

How bad does a crisis need to be? Aid budget increases in MFF deal are simply not enough

CONCORD reaction to political agreement on EU multi-annual budget (MFF)

Brussels, 11 November 2020 - In what has been termed by some as a “historic” moment, EU leaders from the European Parliament and Council finally struck a deal on Tuesday on the EU’s next seven-year budget. This follows months of protracted and difficult negotiations in which the European Parliament put pressure on Member States to come up trumps with enough money to contribute to addressing the global challenges the world faces.

However, while everyone is breathing a collective sigh of relief that this key stage is finally achieved, opinions differ as to whether the glass is half empty or half full. The international development aid in this budget is an essential tool to support EU partner countries and communities to achieve the Sustainable Development Goals (SDGs). CONCORD, the Confederation of development and relief NGOs, has been following the negotiations on the Multiannual Financial Framework for more than three years. And in our opinion, the glass is half empty: the additional money allocated does not go far enough to reverse the deep cuts to the aid budget agreed by Member States in July. These cuts send an alarming signal about European solidarity with the rest of the world.

Commenting on the political agreement reached between the two sides as regards the coronavirus recovery package and the Neighbourhood, Development and International Cooperation Instrument (NDICI), Tanya Cox, CONCORD’s Director said: *“We welcome the additional €1bn for the NDICI. But we’re disappointed that yet again the opportunity to strengthen the EU’s global response to COVID-19 through the NDICI was lost. How big does a crisis have to be before leaders truly understand what building back better means and the financial effort that that implies?”*

In effect, while the European Parliament and Council have agreed to increase the NDICI budget with reshuffled funds, this money will go into the European Fund for Sustainable Development - an investment support instrument with mixed results at best. As we are entering the Decade of Action to achieve the SDGs, and with the setbacks caused by the COVID-19 pandemic, efforts need to be massively stepped up. Inequalities, already dangerously high before the pandemic struck, have widened even further.

“With civil society space shrinking before our eyes during this pandemic, fresh money could have gone much farther in the form of direct support for human rights and for people’s livelihoods, health and education around the world. This is key to addressing inequalities and leaving no one behind. We ask that this money be re-allocated within the NDICI”, Céline Gierdda of CONCORD Sweden said.

The cuts hamper the EU’s ability to tackle the global crises that hit partner countries and marginalised groups the hardest. To tackle these crises, the next decade must be a period of unprecedented international cooperation and action on the Sustainable Development Goals and the Paris Agreement. Further delay in support from the EU in 2021 will not help. Despite our disappointment regarding insufficient additional funding, CONCORD urges Member States and the European Parliament to confirm this package quickly.

With agreement on the overall envelopes within the MFF in sight, CONCORD now asks that the allocations within the NDICI be re-balanced in the ongoing trilogues. [Civil society organisations call](#) for its thematic budget lines to be strengthened. The programmes supported by those lines are

crucial to support key areas relevant to COVID-19 response and recovery and democracy and human rights.

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- [CONCORD](#) is the European Confederation of relief and development NGOs, made up of 28 national associations, 23 international networks and 4 associate members that represent over 2.600 NGOs, supported by millions of citizens across Europe.
- The political agreement reached on Tuesday 10 November by the German EU Presidency of the Council with the European Parliament rapporteurs on the Multiannual Financial Framework package foresees €1bn additional funds for the Neighbourhood, Development and International Cooperation Instrument. This brings the figure for this instrument to €71.8 bn in 2018 prices almost the same figure as the current MFF, nearly €7bn below the Commission's original proposal in 2018 and €15bn below its revised proposal in light of COVID in May 2020.
- The additional €1bn in the agreement is identified as 'from reflows from the European Development Fund'. This is understood to mean from the ACP investment facility, to flow into the EFSD+. The EFSD+ is the financing arm of a reinforced External Investment Plan, a tool for promoting investments and economic stability. In September 2020, the [Court of Auditors said](#) the capacity of the EFSD+ to mobilise additional investment is 'insufficiently reliable and could be overestimated'.

NATIONAL PLATFORMS	 Global Responsibility Austrian Platform for Development and Humanitarian Aid	 BELGISCH PLATFORM PLATE-FORME BELGE CONCORD CICOD-11.11.11 11.11.11 ACODEV ega-België/la	 BPID Bulgarian Platform for International Development	 Platforma za međunarodnu građansku solidarnost Hrvatska – Croatian Platform for International Citizens Solidarity CROSOL	 CYINDEP Cyprus Island wide NGO Development Platform	 FORS
 GLOBAL FOCUS Danish CNR for Development Cooperation	 AKÜ	 fingo	 COORDINATION SUD	 VENRO ASSOCIATION OF GERMAN DEVELOPMENT AND HUMANITARIAN AID NGOs	 Hellenic Platform for Development	 HAND
 Dochas The Irish Association of Non-Governmental Development Organisations	 Network of NGOs in Europe for the relief of emergency CONCORD ITALIA	 LAPAS WWW.LAPAS.LV	 LITHUANIAN NATIONAL NON-GOVERNMENTAL DEVELOPMENT COOPERATION ORGANISATIONS' PLATFORM LITDEA	 Cercle de coopération des ONGD DU LUXEMBOURG	 SKOP Solidarjeta u Koperazjoni	 PARTOS
 ZAGRANICA	 ONGD PLATAFORMA PORTUGUESA	 FOND Národná Organizácia Neprofitných spoločností vo Španielsku	 Ambrela Platforma for Development Organisations	 SLOGA SLOVENIAN GLOBAL ACTION	 COORDINADORA ESPAÑA	 CONCORD
 bond	NETWORKS	 actalliance eu Formerly APRODEV	 act:onaid	 ADRA	 care	 caritas europa
 cbm together we can do more	 ChildFund Alliance	 CIDSE together for global justice	 eucord European Union Organisations for Relief and Development	 GNDR Global Network of Civil Society Organisations for Disaster Reduction	 Habitat for Humanity Europe, Middle East and Africa	 humanity & inclusion
 IPPF International Planned Parenthood Federation European Network	 ISLAMIC RELIEF	 LIGHT FOR THE WORLD	 OXFAM International	 PLAN INTERNATIONAL	 Save the Children	 Sightsavers
 solidar	 SOS CHILDREN'S VILLAGES INTERNATIONAL	 Terre des Hommes International Federation	 wecf	 World Vision	 WWF	ASSOCIATE MEMBERS
 ALDA European Association for Local Democracy	 ea ea EUROPEAN ASSOCIATION FOR THE EDUCATION OF ADULTS	 EUROPEAN PARTNERSHIP FOR DEMOCRACY	 NRC NORWEGIAN REFUGEE COUNCIL			