publication on Agenda 2030 combining it with the work on PCSD and thematic issues. Launch on 16 November.

## 2.4 Post 2020 EU-ACP relations

<u>Purpose:</u> The Cotonou Partnership Agreement1 (CPA) was signed in 2000 for a twenty-year period and will expire on 29 February 2020. It is a wide-ranging agreement that covers many policy areas under its three broadly defined pillars: (i) the political dimension, (ii) economic and trade cooperation, and (iii) development cooperation. The European Development Fund (EDF) is the main financial instrument for providing development under the CPA. It is established outside the Union's budget by an international agreement between the representatives of the EU Member States. It is financed by direct contributions from EU Member States according to a contribution key and is covered by its own financial rules. The EDF that is governed by the CPA represents more or less one third of the EU Development budget annually (33% in 2014).

Both the ACP-EU partnership Agreement and the European Development Fund will have to be renewed or replaced by other agreements and instruments after 2020.

<u>Timetable</u>: The EC will publish a draft EU negotiating mandate mid-2017. It will be discussed by member states and a final mandate will be adopted before February 2018 when negotiations with ACP group have to start. On 22 November the EC will publish a more general communication based on the evaluation of the Cotonou agreement that was conducted in 2016 (that includes the outcomes of a public consultation) and on an impact assessment of different options for the future agreement. The exact content of the communication is not known yet.

### Actors:

There is a 'Task-Force Cotonou' in DG DEVCO that is led by Koen Doens.

At EP level, Neuser (S&D) is the rapporteur for the DEVE committee. His own initiative report is already well advanced. The EP has mainly a consultative role on the CPA. There is no co-decision on the EDF as it is outside the budget. Depending on the format of the future agreement(s) the EP might see its influence increase.

Council: ACP/EDF working party. Member States are the main decision makers as the CPA is an international agreement signed by all EU and ACP states.

ACP group: ACP committee of ambassadors and ACP secretariat at Brussels level / ACP Council as decision body.

## <u>Issues:</u>

**Format and institutional set-up**: this is the major discussion, going on for almost 2 years. ECDPM identified 4 possible scenarios under discussion amongst Member States. The EC doesn't want to share information on the scenarios it is studying but these are probably quite similar.

**Binding or not**: whether there will be an umbrella agreement with 3 sub-regional agreements or any other format, it is not yet decided whether these will be binding (and needing ratification) or not.

The 3 Pillars: will the new agreement(s) still cover the 3 pillars or not and at what level is another question.

**Development cooperation**: EDF is the main tool and the EC will make a proposal for its budgetisation as was agreed upon in the last MMF agreement. Regarding cooperation priorities and modalities the

same issues have to be addressed as in the Consensus review, in particular, how the future agreement(s) will provide an integrated framework for the implementation of Agenda 2030 and Paris agreement on Climate change.

**Political Dialogue**: not very effective and powerful at an all ACP level. The legitimacy and effectiveness of the ACP group as a political actor is an issue (compared for example with the African Union) or the EU-CELAC political dialogue in the case of the Caribbean.

**Trade**: Economic Partnership Agreements as sub-regional or even bilateral trade agreements are already outside the current format of the CPA. How they will be linked to the broader agreement in the future is uncertain. Currently the CPA provides for a political umbrella agreement under which binding minimum requirements for the EPAs are set.

<u>Recent Civil Society papers</u>: CONCORD response to the on-line consultation on the future of the Cotonou agreement / <u>CONCORD position paper</u> / <u>Letter to EP on EPAs</u>.

In preparation: on 6 and 7 December, CONCORD will organise a seminar with ACP partners to agree on joint recommendations for the future of EU-ACP relations.

Annex: what's in some papers tabled so far				
EU process	Migration	Security	Private Sector - EIP	
Global Strategy	A special focus in our work on	Development can play a key role in	We must enhance our efforts to	
(28-06-2016)	resilience will be on origin and	empowering and enabling our	stimulate growth and jobs in Africa.	
	transit countries of migrants and	partners to prevent and respond to	Development funds should catalyse	
Development policy also needs to	refugees. We will significantly step	crises, and will need to be	strategic investments through	
become more flexible and aligned	up our humanitarian efforts in	supported financially by the EU.	public-private partnerships, driving	
with our strategic priorities.	these countries, focusing on	We will invest in African peace and	sustainable growth, job creation,	
	education, women and children.	development as an investment in	and skills and technological	
Presented to MS at the end of June		our own security and	transfers.	
2016.	Together with countries of origin	prosperity.		
	and transit, we will develop			
Under discussion amongst MS.	common and tailor-made			
	approaches to migration featuring			
Mogherini announced a Roadmaps	development, diplomacy, mobility,			
for implementation:	legal migration, border			
	management, readmission and			
<ul> <li>EEAS roadmaps for</li> </ul>	return.			
implementation of EU Global	Through development, trust funds,			
Strategy are being drafted on:	preventive diplomacy and			
integrated approach to crisis and	mediation we will work with			
resilience, security & defence,	countries of origin to address and			
external-internal nexus, a review of	prevent the root causes of			
existing regional and thematic	displacement, manage migration,			
strategies, and public diplomacy.	and fight trans-border crime. We			
<ul> <li>Also May 2017, upcoming EU</li> </ul>	will support transit countries by			
strategy on resilience, linked to	improving reception and asylum			
existing EEAS resilience narratives	capacities, and by working on			
and to relevant SDGs	migrants' education, vocational			

	training and livelihood opportunities.		
Migration Partnership Framework (7-06-2016)	The financing of the proposed Partnership Framework rely on EU development budget and EDF.	Financing includes border control and Investigating, disrupting and prosecuting smugglers networks.	First announcement of the External Investment Plan (EIP)
The short term objectives of the compacts are: To save lives in the Mediterranean sea; To increase the rate of returns to countries of origin and transit; To enable migrants and refugees to stay close to home and to avoid taking dangerous journeys.	In total 8 billion mobilised over the period 2016-2020.  Positive and negative incentives should be integrated in the EU's development policy, rewarding those countries that fulfil their international obligation to readmit their own nationals, and		The Plan comprises three key parts in order to deliver on its overarching objective of job creation and sustainable growth: (i) mobilising investment; (ii) stepping up technical assistance; and (iii) supporting economic and structural reforms to improve the
See also CS reaction: <u>CS statement</u> on the Migration Partnerships framework.	those that cooperate in managing the flows of irregular migrants from third countries, as well as those taking action to adequately host persons fleeing conflict and persecution. Equally, there must be consequences for those who do not cooperate on readmission and return. The same should be true of trade policy, notably where		business and broader policy environment.  With an input of €3.35 billion from the EU budget and the EDF, the EIP will mobilise up to €44 billion of investments. If Member States and other partners match the EU's contribution, the total amount could reach €88 billion.
	the EU gives preferential treatment to its partners: migration cooperation should be a consideration in the forthcoming evaluation of trade preferences under "GSP+".		reach too billion.

## **MFF** review

Together with the increased appropriations proposed under the Draft Budget 2017, mainly for migration, and the additional allocations stemming from the technical adjustment of cohesion policy envelopes, the mid-term review financial package proposes about EUR 13 billion of additional EU funding in 2017-2020 for jobs and growth, migration and security.

# Increase of Heading 4 by 1.385 billion

a. EUR 385 million for reinforcing the Macro-Financial Assistance instrument and the 'Extended External lending Mandate' of the EIB; b. EUR 1 billion for the Partnership framework process and the European Fund for Sustainable Development (EFSD).

The Commission is committed to provide financial assistance for urgent needs to Member States facing extreme pressure at the external borders of the Union.

EUR 2.55 billion are needed to finance the budgetary implications during the years 2018-2020 of the European Border and Coast Guard and the reinforcement of EUROPOL as well as the Commission proposals related to the EU Agency for Asylum, the review of the Dublin common asylum system, the Emergency support within the Union and the Entry/Exit system which aims at registering entry, exit and refusal of entry data of third country nationals crossing the external borders of the MS of the EU.

Should these measures prove not sufficient to address the migration and security challenges, additional resources would need to be made available. This could also be financed by the proposed new European Union Crisis Reserve funded by the re-use of decommitted appropriations. The Commission is therefore presenting an ambitious External

It is proposed to create a European Union Crisis Reserve to finance the response to crises, such as the current migration crisis, as well as events with serious humanitarian and security implications. This Reserve would be funded by decommitted appropriations from all MFF headings4. It would not increase the overall ceilings for commitments and payments of the agreed multi-annual financial framework.

The reinforcement of the IcSP for capacity building in support of security and development requires additional EUR 100 million over the period 2017-2020 to be financed through redeployment within Heading 4 of the MFF.

Should these measures prove not sufficient to address the security challenges, additional resources would be needed. This could be financed by the proposed new European Union Crisis Reserve funded by the re-use of decommitted appropriations.

In parallel with the mid-term review, the Commission is submitting a proposal for a new European Fund for Sustainable Development (EFSD) which should constitute the investment pillar of the External Investment Plan and will combine existing blending facilities and a new EFSD Guarantee for Sustainable Development.

Conconcus on Dovelopment	Investment Plan that would tackle the root causes of migration and support partners to manage its consequences, while contributing to the achievement of other development goals.  It is proposed to mobilise EUR 750 million for the Partnership framework process and EUR 250 million for the European Fund for Sustainable Development.	Dovolonment cannot be a	More effective mobilisation and use
Consensus on Development  (extracts from minutes of the debate between Commissioner Mimica and the EP DEVE committee on 27 September)	Migration and development links. Need to reduce poverty to tackle root cause of forced migration and irregular migration. Use development assistance to improve opportunities in country of origin. Concerns from traditional angle of development and ODA. There has been no ODA diversion at EU level. Have increased both support for hosting refugees and development aid to development countries.	Development cannot be a standalone policy. Link with humanitarian, migration, peace and security will be important part of Consensus. Resilience action brings together humanitarian and development. Would like that link clearly defined in Consensus. Were proposals to have single Consensus on humanitarian and developmenthaven't gone this far but have gone far in including new territory.  Our security related engagement through development instruments never comes to level of supporting military capacity in terms of weapons and arms.  Our development intervention for security purposes should be "bound as much as possible should be	of all resources. Effective implementation of AAAA. Getting from billions to the trillions needed will not be possible with just the face value of ODA but by using part of it to attract private sector investment. EIP will increase foreign investment in development countries, particularly fragile states. Making this work on the ground is one of Mimica's personal priorities. 3.4 bn from EU budget and European development fund.

completely bound by ODA criteria".	
New ODA rules provide clarity and	
will be precisely observed.	