PART 1
EMBEDDED IN A POLITICAL REALITY

The period of the 2014-2020 MFF will cover notably the 2015 deadline for the achievement of the Millennium Development Goals (MDGs) and the EU’s own target to spend, collectively, 0.7% of GNI on development aid. It was negotiated while EU actors were participating in global discussions on development effectiveness (in Busan in 2011), future financing for development (for example at the Development Assistance Committee of the Organisation for Economic Cooperation and Development – OECD DAC) and the post-2015 agenda (with global consultations run by the United Nations).

After a thorough analysis of the negotiations and main outcome documents of the MFF at the political level – namely, the European Council conclusions of February 2013, the draft MFF regulation and the draft Interinstitutional Agreement – CONCORD recommends the following:
That EU Member States should stick to their respective 0.7% and 0.33% ODA/GNI commitments and should recognise the role of the EU budget in helping them reach their targets. Accordingly, there should be no reshuffle to non-ODA funds, or any cuts to proposed payment appropriations under Heading 4, the EDF or the EAR during annual budget processes (as suggested by Council during the budget 2014 process) or the MFF review in 2016.

The principle of policy coherence for development (PCD) should be implemented through the MFF, in line with the 2009 Lisbon Treaty. As various internal and external EU policies have a negative impact on the EU’s partner countries and on the eradication of extreme poverty in general, there should be a reference to PCD, and a budget allocated to it, under each heading in the MFF.

EU institutional power-sharing agreements and decision-making procedures should not adversely affect the implementation or design of development programmes, or the programmes’ beneficiaries in the EU’s partner countries. The EU institutions should adhere to the principles of aid effectiveness, transparency and accountability, and democratic ownership.

MEPs who champion development should ensure that their party election manifestos include adequate development financing and a development policy framework aimed at the eradication of poverty, especially in view of recent media articles suggesting that after 2014 there could be a more extreme right-wing European Parliament (EP). The newly elected EP must ensure that the EU honours its international commitments and recognises the added value of EU development assistance.

The President of the Commission, the Commissioner for Development and the HR/VP should play a supportive role when EU development assistance comes under threat in the future, in particular during the annual budget procedures and the MFF review.

The EP, Member States and civil society in the EU should hold the Commission to account and request regular reporting on the 90% benchmark for ODA eligibility (for example as part of DG DEVCO’s Annual Reports or the EU’s Annual Reports on Financing for Development).

The Council Conclusions on post-2015 financing – due in December 2013, and based on the Commission Communication – must add a reference to the importance of the 2014-2020 EU aid budget in financing the global fight against poverty, improving sustainability and increasing equality between and among peoples and countries after 2015, thereby establishing a link with the post-2015 process.

The EU institutions must ensure that the promised new and additional funds for climate finance are over and above aid commitments, are monitored effectively and are reported transparently.

Civil society organisations should maintain pressure on governments and increase the awareness of citizens so that they understand and support the necessity for EU development assistance even, and especially, in times of crisis.
PART 2
WHICH INSTRUMENTS AND PROGRAMMES WILL DELIVER ON THE EU’S DEVELOPMENT COOPERATION COMMITMENTS?

While its real impact on the MFF, EDF and DCI documents will become evident only after they have been implemented for a few years, it is already clear that the Agenda for Change policy has been amply reflected in relevant regulations and programming documents. Other international and EU commitments, in particular with regard to human rights and gender equality, have been rather neglected, while there has been a strong focus on the implementation of the major EU development effectiveness principles agreed in 2011. CONCORD therefore recommends the following for the implementation of EU aid programmes in 2014-2020:

Differentiation: The Commission and EEAS need to engage in a country dialogue, with local civil society and other donors present, in order to identify tailor-made alternatives for those countries that will no longer benefit from bilateral DCI funding and to decide jointly on the best phasing-out approach. It is important to recognise that there are still large areas of inequality in these partner countries, and there are still commitments to achieve the MDGs. In ACP countries, the “differentiation in volume” approach must be implemented in consultation with civil society organisations to ensure that the poorest people in the ACP’s MICs are not left behind, and that the DCI’s thematic programmes, and the EDF envelopes for CSOs, will attempt to fill the gap.

Financing for development: The EU and its Member States need to stick to their 0.7% GNI/ODA targets, with a particular watchdog and awareness-raising role for CSOs and the European Parliament to ensure that development aid will not actually decrease in the course of the MFF. The EU institutions and the Member States must ensure that the so-called “DAC-ability” target of 90% ODA will be met, and to avoid a further inflation of aid they need to engage in international processes around the redefinition of ODA.

Role of civil society: CSOs must continue to play their important role in making the link between the EU’s political and policy levels and the everyday reality for people living in developing countries. They should also engage further in multi-stakeholder dialogues during the implementation of EU programmes, in particular to debate jointly the use of new aid modalities and ensure that their views are taken into account by the EU institutions. The Commission needs to ensure an appropriate mix of funding modalities, including broadly accessible support for civil society through calls for proposals under the new global public goods and challenges (GPGC) programme, the pan-African programme and the CSO-LA programme. Any decision to align EU priorities to national development plans must make it a condition that CSOs are involved in the formulation of such documents, while joint programming exercises must be transparent and must include local CSOs.
EU BUDGET 2014-2020: FIT FOR THE FIGHT AGAINST GLOBAL POVERTY?

Role of the private sector: Before developing the mechanism for blending loans and grants any further, the EU needs to take a serious look at the transparency and accountability mechanisms of existing blending facilities. This involves consulting CSOs, and making sure that EU development objectives and policy coherence for development are the main focus, and that a full and independent review of these blending facilities is in place. It should moreover be ensured that support for the private sector is focused primarily on local private-sector enterprises. Before the implementation phase begins, the Commission therefore needs to clarify in more detail how private-sector involvement will work in the future, *inter alia* via an official communication.

Development effectiveness: The EU needs to take a leading role in the new Global Partnership for Effective Development Cooperation and its Busan Monitoring Framework, in order to translate rhetoric into reality and ensure that the global community delivers on the international development commitments it has made.

Post-2015: All future funding streams and programming must be able to reflect the likely outcomes of post-2015 negotiations; and while these cannot be fully predicted now, the issues that are likely to be covered are clear. Flexibility will be needed to reflect new ideas and agreements on how best to address the issues of equality, inclusive growth, and the multidimensional nature of poverty.

HRBA and gender: While respecting partner countries’ ownership and national priorities, the EU institutions should promote common values by highlighting the importance of focusing on the sectors where EU assistance can have the greatest impact. As stated in the European Consensus on Development, these common values include human rights and gender equality. The EU must live up to its own commitments in the EU Plan of Action on Gender when programming and implementing all its external instruments, which should be designed and implemented in accordance with the principles of the UN Common Understanding on a Human Rights-Based Approach to development.

Health and basic education: The EU must earmark at least 20% of all EU aid for health and basic education, including in the EDF and all DCI programmes. The data collected by EU delegations with regard to this benchmark should be made publicly available, *inter alia* by including it in the Commission’s annual reports on financing for development and on its development cooperation activities.

Africa-EU relations: The DCI’s Pan-African Programme should be developed in an inclusive consultation process, involving civil society, the African Union and other African stakeholders, and it should support the priorities jointly agreed by EU and African partners under the framework of the Joint Africa-EU Strategy (JAES). It should moreover include a specific funding envelope to support the activities of civil society organisations on both continents.