

A close look at the new European Consensus on Development July 2017

The new European Consensus on Development is a non-binding document adopted in June 2017 by the 4 main EU institutions; the Commission, the EEAS, the Council of Ministers and the Parliament. It provides a shared vision and a framework for action for development cooperation of the European Union (EU) and its Member States. The new Consensus contributes to the objectives and principles of EU external action as laid down in the Lisbon Treaty, and supports the Global Strategy on the EU's Foreign and Security Policy presented in June 2016 by the High Representative Mogherini. The Consensus contains a good number of important principles, objectives and priorities of action that will contribute to the implementation of Agenda 2030 and to the EU objective of eradicating poverty. It also emphasizes the role of civil society as an asset for democracy and a partner for dialogue and implementation. However, in several places and more particularly in the paragraphs related to security, migration, trade and investment a worrying approach to policy coherence for development is promoted that seems to be more focused on safeguarding EU security and economic interests than promoting sustainable development and human rights.

1. The Consensus as a tool for implementing Agenda 2030

The Consensus states that the EU and its MS are committed to implement the 2030 Agenda across all internal and external policies in a comprehensive and strategic approach closely coordinated with the implementation of the Paris Agreement on Climate Change and other international commitments, including the New Urban Agenda.

This broad, integrated and comprehensive approach to sustainable development is particularly welcome after years of implementation of the Agenda for Change that was too focused on energy, agriculture and governance.

The Consensus lists all important EU commitments and principles that guide development cooperation in line with the EU treaty, with Agenda 2030 and the Paris Agreement as well as the GPEDC. They include the focus on eradicating poverty, Policy Coherence for Development, rights based approach to development, leave no one behind and development effectiveness principles. In the area of finance, while referring to the Addis Ababa Agenda of Action, the Consensus re-confirms the 0.7% ODA target, the target of 0.20% of ODA/GNI to LDCs within the timeframe of the 2030 Agenda, as well the EU and MS share of the developed countries' goal to mobilise USD 100 billion per year by 2020 and through to 2025 for mitigation of and adaptation to climate change.

The EU and its MS also committed to produce a synthesis report on the Consensus implementation including the impact of their actions in support of the 2030 Agenda in developing countries, as a contribution to EU reporting to the UN High Level Political Forum (HLPF), but only **when meeting at Head-of-State level every four years**. Intermediary reports on ODA and other FfD aspects, PCD and SDGs in EU context are also mentioned but with no details on their content and frequency.

The Framework for Action (chapter 2) is structured around the 5 main focus points of the 2030 Agenda, the 5 P's: people, planet, prosperity, peace, and partnership and presents a comprehensive overview of how development cooperation of the EU and its MS will contribute to the realization of Agenda 2030 while not directly addressing the 17 sustainable development goals and their targets. There are many good priorities and objectives or even statements in the framework for action but there are also some problematic elements that will be developed below.

The good points include:

People: eradicating poverty; tackling inequalities; inclusion; adequate and sustainable social protection; decent work; cross-sectoral efforts to end hunger; interlinkages between land, food, water and energy; implementation of CEDAW; women and girls' rights, empowerment and role as agents of development; promotion, protection and fulfilment of SRHR; importance of culture; individuals and communities' resilience. Youth is also mentioned although a more comprehensive and elaborated strategy on how to address youth' issues and the demographic dividend is needed. See below for an analysis of the development-migration nexus.

Planet: re-affirming commitments in Paris and CoP21; balance of financial support for mitigation and adaptation; addressing energy poverty; community-led, off-grid or mini-grid solutions; resource efficiency and sustainable consumption and production; international commitments on illegal logging, biodiversity, desertification etc; rights of indigenous and local communities; climate friendly infrastructures.

Prosperity: importance of MSMEs, social enterprises and cooperatives; support to smallholders, including family farmers and pastoralists; inclusive economic development; promoting fair, transparent and ethical trade, including with small producers; tackling illicit financial flows; progressive taxation; equitable access to land tenure, particularly for women; farmers' organisations and cooperatives; agricultural markets and value chains in partner countries; support to agro-ecological practices and greenhouse gas mitigation potential of sustainable agriculture.

Peace: human rights, fundamental freedoms and an open and enabling space for civil society; human security and vision of resilience broader than just state resilience (addressing drivers of vulnerability including inequality); national ownership of peace processes; no diversion from main goal of poverty eradication; recognition of the nexus between sustainable development, humanitarian action, peace and security; recognition of a broad range of root causes of irregular migration and forced displacement.

Partnership: coordination, complementarity and joint programming between EC and MS; broader and more flexible approach to cooperation with MICs including people living in poverty, inequality and exclusion; development effectiveness principles; partnership with a wide range of actors including specific paragraph recognizing multiple roles of civil society.

2. PC(S)D: the nexus Development-Security

The preamble of the Consensus introduces the strong link between the EU consensus and the EU Global Strategy and the idea that this Consensus will contribute to the achievements of the priorities of EU external action, including through support to resilience at all levels. In practice it means that the EU and its MS will implement humanitarian action an development cooperation in a more coherent and complementary way, actively contributing to building individual, community, societal and state resilience, addressing extreme poverty, preventing and tackling crises, reducing chronic vulnerability and building self-reliance.

However, European citizens' security is also at the core of the Global strategy as reminded by VP Mogherini when launching the new communication on resilience: European external policy has a strong role to play also in ensuring the resilience within the borders of the EU. This comes at a time when the Union has a greater responsibility than ever before to contribute to the security of its citizens.

According to VP Mogherini and a number of Member States, one way to achieve EU security objective is to support CBSD - Capacity Building in support of Security and Development – and it is the reason why the EC and EEAS suggested some months ago to modify the current regulation of the Instrument contributing to Stability and Peace (IcSP) to expand its mandate to supporting CBSD. According to their proposal, CBSD includes the training of militaries and other support for military operation in the framework of humanitarian and development action. The paragraph of the Consensus relating to CBSD was one of the most contentious during negotiations and the final compromise text doesn't mention supporting militaries. However, with the review of the IcSP regulation under way and the wording used in the Consensus, the door is wide open to CBSD: In the context of development cooperation, the EU and its Member States can also engage with security sector actors to build their capacity for ensuring sustainable development objectives, in particular the achievement of peaceful and inclusive societies. The EU and its Member States will promote shared solutions to security and development challenges, including by supporting the democratic governance of the security sector, its effectiveness in providing human security, and capacity building.

The EU Treaties make it impossible to finance militaries with EU budget but, in spite of warnings from legal services, it didn't prevent the review of the IcSP. After lengthy and hot debates, a majority of members of the EP Foreign Affairs committee decided not to oppose the review provided the financing didn't originate from development resources (was not accounted for as ODA). This is only the beginning of a broader debate on the nexus between security, defence and development that will be a core issue in upcoming MFF negotiations.

Besides its contribution to state and society resilience and CBSD, the Consensus also foresees a number of more usual priorities related to good governance, democracy, the rule of law and human rights, security sector reform and open and accountable justice systems as well as the role of development cooperation to prevent, manage and help resolve conflicts and crises, avert humanitarian needs and build lasting peace. The EU and its Member States will also pay particular attention to fragile and conflict-affected states and will support the most vulnerable. They also recognize the need to prevent and counter radicalisation leading to violent extremism, including through fostering religious tolerance and interreligious dialogue. On that last point CONCORD succeeded to get rid of the original wording suggesting that development cooperation would be used to counter violent extremism.

Regrettably, the paragraphs relating to resilience, conflict prevention and resolution and peace building lack reference to democratic ownership and to the important role of CSOs and civilian initiatives in pursuing these objectives.

3. PC(S)D: The nexus Development-Migration

The section on mobility and migration, as part of the 'people' chapter, is the most problematic as it conveys a Eurocentric perspective paying little attention to the positive synergies between migration and development and to the importance of South-South migration. It reduces a multifaceted problematic to the goal of migration prevention and ignores the need for an ambitious and forward looking long-term policy for migration and mobility. African countries in particular are being met with increasingly aggressive "carrot and stick" approaches that are pressuring them into accepting readmission and return agreements, compromising the human rights of migrants and refugees as well as development.

In particular, in the text of the Consensus we deplore the following provisions:

- Mixing issues related to development and to internal migration management policies:
 Migration is a complex, global, long-lasting phenomenon requiring a carefully designed,
 balanced, evidence-based and sustainable policy response which shall respect national
 competences, and in particular not affect the right of Member States under Article 79(5) TFEU to
 determine volumes of admission of third-country nationals coming from third countries to their
 territory in order to seek work.
- **Migration can be good but irregular migration is a threat**: Well-managed migration and mobility can make positive contributions to inclusive growth and sustainable development. Regular migration and mobility can bring benefits through the transfer of knowledge, skills and productive capacity to migrants themselves, their families and the countries of origin and destination. At the same time, irregular migration can raise major challenges and impact negatively on the countries of origin, transit and destination.
- Using development aid and trade as a leverage: The EU and its Member States will take a more coordinated, holistic and structured approach to migration, maximising the synergies and applying the necessary leverage by using all relevant EU policies, instruments and tools, including development and trade. Leverage means aid conditionality in this case (see Partnership framework).
- The mention of the Valetta action plan and the Migration Partnership framework in the text of the Consensus is not a good thing as it suggests that the current problematic EU approach to migration taken in emergency with no proper democratic debate and control will continue to guide the nexus between migration and development for the whole duration of the consensus. In particular, the main objectives of the partnership framework on migration is to address negative impacts and keep migrants out of Europe and to impose aid conditionalities in that view.
- A simplistic vision of the root causes of irregular migration and externalization of EU's
 responsibilities to transit countries: Through development policy, the EU and its Member States
 will address the root causes of irregular migration and will, inter alia, contribute to the
 sustainable integration of migrants in host countries and host communities and help ensure the
 successful socioeconomic integration of returning migrants in their countries of origin or transit.
 This will include promoting investment, trade and innovation in partner countries to boost growth
 and employment opportunities.

Note that the 'Peace' chapter also includes a paragraph on the issue which provides a more nuanced and broader vision of the root causes of irregular migration, such as conflicts, state fragility, insecurity and marginalisation, poverty, food insecurity, inequality and discrimination, and environmental degradation, including climate change.

4. PC(S)D: Trade, investments and the private sector

The Consensus puts emphasis on investments as drivers of sustainable development and on using ODA to promote them while at the same time proposing a simplistic vision of the role of investments as a panacea: public and private investments help to diversify economies, foster growth and decent jobs, deliver innovative products and services, link developing countries' economies to regional and global value chains, promote regional integration and trade, and meet social needs.(...)

One key channel for such actions will be the European External Investment Plan¹, which will include guarantees to lower the risk profile of investment in developing countries and thus leverage additional finance, particularly from the private sector. It will contribute to the attainment of the SDGs, thus helping to tackle the root causes of irregular migration.

¹ The guarantee fund of the EIP is subject to a regulation that was adopted at the end of June 2017. Together with other NGO colleagues, including Eurodad and Oxfam, we succeeded to work closely with the Parliament to influence the new regulation, by adding provisions on decent jobs, gender equality, human rights, climate change, development effectiveness principles and enhancing provisions on transparency and accountability.

This vision in supported in many places in the Consensus including in the paragraph on blending grants and loans, as a way to leverage additional private finance, (is) another important means to implement the 2030 Agenda. Blending covers all regions of EU external cooperation in sectors including energy, transport and water infrastructure, support for small and medium enterprises, social sectors and the environment. Stronger engagement of the private sector will be needed, using innovative financial instruments to help attract more private finance for sustainable development, including for climate action...

In the chapter on 'Planet', there is a contradiction between the commitment to support small-scale local energy provision and the para 46 suggesting reliance on big projects and private investments in the energy sector and the fact that supporting Africa and the EU's neighbourhood in this energy transition will be a part of the enabling framework for the EU's Energy Union².

In the same spirit, the EU will continue to promote trade and regional integration as key drivers of growth and poverty reduction in developing countries.

Most problematic is the fact that the Consensus is rather weak when it comes to ensuring policy coherence for sustainable development (and poverty eradication) when implementing trade agreements and promoting investments.

On the contrary, it seems that **development cooperation is there to compensate for unfair and unsustainable trade agreements**: In line with PCD commitments, development support will be used where appropriate to ensure that the provisions in trade agreements relating to trade and sustainable development are implemented and used effectively or elsewhere in the text:

Development cooperation will help to reinforce the inclusion and implementation of trade and sustainable development chapters in trade agreements, increased preferential access for vulnerable countries to the EU market and support for fair and ethical trade, and to further develop policies to ensure responsible management of supply chains. This includes supporting the implementation of Economic Partnership Agreements and Free Trade Agreements with developing countries.

While it is strong on promoting the role of private sector in a number of areas and social sectors (including through the EIP) and while it mentions corporate social responsibility, business and HRs guidelines and due diligence, the Consensus is still weak on **enforcing private sector's accountability**. Para 54 on the role of private sector talks about sharing practice, building CSR in business models, working to prevent human rights abuses and promote the UN Guiding Principles on Business and Human Rights, labour standards that ensure decent employment etc...but there is nothing in the Consensus about applying criteria, putting in place safeguards, check lists and grievance mechanisms, applying incentives and sanctions towards the private sector. Moreover, there is no reference to mechanisms to ensure development additionality and sustainable positive impact on development and poverty when ODA is used to ease private sector investments and action³.

5. Civil Society space and role

While the text of the consensus is very supportive of civil society space and participation and recognizes the political role of CS and the importance of CS in democratization, the general feeling is that the important role of civil society in contributing to the implementation of EU's development policy objectives and concrete priorities is not fully recognized. And this in spite of the fact that there are many objectives and thematic priorities mentioned in chapter 2 to which CS actors and NGOs are

² On this contradiction between good intention and practice see also the critics on the implementation of the Africa Renewable Energy Initiative

³ Some of these mechanisms and safeguards have been introduced in the regulation for the new European Fund for Sustainable development (EFSD, part of the External Investment Plan) thanks to the amendments introduced by the <u>European Parliament</u>. See NGO position on the EFSD <u>here</u>.

effectively contributing with and without EU financial support (sustainable agriculture, land, food and water, gender and women's rights, SRHR, inequalities, anti-discrimination, social protection, culture, youth, migration, environment, climate adaptation, resilience, human security and peace building etc...

The few good points on CSOs in chapter 2 that were added to the original draft are based on CONCORD recommendations in the area of agriculture: Support to smallholders, including family farmers and pastoralists, remains of central importance, contributing substantially to food security and to the fight against soil erosion and biodiversity loss, while providing jobs. And (...) promote the creation of farmers' organisations and cooperatives to address, among other things, better productivity of family farms, land use rights and traditional farmer-based seed systems

Particularly weak are EU's proposal regarding youth participation and actions towards addressing youth in general and the role of civil society into this: *The EU and its Member States will also aim to strengthen the rights of young people and their empowerment in the conduct of public affairs, including by promoting their participation in local economies, societies and decision-making, notably through youth organisations.*

Moreover, beyond the wrong narrative on migration and displacement and about addressing their root causes, the chapter is also civil society blind and doesn't foresee any role for civil society apart for diaspora when it comes to growth and employment.

In the 'Partnership' chapter of the Consensus there is a good paragraph on CS: The EU and its MS will deepen their partnerships with CSOs in support of sustainable development. They will promote an operating space and enabling environments for CSOs, with full public participation, to allow them to play their roles as independent advocates, implementers and agents of change, in development education and awareness raising and in monitoring and holding authorities to account. They will support CSO commitments to effective, transparent, accountable and results-oriented development cooperation.

But otherwise, in that chapter, CS is treated as an actor amongst several and the distinctive role of CS compared to private sector or local authorities and multilateral and regional organisations is not recognized as illustrated in the following sentence: the private sector and civil society have become instrumental partners in reaching the most vulnerable and marginalised people.