

Brussels, 21 May 2008

BACKGROUND¹ <u>DEVELOPMENT COOPERATION ISSUES</u>²

to be discussed by the GENERAL AFFAIRS and EXTERNAL RELATIONS COUNCIL on **26-27 May in Brussels**

Discussions in the development segment of the May GAERC will revolve around three main issues:

- The role of the EU as a global partner for development;
- The negotiation and implementation of economic partnership agreements with ACP countries and regions;
- Rights of the child in development cooperation and humanitarian aid.

The EU as a global partner for development

This year marks the halfway point for achieving the UN's millennium development goals (MDGs)³. As a global partner for development, the EU will continue to play its leading role in collective efforts. The Council will take stock and examine various interrelated issues in order to hone the EU's contribution.

In light of progress made in some countries and areas, the Council will likely convey the message that all MDGs can still be attained in all regions of the world, provided that concerted action is taken immediately and in a sustained way until 2015. However, it will express concern at the trend in many countries and regions, in particular sub-Saharan Africa, in terms of under-achievement.

This note has been drawn up under the responsibility of the press office

General background information on the Council's work on development policy can be found on the Council's website: www.consilium.europa.eu (click "Development and Trade")

Established by world leaders at the millennium summit in September 2000. Eight goals to be reached by 2015.

The Council will also seize the occasion the emphasise the leading role played by the EU as the world's largest donor and call for an ambitious action-oriented response before, during and after a number of key events to be held in the second half of this year: the 3rd OECD-DAC high-level forum on aid effectiveness (HLF-3, Accra, 2-4 September), the UN high-level event on the MDGs (New York, 25 September) and the UN international conference on financing for development (Doha, 29 November-2 December).

In particular:

- The Council will examine how the achievement of the MDGs can be accelerated. With seven years remaining to meet them, strong political commitments made by governments need to be reconfirmed, sound policies need to be adopted, investment strategies need to be stimulated and increasing domestic resources as well as international support need to be galvanised.
- The Council will take stock of progress towards its long-term financial commitment to scale up the EU's development aid. With a view to the Doha Conference, the Council is likely to reaffirm the EU's commitment to the ensure implementation and maintain the integrity of the Monterrey Consensus⁴.
- The Council will discuss how to hasten the pace of reforms to increase the effectiveness of the EU's aid, particularly with a view to the Accra HLF-3. While commending the progress made since the adoption of the Paris declaration in 2005, the Council will likely recognise that progress in the field is still too slow and fragmented and that more efforts are needed, particularly in speeding up and improving systematic implementation in key areas such as the division of labour, the predictability of aid, use of country systems, and mutual accountability for results.
- Implementation of the 2007 EU strategy on aid for trade will be examined from both a quantitative and a qualitative perspective: in particular, it should be fully coherent with the principles of the 2005 OECD Paris declaration⁵ and the 2007 EU code of conduct on complementarity and the division of labour in development policy, and should respond to partner countries' own trade- and development-related priorities in the context of poverty reduction strategies and national development plans.
- Synergies and coherence between European policies in efforts towards achieving the MDGs will be developed with regard to climate change, biofuels, migration and research (policy coherence for development).

Adopted by world leaders at the UN international conference on financing for development in March 2002, the Monterrey Consensus is a major reference for international development cooperation.

Issued by ministers in March 2005, the Paris declaration is an international agreement aimed at improving harmonisation, alignment and management of development aid.

- The Council will also address two new challenges for development and the MDGs: climate change and food prices. The Council will give an impulse to implementation of the 2007 global climate change alliance between the EU and poor developing countries, and will examine the short-, medium- and long-term dimensions of the EU's collective response to rising food prices, from a development and humanitarian assistance perspective.

The Council will be invited to adopt conclusions covering all these elements.

Economic partnership agreements

The Council will take stock of the EPA negotiation and implementation process, after the initialling of one regional EPA with Cariforum and interim agreements with several other ACP regions.

Believing EPAs to have the potential to play a key role in accompanying and supporting regional integration and in promoting development, the Council will draw conclusions with pragmatic recommendations aimed at effective conclusion of the negotiations. EPAs need to build upon, foster and support existing regional integration processes, and the conclusions are likely to reaffirm this. Whilst acknowledging that, with varying levels of existing regional integration across ACP regions, the scope of an EPA may also differ from one region to another.

The Council will debate the adjustments and reforms that regional integration and EPAs may entail in ACP economies and policies. In order for ACP regions, countries and local communities to reap the benefits of EPAs and regional integration, these processes will be accompanied by EU development assistance, including trade-related assistance that the EU is committed to increasing to EUR 2 billion annually by 2010.

The Council will also be eager to reaffirm the importance of an appropriate monitoring system assessing development and trade impacts as well as progress in implementation, whilst allowing the consultation of stakeholders. The institutional set-up of EPAs, which will be both inclusive and flexible, should ensure adequate synergies with the institutions set up under the Cotonou agreement, which remains the framework for relations between the ACP and the EU.

Finally, whilst underlining the importance of an ongoing dialogue on EPAs, at national, regional as well as all-ACP level, the Council will clear the ground for discussions at the forthcoming meeting of the ACP-EU Council of Ministers in Addis Ababa on 12-13 June.

Rights of the child in development cooperation and humanitarian aid

The rights of the child are at the heart of the presidency's priorities. Apart from their undeniable human rights dimension, rights of the child are also closely linked to development activities under the MDG agenda. The rights, well-being and successful development of children impact directly on progress towards achieving the MDGs. Promoting and protecting of the rights of the child, including through development cooperation, is therefore essential in the context of the MDGs. The Council is expected to provide guidance with a view to improving the effective mainstreaming of the rights of the child across EU development cooperation tools.

The Council will also pay special attention to the needs of children in emergency situations. Children are disproportionately affected by humanitarian crises, as shown by recent events in Myanmar and China. The Council will recall that response to these situations requires effective and rapid interventions to address vital needs, in accordance with the European "consensus on humanitarian aid", whilst establishing conditions and links for longer-term development policies and access to basic services. The Council will pay special attention to the issue of separated and unaccompanied children and that of children's education in emergencies.

Furthermore, the Council will address the issue of particularly vulnerable groups of children, the specific rights and needs of girls and boys, and the forms of violence and exploitation they may be exposed to. Finally, the importance of systematically linking relief, rehabilitation and development will be highlighted.

The presidency intends to hold a discussion on these issues, and for the Council to adopt conclusions.

Commodities

Within the context of commodity price developments and poverty reduction, the Council will be called on to adopt conclusions on the EU's action plan on agricultural commodity chains, dependence and poverty, and on the EU-Africa partnership in support of cotton sector development.

In the light of the market developments and the current challenges faced by poor commodity-dependent countries, the Council will call on both the Commission and the member states to follow a coordinated and proactive approach in addressing these new challenges, with a special emphasis on the need to enhance synergies and coherence between trade, development, environmental and social issues and policies.

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