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EU DEVELOPMENT POLICY

Biotechnology and Development: speech of Commissioner Nielson and EC Communication

On 31st January, The Commission (DG Research) organised a stakeholders conference: *Towards sustainable agriculture for developing countries: options from life sciences and biotechnologies*.

On that occasion, Commissioner Nielson presented a speech based on the EC policy that is clearly spelled out in a recent Communication, issued in January 2002 and entitled "Life sciences and biotechnologies: a strategy for Europe" (COM (2002)27). The Communication has been largely supported by the Council of Ministers of the Union and by the European Parliament at the end of last year.

The Communication and its plan of action include a chapter on cooperation with developing countries where concrete recommendations in the field of sustainable agriculture, research, biodiversity conservation and legislation are made. In his speech Commissioner Nielson also commented the recent debate on GMOs and food aid in Southern Africa.

The full speech is available at

[http://europa.eu.int/rapid/start/cgi/guesten.ksh?
p_action.gettxt=qt&doc=SPEECH/03/39|0|RAPID&lq=EN&display=](http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=qt&doc=SPEECH/03/39|0|RAPID&lq=EN&display=)

The text of the EC communication and the reactions from the Parliament, the EESC and the Council are all gathered at:

http://europa.eu.int/prelex/detail_dossier_real.cfm?CL=en&DosId=171079

EC 2003 programme: the year ahead in Development policy presented by Commissioner Nielson to the Parliament on 21 January

Mr Nielson stressed the importance attached to health and education in the year 2002 and the fact that communications were drafted on these issues but also recognised that '*we have not entirely resolved our differences on the appropriateness and effectiveness of budget support as a means to attain our objectives*'.

Regarding 2002 achievements, Commissioner Nielson also mentioned the proposal on **the untying of aid** that is challenging Member States but also other international aid donors to go beyond the rather limited recommendations of the OECD Development Assistance Committee.

Health, with a focus on the major communicable diseases will again be a particular concern for 2003. A Communication updating progress on the programme to fight communicable diseases will be presented in the first half of this year. Community spending on social infrastructure is planned to rise mainly through global and regional instruments while the support through country strategies evolves slowly.

The Commission's strategy towards **tiered pricing** for essential pharmaceuticals in developing countries has started to yield tangible results. The Commission has contributed € 120 million to cover the first two years of the Global Fund's operations

and is an active Board Member. A further substantial contribution is planned for this year and next.

Africa will be a focus this year with the holding of the EU-Africa Summit in Lisbon in April. (On the problem of Zimbabwe: the COREPER hopes to find an agreement on the renewal of sanctions against Mr Mugabe and his close collaborators on 12 February. Before that date the Greek presidency will do its best to convince President Mugabe to abstain from taking part at the Africa-EU Summit and to send his Foreign Minister to Lisbon. Should this fail, the Summit will most probably be postponed).

The EC is intending to present a communication on **governance** to define a consistent and common EU approach to governance-related issues. The Commission is also preparing communications on **forest law** enforcement, governance and trade in which we outline measures to be taken to prohibit the import of illegal wood and on the reform of **state-owned enterprises** in developing countries. On legislation, the programme includes proposals for regulations on integration of **gender** issues, **decentralised co-operation**, **human rights and democracy** and co-operation with **South Africa**.

The entry into force of the Cotonou Agreement has been too long delayed, but Mr Nielson expects Belgium, as the last country, to complete their approval of the 9th EDF shortly and that funds will be available from March or April. Later this year the Commission will present a communication presenting the case for **the budgetisation of the EDF**.

The reform of EU external assistance will continue apace in 2003 and key areas of action will be to pursue the administrative reform of the Unified External Service and **the completion of deconcentration**. Among results achieved so far, Mr Nielson mentioned the massive deconcentration of management responsibilities to nearly 50 delegations, the dismantling of technical assistance offices, the overhaul of budgetary rules, computer systems, contracting and tendering procedures and the use of DAC standards for reporting.

[Full speech of Commissioner Nielson available on request from k.sohet@aprodev.net](mailto:k.sohet@aprodev.net)

Migration and development: outcome of the NGO meeting - PES seminar in the Parliament

At the meeting between development NGOs and organisations working on migration issues in Europe, a list of concerns and follow-up actions has been prepared in reaction to the publication by the Commission of a communication on the integration of migration issues into external relations (*see EU News n° 10 of 2002*).

Amongst these concerns are the role and mandate of the High Level Working Group which is more and more focussed on how to defend EU's interest in migration flows and is now looking at the 18 November 2002 General Affairs Council's conclusions on partnership with third countries and joint management of migration flows. The future integration of a clause on joint management of migration flows and on compulsory readmission in the event of illegal immigration in any bilateral agreement and the question whether these will operate in true partnership is at the core of NGO's concerns.

The even more questionable issue on the fact that development aid could be conditional to proper cooperation of beneficiary countries in the fight against illegal immigration (conclusions of the Seville Summit) was also discussed and retained by the NGOs however it was strongly criticised by Commissioner Nielson and is not referred to in the communication.

The participants also deplored the lack of attention in the EC communication on issues such the trafficking, the South –South migration (only discussed as a process

to be encouraged to limit flows to the North), the use of development aid to address the root causes of migration and the way it should be integrated in country strategy papers.

The following action points were listed:

- Circulation of individual organisations reactions to the communication amongst the group (reactions are expected from Caritas Europa, CCME, UNHCR and Save the Children)
- Preparation of a 2 page document outlining concerns common to development and migration NGOs which could be signed by a number of organisations. A meeting will take place at CCME on 12 February to prepare the paper.
- The participants also discussed the time-tables of the Council and Parliament and the ways to approach them. The General Affairs Council will agree final conclusions in May and it is likely (thought not certain) that Parliament's comments will be too late to influence discussions in Council.
- It will also be important to take account of that issue in the next budgetary process and to prepare NGO's position on its consequences on the Development budget.
- A further meeting or seminar could be organised on that subject and it was proposed to integrate it in the work programme of CONCORD.

In the meantime a seminar, 'Migration and Development – The missing link', will be organised by the PES Group of the European Parliament on Thursday 20 February at 14:00. The programme and invitation are available from k.sohet@aprodev.net
Register as soon as possible to email vbyrne@europarl.eu.int, or tel: 00 32 2 2843098

EU SECTORAL POLICIES

Seminar on the external effects of the CAP in the European Parliament

Under the title "WTO Agriculture Negotiations and External Effects of the CAP", the PES Group organized, in cooperation with CIDSE and APRODEV, a seminar in the European Parliament on Thursday 6th February 2003.

The meeting, moderated by Erika Mann, MEP and Max van den Berg MEP, PES Group Vice-President for Foreign Affairs and International Trade, heard presentations from European agricultural organizations, environment organizations, development NGOs and the Commission services for Agriculture and Trade.

Carl Greenidge of CTA-Wageningen kicked off the meeting with a comprehensive overview of the concerns of the various groups of developing countries with the process of CAP reform and the related WTO negotiations in Geneva on a new Agreement on Agriculture.

Luisa Bernal of the South Centre in Geneva addressed the meeting on the important issue of market access. Gérard Choplin (CPE) noted that the main distorting effect of the CAP was the low prices of agricultural products on the EU and world market, far below the costs of production. The shift towards decoupled subsidies and direct payments will in no way solve this problem. He also pointed out that the opening of the EU market might well benefit big de-localised EU enterprises (e.g. in the poultry sector) much more than small farmers in the South who rely mainly on their national and regional markets.

Aileen Kwa commented on the process of WTO decision-making, which she described as essentially flawed, characterised by power play and arm-twisting from the developed countries including the EU. She called upon Trade Commissioner Pascal Lamy to stop pressurising the poor countries in the South to sign trade deals that are not in their economic interest.

On the issue of decoupling subsidies from production, Rudolf Buntzel-Cano, APRODEV encouraged the European Parliament to take three main issues on board: 1) there should be a ceiling on the Green box subsidies, 2) technical barriers to trade represent the danger of a new protectionism, 3) the funds released from the Amber box should be invested into measures supporting food security in the South.

Presentations by EC representatives reflected the proposals made by their respective DGs (Trade and Agriculture) on the AOA negotiations and on the mid-term review of the CAP (see previous issues of *EU News*).

In conclusion, Bob van Dillen of CIDSE noted that it is clear that the external effects of CAP have been largely overlooked in current debates in the Commission, the EP and the Member States. Emphasis so far has been put on balancing the diverse interests in Europe itself, not on minimizing/eliminating the negative impact in the South. However, Europe is forced to do this, not just because of the MDGs to which all MS signed up to, but also because of the legal obligations for policy coherence under the Maastricht Treaty: EU's trade and ag policies cannot contradict its own development policies on sustainable agriculture, rural development and poverty eradication. Hence the need to link the process of CAP reform with an assessment of the poverty impact in the different countries in the South.

He also concluded that in Europe we have to move towards a different mode of production, moving away from intensive, industrialized production, oriented towards maximizing productivity and export. This model is currently leading to unfair competition, dumping in the South, and an unsustainable production in Europe itself whereby farmers are not earning a decent income for what they produce. He reiterated the CIDSE recommendation to reduce the levels of subsidies, not just redirect them. The money saved could well be used to support sustainable agriculture and rural development in the South. This would bring the EU closer to achieving the UN target of 0.7% GNP for ODA.

In response to the EC, Bob van Dillen noted that we need to realize that the developed countries have been quite successful in safeguarding their interests in the UR negotiations on the AoA: allowing the continuation of protection and support measures for themselves while denying poor countries to install such measures. Power politics continue to play a determining role, including pressures from the EC. What is needed first of all is rebalancing of the AoA. After that, we need to bring in legally binding Special and Differential Treatment that will reflect the diversity of poor countries in terms of levels of development. In this context, Bob van Dillen stressed CIDSE's support for a meaningful Development Box in the AoA, which could include border measures for developing countries to protect their vulnerable farmers. Such measures could also be linked to the levels of EU agri subsidies.

WTO and the trade of services: first EU proposals

On 5 February, the Commission approved the initial offer to improve third countries access to the EU services market, in the on-going negotiations under the Doha Development Agenda. The document will now go to the Council and European

Parliament for their consideration, before being tabled in Geneva at the end of March 2003.

According to the EC press release, the EU has strong offensive interests in this negotiation, since services account for around two thirds of EU GDP and more than 67 million Europeans are employed in commercial services. It is therefore crucial that the EU tables a significant initial offer to maintain the momentum of the negotiations and secure EU interests. At the same time, the offer does not affect the provision of public services within the EU, the right of the EU to regulate its services sector, and to design its own appropriate regulatory frameworks. Thus, it maintains the EU position of taking no commitments in the audio-visual sector, and also proposes no commitments on either education or health services. The EC draft proposal covers the following sectors: finance, computers, telecommunication, distribution, postal and courier services, professional services, and tourism. It also improves EU commitments on temporary movements of persons.

Source EC press releases on DG Trade website:

http://europa.eu.int/comm/trade/services/pr050203_en.htm

EU HUMANITARIAN AID POLICY

Commitments for Global Plans in 2003

Democratic Republic of Congo: € 35 Million: ECHO funds will be used to treat some 60,000 acutely malnourished children, while addressing the causes of malnutrition by providing their families with food, seeds and tools. About 115,000 families with malnourished or otherwise vulnerable children will be assisted in this way.

ECHO will continue to support the Congolese public health system through the provision of drugs, training and supervision. Specific action will also be taken on mother and child healthcare, reproductive health, malaria, emergency obstetrics and secure blood transfusion. The fees charged by the health system will be greatly reduced, because even the token amounts involved have been shown to deter the poorest people from seeking medical help. Taking into account a likely increase in demand due to lower fees, ECHO aims to assist some 4.5 million people in 55 health districts in 2003.

Sierra Leone, Liberia and Guinea: € 16 million: ECHO funding will support the re-integration of an estimated 220,000⁽¹⁾ people that are returning home after refuge in Guinea or in other parts of Sierra Leone. ECHO will also target about 60,000 Liberian refugees, as well as vulnerable people living in newly accessible areas who have lost much of their basic infrastructure due to the fighting.

Sudan: € 20 million: ECHO has planned a comprehensive response to the humanitarian crisis in Sudan covering the next 18 months, starting from January this year. If the cease-fire agreement signed between the Government of Sudan and opposing armed factions in October 2002 holds, areas of the country previously inaccessible to aid workers will be opened up and increasingly large return movements of internally displaced people may start to take place.

If the peace process fails and fighting resumes, continued humanitarian aid will be necessary. Regardless of political developments, ECHO will continue covering the whole territory according to needs, and in strict respect of internationally recognised humanitarian principles.

The priority sectors of intervention covered by this global plan will include health and nutrition, water and environmental sanitation, emergency preparedness and response, and household food security. The global plan also covers operational support for humanitarian operations (eg, transport, security) and special mandates (eg civilian protection and tracing). As well as funding emergency live-saving

operations, ECHO support is intended to contribute to a gradual process of recovery by giving people the means to become more self-reliant.

Somalia: € 5 million: The focus of ECHO funded activities will be on improving access to quality and affordable health services, and reducing malnutrition amongst the most vulnerable groups. ECHO funds will be used to minimise the impact of climatic hazards on livestock, and support crop production with seed distribution and irrigation schemes.

ECHO's implementing partners in Somalia include UN agencies, the Red Cross family and established non-governmental organisations.

ECHO ends its activities in Former Yugoslav Republic of Macedonia

The Humanitarian Aid Office of the European Commission (ECHO) is ending its activities in the FYR of Macedonia after almost ten years of activity. Between 1993 and 2003, ECHO allocated more than €110 million in humanitarian aid spent in sectors such as health, water and sanitation and rehabilitation.

EU long-term development aid to the FYROM is provided under the framework of the CARDS programme.

[Website of CARDS programme in FYROM:](http://europa.eu.int/comm/external_relations/see/fyrom/index.htm)

http://europa.eu.int/comm/external_relations/see/fyrom/index.htm

EU RELATIONS WITH THIRD COUNTRIES

Palestine: control of EU financial aid to the Palestinian Authority

The European Anti-Fraud Office (OLAF) announced on February 5 that it was investigating allegations that EU budgetary support to the Palestinian Authority had been misused. Reacting to the news, Chris Patten said, "It is natural that the independent anti-fraud office should itself choose to investigate these allegations, in line with its policy of zero tolerance - and we welcome that decision". An earlier Commission investigation into the allegations had found no evidence of the funds being misused.

To know more about Chris Patten position on that issue you can read his letter to a member of the European Parliament (Mr Laschet, CDU-Germany) on DG Relex website. In a resolution, 180 MEPs call for setting up a Parliamentary Commission of Enquiry into EU aid to Palestinian Authority. Other MEPs, including Mr Laschet himself, are in favour of a simple working group on the control of financial aid to the PA. Both requests will be debated in the Plenary session of the Parliament on 14 February. In his letter Commissioner Patten recalls that EU budgetary aid to the Palestinian Authority was justified by the fact that Israel keeps Palestinian tax receipts at a level of approximately \$30 million per month and that it was necessary to preserve the PA's administrative structures while using EU assistance to promote reform and improve management. It is also clear, he said, that as soon as Israeli authorities resume their payments on a stable and regular basis, the EU would seek to gradually reach more targeted financial aid forms.

Patten's letter about the issue at:

http://europa.eu.int/comm/external_relations/w6/4.htm

EU FUNDING OPPORTUNITIES

Commission published an update of the programming document for the European Initiative for Democracy and Human Rights

The European Commission has published an update of the programming document for the 98-million budget available in 2003 for the European Initiative for Democracy and Human Rights. The document gives further details of funding priorities in 2003. The Initiative is an EU programme that aims to promote and support human rights and democracy in third countries

More: http://europa.eu.int/comm/external_relations/w6/6.htm#prog03

Deconcentration and co-financing, the case of Zimbabwe

The discussion on the ways the administration of the budget line B7-6000 for the co-financing of NGOs actions will be deconcentrated is on-going inside the Commission and no one in EuropeAid would be ready, at this stage, to provide a final response. Nonetheless, **the delegation of Zimbabwe** has apparently decided to be pro-active on that issue and **has established its own priorities regarding the type of projects that should be supported by the line** in Zimbabwe. An information note aimed at local civil society organizations informs them about the publication of the call (reminding them that they must find a European partner that will submit the application) and about the fact that, in Zimbabwe, priority will be given to two types of actions: those having a HIV/AIDS components (the EC Delegation requires **ALL** proposals to include specific responses to issues raised by HIV/AIDS) and those that will assist recovery and longer-term development in the sectors of food security and rural development.

It would of course be interesting to know whether other delegations followed this example and how these specific priorities for Zimbabwe will be taken into account in the Brussels-based selection process (that of course has to take account of the opinion of the delegation).

Information note from the Delegation in Harare is available on request from k.sohet@aprodev.net

OTHER NEWS FROM THE EU

The first draft articles of the Convention have been published, debate on the competences of the EU on Development aid

At the meeting organized on 31 January on the Convention and the future of EU development policy a series of concerns regarding the subordination of EU development policy to foreign affairs and trade objectives have been raised by NGOs, Commission high officials and Member States representatives. All participants criticised the report of the Convention working group on External Action. Koos Richelle, Director General for Development at the European Commission, referred to Presidium proposals to effectively abolish the European Community's 'shared competency' in many areas of development cooperation. Under these proposals, the Commission would continue to negotiate trade relations with developing countries whilst having no role in broader development cooperation, such as through aid programmes. This would not only undermine the progressive efforts of the Commission to coordinate rises in Member State aid levels, but would also make a nonsense of EU efforts to increase coherence in its dealings with poor countries as promised under the Maastricht Treaty.

Sally Keeble, UK Junior Minister for Development said: *"development co-operation should remain a specific policy area, it must not become a political tool for foreign*

policy." NGOs and government representatives agreed that narrow vision of development and humanitarian assistance as a means to political ends would undermine the EU's credibility as a global development actor. Mr Van Hecken, Chef De Cabinet of Belgian Ministry for Development said: "*The Convention report on external actions justifies our worst fears.*"

Since that meeting, the Praesidium published the draft articles 1 to 16 of the future Constitutional Treaty, listing, among others, the objectives and the competences of the future Union.

In the article 3 on the Union's objectives, one can read: *In defending Europe's independence and interests, the Union shall seek to advance its values in the wider world. It shall contribute to the sustainable development of the earth, solidarity and mutual respect among peoples, eradication of poverty and protection of children's rights, strict observance of internationally accepted legal commitments, and peace between States.*

Article 11 to 13 determine the different categories of the Union's competences. The key factor in establishing those categories is the extent of the legislative competence conferred on the Union in relation to that of the Member States, according to whether such competence is conferred on the Union alone (exclusive competence, e.g. common commercial policy) or shared between the Union and the Member States (shared competence, e.g. agriculture, environment, development cooperation), or whether it continues to lie with the Member States (areas for supporting action, e.g. employment, culture).

Development cooperation comes under article 12 on shared competences and is subject to the specific following paragraph:

In the areas of development cooperation and humanitarian aid, the Union shall have competence to take action and conduct a common policy; however, the exercise of that competence may not result in Member States being prevented from exercising their competence.

The areas of development cooperation appears in a separate paragraph to indicate that even though the Union exercises its competence in these areas exhaustively, Member States still retain their competences and the Constitution does not envisage the abolition of national programmes.

Sources: [BOND \(UK Platform of NGOs\) EU Update, January 2003.](#)

And official website of the Convention:

<http://european-convention.eu.int/bienvenue.asp?lang=EN&Content=>

NEWS FROM THE NETWORKS

CONCORD, the new EU NGOs umbrella organisation

The last general Assembly of the CLONG and the first general Assembly of CONCORD took place on the same day on 31 January in Brussels and were followed by a party (reception) offered by the Belgian government.

CONCORD the new NGO umbrella organisation in the EU is enlarged to integrate the fifteen national platforms of the present EU Members States, three national platforms of future Member States (Slovakia, Malta and Czech Republic), 9 Europe wide networks (Aprodev, Caritas, Cidse, EuronAid, Eurostep, WIDE, Solidar, Eurodad and Voice) and 4 family bodies (World Vision, Action Aid, Save the Children and Terre des Hommes) that will represent a total of around 1200 NGOs.

The first Assembly of CONCORD has elected a president, Frans Polman from CORDAID (NL) and 9 board members among the 15 candidates proposed by national platforms or networks:

Elke Rusteberg (German Platform)
Jean-Louis Vielajus (French Platform)
Carol Rask (Aprodev – from DCA, Dk)
Bart Bode (CIDSE – from Broederlijk Delen, B)
Claudia Bonk (Austrian Platform)
Justin Kilcullen (Irish Platform – Trocaire)
Jan Plesinger (Czech Republic)
Niels Tofte (Danish Platform)
Giampiero Alhadeff (Solidar)

In addition to the board that is the main governing body, the institutional structures of CONCORD will include a Consultative Assembly and a Communication and Coordination Forum (a sort of Convenors forum that brings together, under the Board, the chairs/convenors of the major working groups and staff).

A series of working group will implement CONCORD work programme:

Core Groups under the full responsibility and coordination of CONCORD:

Development and Humanitarian Financing / Development Education / Presidencies

Thematic Groups convened and coordinated by lead agencies:

Conotou (Eurostep) / Trade (Cidse) / Financing for Development (Eurodad) / Food Security (EuroAid) / Humanitarian Issues (VOICE).

The political agenda of CONCORD for the coming years will cover:

Active policy influencing to achieve 0,7 % of GNP for Development Aid.

To reformulate the role of the Northern NGOs towards their Southern Partners.

To establish serious partnership with the European Institutions.

To elaborate mechanism to improve legitimacy, representation and quality.

To watch the maintenance of European responsibility toward the South in the process of Enlargement and the Reform of the European Governance.

[An information package on CONCORD is available on request from k.sohet@aprodev.net](mailto:k.sohet@aprodev.net)

Statements on the war against Iraq

Church leaders united against war in Iraq: press release from WCC, extract: *We further caution against the potential social, cultural, and religious as well as diplomatic long-term consequences of such a war. Further fuelling the fires of violence that are already consuming the region will only exacerbate intense hatred strengthening extremist ideologies and breeding further global instability and insecurity. As church leaders in Europe we have a moral and pastoral responsibility to challenge xenophobia in our own countries as well as allay the fears of many in the Muslim world, that the so called Western Christianity is against their culture, religion and values. We should seek co-operation for peace, justice and human dignity.*

Caritas Europa and **CIDSE** published statements and press releases on the issue: ‘*Caritas Europa still hopes for peace while preparing for the unthinkable*’ – ‘*CIDSE says no to War against Iraq*’

The **three main German NGOs linked to the Roman Catholic and Protestant Churches**, EED, BFDW and Misereor also published a joint statement: ‘Say no to war’.

All statements are available on the websites of the organisations mentioned or from their respective secretariats.

Appointment

Denise Auclair, has been appointed by CIDSE and Caritas Europa in replacement of Flaminia Macchia, EU Development Policy officer, during her maternity leave.

On the agenda

- **17 February in Brussels:** Special meeting for all managers of member organisations of Caritas Europa on the family partnership agreement with ECHO (APRODEV will also attend the meeting as observer).
- **19 to 21 February in Geneva:** Farmers, Food and Trade, a Hearing on the draft review of the WTO Agreement on Agriculture co-organised by APRODEV, CIDSE and hosted by WCC.
- **21 February afternoon in Geneva:** meeting of EU members of the Ecumenical Advocacy Alliance for a strategy session on the Global Trade Campaign.